The Senate met at 9:30 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:

Lord God almighty! Heaven and Earth are filled with Your glory. Praise and honor be to You, Lord most high. Lord of all creation, re-create our hearts to love You above all. Ruler of the universe, rule in us. Lord of our Nation, we invite You to live in us as our personal Lord. Architect of history, guide the vital page in history that will be written today.

As we prepare for the Memorial Day recess and, at the same time, seek to complete all of the votes on the budget resolution, we realize how closely these two things are intertwined. Help us to see the implications of honoring those who gave their lives in just wars, and the arduous task of honing the budget further to enable Your priorities for our Nation. Sovereign Lord, reign in this Chamber and in our hearts and minds today so that what is decided will reflect Your will and how we work together will reflect Your presence. Grant the Senators renewed strength and resilient determination to finish well. May the shortness of life here on Earth and the length of eternity free them to do their best today as an expression of love to You and gratitude to those who paid the supreme price that this Senate could fulfill its calling of leading this Nation for which they died. Lord God of Hosts, be with us yet, lest we forget, lest we forget. In the name of the Resurrection and Life. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The President pro tempore. The able acting majority leader is recognized.

Mr. DOMENICI. Thank you very much, Mr. President. I hope you are feeling well this morning, Mr. President.

The President pro tempore. Fine.

Mr. DOMENICI. I am feeling well also because we are getting close to completion. If we could finish by 12:30 or so, I will feel even better.

The President pro tempore. You are doing a good job.

Mr. DOMENICI. None of that is supposed to occur in the Senate, but isn’t that nice, that we could do that.

SCHEDULE

Mr. DOMENICI. For the information of all Senators, today the Senate will immediately resume consideration of Senate Concurrent Resolution 27, the first concurrent budget resolution. Under the previous order, all time is expired and the Senate will begin a lengthy series of rollcall votes on or in relation to the remaining pending amendments that are in order to the resolution. Therefore, Senators can expect to begin voting on numerous stacked votes momentarily. Senators are asked to remain in the Chamber and in their seats, if possible, to expedite this process.

Again, all Members should be on the floor to begin this series of votes. After final passage of the budget resolution, it is the intention of the majority leader that the Senate consider the CWC implementation bill under the previous order, the supplemental appropriation bill, if the House completes action, and any nominations that have been cleared for action.

I thank my colleagues for their attention.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOMENICI. Mr. President, I ask unanimous consent that all remaining votes in the stacked sequence after the first amendment, the McCain amendment, be limited to 10 minutes each; and, further, there be 2 minutes of debate, equally divided in the usual form, for each vote.

The President pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The President pro tempore. Under the previous order, the leadership time is reserved.

CONCURRENT RESOLUTION ON THE BUDGET

The President pro tempore. The Senate will now resume consideration of Senate Concurrent Resolution 27, the first concurrent budget resolution. Under the previous order, all time is expired and the Senate will begin a lengthy series of rollcall votes on or in relation to the remaining pending amendments that are in order to the resolution. Therefore, Senators can expect to begin voting on numerous stacked votes momentarily. Senators are asked to remain in the Chamber and in their seats, if possible, to expedite this process.

A concurrent resolution (S. Con. Res. 27) setting forth the congressional budget for

The Senate resumed consideration of the concurrent resolution.

Pending:
Kerry amendment No. 309, to allocate funds for special education programs for children ages zero to six.
Dorgan amendment No. 310, to express the sense of the Senate that the Congress should continue efforts to reduce the on-budget deficit without counting Social Security surpluses.
Weisbrod amendment numbered 313, to provide for increases in funding for Head Start and Early Start, child nutrition programs, and school construction, which will be paid for by reducing tax benefits for the top 2 percent of tax filers in the United States as well as by reducing tax benefits that are characterized as corporate welfare or tax loopholes.
Weisbrod amendment No. 314, to provide that Pell Grants for needy students should be increased.
Abraham amendment No. 316, to express the sense of the Senate that, to the extent that future revenues exceed the revenue aggregates, those additional revenues should be reserved for deficit reduction and tax cuts only.
Gramm amendment No. 319, to ensure that the discretionary limits provided in the budget resolution apply in all years.
McCain-Hollings amendment No. 326, to express the sense of the Senate that the Congress shall take such steps as necessary to reconcile the difference between actual revenue raised and estimates made and shall reduce spending accordingly if Spectrum Auctions raise less revenue than projected.
McCain-Hollings amendment No. 327, to express the sense of the Senate with respect to certain highway demonstration projects.
Lautenberg (for Moseley-Braun) amendment No. 334, to express the sense of the Senate regarding the value of the Social Security system for future retirees.
Specter amendment No. 338, to provide for a reduction in mandatory spending and an increase in discretionary spending relating to children’s health.
Specter amendment No. 339, to provide for a reduction in mandatory spending and an increase in discretionary spending relating to children’s health.
Specter amendment No. 340, to restore funding for discretionary health function to maintain progress in medical research, offset by reductions in Federal agency administrative costs.
Domenici (for Gramm) amendment No. 346, to require that the $225 billion CBO revenue receipt windfall be used for deficit reduction and tax relief, and that non-defense discretionary spending be kept at a freeze baseline level.
Domenici (for Coverdell) amendment No. 347, to provide for parental involvement in prevention of drug use by children.
Domenici (for Snowe-Coverdell) amendment No. 349, to express the sense of the Senate relative to higher education tax relief and highway investment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, would the Senator from Arizona yield for one moment? There are 11 first-degree amendments and final passage votes that could occur today. If everybody asks for a vote, that means we could have 15 votes. Senator MCCAIN. At an average of 15 minutes a vote, even though we said 10, it would be at least 4 hours of voting.
I think we can do better. I think at least half of these amendments can be voice-voted, cutting the 4 hours to 2. We will try our best to see if the proponents will accept voice votes. I hope we can encourage Senators not to demand a vote.
I thank Senator McCAIN, who I am just told will take a voice vote on amendment No. 327. During this first vote, staff will try to determine which ones can be voice-voted.
I yield the floor to Senator McCAIN.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

AMENDMENT NO. 326

Mr. MCCAIN. I call up amendment No. 326, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senate agreed to the amendment proposed by Senator MCCAIN, for himself and Mr. HOLLINGS, proposes an amendment numbered 326.

(The text of the amendment is printed in the RECORD of May 21, 1997)

Mr. MCCAIN. I call on Senator MCCAIN for 10 seconds.

Mr. BURNS. Madam President, on this amendment, I am heartily supporting this, especially because not supporting the amendment would be irrational, knowing that the blueprint is in front of us that spectrum does not have the value that is put into this bill. If, so, if we have a track record that proves that it does not, it is outrageous that we would accept the figures in this budget.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, it is important, as the Senator from Montana said, that we be on record on this issue because there are three pertinent facts that we cannot forget here. Over the last year, the FCC auction of the spectrum has raised $683 million. That auction raised $683 million.

Similarly, the auction of digital broadcast satellite spectrum was estimated to generate approximately $225 billion.

Determining the value of spectrum in advance of an auction is very difficult, and not something the Commission ordinarily does.

One of the benefits of the auction is that the value of spectrum is not determined by government, but by a marketplace in which businesses have actual plans to develop and use spectrum. The value of any block of spectrum in the market thus depends on a number of factors, including the location of the spectrum, its technical characteristics, the amount of spectrum to be assigned with each link of the spectrum, the availability of spectrum, and whether the Commission ordinarily does.

Similarly, the spectrum auction estimates, however, have been very high. The recent auction of wireless communications spectrum, which we estimated in
August of 1996 would generate $3 billion, raised only $14 million.

All these estimates were based on information provided by a cross-section of experts, including telecom providers, the financial community, and the FCC and NTIA—agencies in this area. I don’t fault their expertise, nor am I suggesting that spectrum isn’t a valuable commodity and shouldn’t be auctioned. To the contrary, it is an extremely valuable natural resource, owned by the public, and allocation should take place in a fashion that is fair and equitable.

What I am saying, however, is that just because auctions assign spectrum efficiently to its most valued use does not mean that they can be guaranteed to produce a certain dollar figure. They are not, and were never intended to be, the functional equivalent of cash machines. They function as a component of the free market and therefore are subject to great highs and lows.

As Chairman Hundt recognizes, it is improper to attempt to reliably predict the value that a given block of spectrum is likely to bring at auction. Despite this fact, however, this budget places substantial reliance on these inherently unreliable predictions of spectrum auction revenues to balance the budget.

Here are my specific concerns with the spectrum auction budget assumptions:

Pricing revenues from auctioning 100 MHz of spectrum formerly used by broadcasters for electronic news gathering are estimated to total $9.7 billion between 1998 and 2002. This estimate is based on the spectrum being roughly comparable in potential usefulness to the lucrative PCS spectrum. Now, however, FCC and NTIA say that this spectrum is not comparable to PCS spectrum because it’s already occupied and not suitable for a wide range of potential uses. Thus, a critical element in estimating the spectrum’s $9.7 billion value is not accurate.

Second, another $6 billion is estimated to come from the auction of spectrum left over from the reallocation ordered in 1993, plus the auction of new spectrum at now-available higher frequencies. The problems here are that the leftover 1993 spectrum, standing alone, isn’t expected to generate all that much, and nobody yet knows precisely what the new high-frequency spectrum is usable for. Thus, what anybody might be expected to bid for it is, at best, a guess. Technology may prove us wrong. But no companies, based on current technology—are clamoring for this spectrum.

Third, $5.4 billion more is estimated to come from the auction of analog broadcast channels in the year 2002—even though most of these channels won’t even be available for use until 2006. That’s tantamount to speculating in spectrum futures.

Moreover, given the broadcasters’ vehement objections to being required to give the channels back by 2006 or any other date, we simply cannot be sure when—if ever—these channels will actually be freed up. As Chairman Hundt correctly noted in his February 26 letter, when incumbent licensees are present, these licensees often have incentives to oppose the use of auctions to assign licenses in that band.

Thus, the value to bidders of essentially nonexistent channels has got to be seriously questioned.

Fourth, estimation of auction projections surrounding the comparatively modest $700 million estimated to come from auctioning so-called 888 telephone numbers are flawed. The $700 million estimate was made before these numbers began being handed out for free some time ago. Based on the quantity of numbers left to auction now, however, the probable revenue would be perhaps half the original $700 million estimate.

Fifth, the impact of these potentially flawed estimates is made worse by the large proportion of spectrum auction revenues that this budget scores in 2001 and 2002. Altogether 70 percent of the total spectrum auction revenues are called for to be generated during these 2 years. Indeed, these outyears that the most spectrum can be expected to be on the market, and the more spectrum you put on the market, the less you are likely to get for it—simple supply and demand.

Finally, there’s a potential problem with the $2 billion lump sum tied to broadcasters’ use of their digital TV channels for non-HDTV uses. This $2 billion represents about a 7-percent hit on the $30 billion television broadcast industry. I am not one to protect the broadcast industry, but I am concerned about this fee. In the past, Senator Dole and I had advocated auctioning the digital spectrum before it was given to the broadcasters. That auction alone is estimated to have raised between $20 to $70 million. However, we were unsuccessful and that spectrum was given free of charge to the broadcasters.

Madam President, balancing the budget is critically important to the future of our country’s economy, and spectrum auction revenues have been made critically important to balancing the budget. We must therefore be extremely concerned about the consideration accorded the FCC. The FCC is literally in a position of accurately predicting the amount of money spectrum auctions will generate, and we must have an insurance policy against the very real likelihood that these estimates will turn out to be too high.

Madam President, I hope this amendment will pass. Voting for it does not mean that Senators oppose the budget resolution itself. However, supporting this amendment does recognize that the auction numbers assumed in this resolution are subject may not produce the revenue noted and that therefore, the Congress may need to act on this matter in the future.

Mr. HOLLINGS. Madam President, I rise in support of the sense-of-the-Senate resolution. The resolution points out the unreliability of the budget resolution’s assumptions about future spectrum auctions. At issue here is the predictability of the entire budget itself. The budget assumes $32.3 billion from spectrum auctions by the year 2002. Such assumptions are not supported by the record. The only explanation is that the Budget Committee and the administration have crafted these assumptions out of thin air.

We are told by CBO that our budget problems can be solved by auctioning the spectrum. People around here continue to think spectrum is a canned good sitting on a shelf at the FCC. These budget numbers are absolutely irresponsible and CBO knows there is no justification for these estimations. Just look at the most recent auction that was held last month. Last fall, the budget negotiators fell short in their projections for auctioning a specific 30 MHz of spectrum. CBO told us the auction would yield $2.9 billion. The auction only yielded $13.1 million. Is this how you balance a budget?

I must remind the budget negotiators that the law requires the FCC to assign licenses to use the spectrum by auction and that the assignments shall not be based on revenue considerations. Every time the Congress mandates an auction as a budget offset we are violating our own law. And we are creating a specific frequency to be auctioned, we are micromanaging in an area we have no expertise in. The spectrum simply is not a canned good sitting on a shelf. Management of the public’s spectrum should not be determined on budget numbers.

Just look at the status of the market for start-up wireless companies. Wall Street is saying there is a glut in the marketplace. There is no financing available for the remaining block licensees. How can CBO possibly justify $26.3 billion when you look at the April auction in combination with the problems in the “C” block?

The FCC recently suspended the interest payments for several of the “C” block licensees because they were unable to meet their obligations to the Treasury. How can CBO justify $26.3 billion when “C” block licensees are going into bankruptcy and being bailed out by the FCC. Then every time we mandate a specific frequency to be auctioned, we are receiving any moneys from these auctions. Even the licensees, such as Nextwave, that violated the law are not being required to make payments. This is a complete disregard for the law. This is nothing more than an effort to prop up this charade that auctions are good.

Look at the case of Nextwave. This company bid several billions of dollars for licenses nationwide. When it came time to file complete documentation of the financial backing, the FCC found that this company was in violation of the foreign ownership limits of the Communications Act. To its credit, the

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FCC issued an order requiring Nextwave to divest itself of certain foreign financial commitments and come into compliance with the law. Now, several months later, Wall Street is still showing no confidence in these wireless ventures, so Nextwave has been unable to raise any capital.

So, what does the FCC do? The FCC could not afford another embarrassment on the heels of the April fiasco. So the FCC simply waves its previous order and says, don't worry Nextwave, you are in violation of the law but there are more important issues involved here—we must continue the charade that the auctions are working. How can an agency of this Government be so cavalier in its execution of the law? Is beyond me. Clearly, it pays to be perceived as being too big a player that the FCC cannot let the company go under.

Tell that to Rocky Mountain Solutions and Carolina PCS. Where was the FCC's consistency in applying the law here? Rocky Mountain Solutions and Carolina PCS were never suitably in their capital just as the other licensees. Were they in violation of the foreign ownership limits of the law? The answer is "no." Were they a small company and not perceived as a big player? The answer is "yes." Where's the consistency? The FCC held to a strict interpretation of their own auction rules—there was no statutory violation—in denying Rocky Mountain Solutions and Carolina PCS's request for more time. Why? When a large company violates the law, there is always a creative interpretation of the law in order to keep up the charade.

How can we have any confidence in the results of these auctions? News reports also indicate that the Department of Justice is investigating collusion and illegal bidding practices in some of the auctions. Obviously, some of the winning bidders think the auctions can be fixed as easily as the budget assumptions.

The Treasury is not going to get the money CBO had projected. The budget deal will not have access to an interest in this auction when the winning bidders will not have access to the spectrum for at least 4 years? What about possible delays that may occur from zoning ordinances and tower construction problems? In addition, there remains the question of whether there will be widespread demand for digital TV.

Auction of 36 MHz of spectrum from CH-60-69: This spectrum was originally set aside for the transition to HDTV. No one knows if the FCC plan will actually work. All we have if a computer model from the FCC. All indications are that the FCC's table of allocations will be challenged at the FCC and possibly in the courts. The budget deal will enshrine the FCC's plan before we know its implications and possibly overpay for the spectrum.

There is no evidence in the record to know its implications and possibly overpay for the spectrum. CBO staff has no basis to score this provision. There is no evidence in the record to show that the FCC's plan before we know its implications and possibly overpay for the spectrum.

Auction of additional 120 MHz: CBO assumes $9.7 billion but where's the spectrum coming from? How can they justify it when the recent auction raised only $13 million when CBO had scored it at $2.9 billion?

Auction 800 and 888 numbers: Here's a small business tax if you ever saw one. The administration's proposal is simply a quid pro quo. If companies will simply outbid all the small players and warehouse popular numbers. Furthermore, the FCC does not have sole jurisdiction required that a 14-point plan. The I-15/U.S. 95 Spaghetti Bowl Interchange in Las Vegas, one of the busiest interchanges, is one of the fastest growing areas in the United States was built with earmarked funding far more quickly than if it needed to go through a traditional funding process.

The I-15/U.S. 95 Spaghetti Bowl Interchange in Las Vegas, one of the busiest interchanges, is one of the fastest growing areas in the United States was built with earmarked funding far more quickly than if it needed to go through a traditional funding process.

Nevada's capital, Carson City, remains one of a handful of States in the United States that is not linked to the Interstate System.

Mr. MCCAIN. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. It is so ordered.

AMENDMENT NO. 327

Mr. MCCAIN. Madam President, I ask to call up amendment No. 327. The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. McCaskill], for himself and Mr. MACK, proposes an amendment numbered 327.

(The text of the amendment is printed in the RECORD of May 21, 1997.)

Mr. MCCAIN. Madam President, the amendment is very simple. It just says we will not have highway demonstration projects. The Senate is on record. I want to get the Senate on record again, and I will before we take up ISTEA. We have seen this very unseemly situation over in the other

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body, where tens of billions of dollars are special projects called highway demonstration projects, which are really only gauged by the influence of the Members of Congress as opposed to merit. I am very pleased that this body is opposed to highway demonstration projects and the Senate on record as reflecting that deal.

The amendment I offer today is co-sponsored by Senator MACK. My resolution states that Congress should not divert limited highway trust fund resources from the States to make choices on how to best use limited dollars to respond to their highest priorities. No new highway demonstration projects.

Some of us question the necessity of requiring State-collected gas taxes to be sent to Washington. I am one of those individuals. But that is an issue for another debate. Today, I want to focus on a clear abuse in the current highway funding distribution process.

ISTEA funds are governed by a statutory formula with a few limited exceptions. One major exception is funding for highway demonstration projects. It is this exception my amendment seeks to eliminate. This exception is neither necessary nor fair.

What has been said about highway demonstration projects? Let me highlight a few comments.

Secretary of Transportation, Rodney Slater, had this to say during his confirmation hearing before the Senate Committee on Commerce, Science, and Transportation in February:

"The administration has taken a firm position in opposition to demonstration projects because of the resources taken away from the highway trust fund."

He further remarked that ending highway demonstration projects would "result in greater investment of resources for general distribution based on formula." Let me reiterate. The highway allocation process is policy driven. But as the Secretary said, highway demonstration projects are not. The Congressional Research Service (CRS) states the demonstration project approach is often constituent-driven and focuses on increasing Federal outlays allocated to a particular State or district. When earmarking occurs, allocation stems less from concerns over marginal social and economic benefits, and more from marginal political benefit.

The Heritage Foundation is strongly opposed to highway demonstration projects. It is this exception my amendment seeks to eliminate. The Heritage Foundation says:

"Such projects have been earmarked in congressional authorization and appropriations bills for decades. The principle is elementary, fair, and sound. The principle is—No new highway demonstration projects."

It is 1997 and time once again to authorize new highway demonstration projects. In its "Balancing America's Budget, Ending the Era of Big Government," the Heritage Foundation says:

"Projects earmarked by Congress are classic examples of political favors obtained by powerful Senators and Representatives for public works spending in their states and districts. Federal "demonstration projects" are everywhere. pork-barrel projects funded by the federal government cannot be justified as being in the national interest.

These are not new sentiments—they have been voiced for years. In fact 2 years ago, the President's budget submission called for the cancellation of some demonstration projects stating:

"Projects earmarked by Congress are classic examples of political favors obtained by powerful Senators and Representatives for public works spending in their states and districts. Federal "demonstration projects" are everywhere. pork-barrel projects funded by the federal government cannot be justified as being in the national interest."

Looking specifically at the $1.3 billion authorized to fund 193 projects under the 1997 Surface Transportation and Uniform Relocation and Assistance Act, GAO found that "most of the projects . . . did not respond to States and regions' most Federal aid needs.

One might have hoped that Federal budget constraints would curb highway pork barrel. But it has not.

During the 1980s, 10 demonstration projects totaling $362 million were listed for special local interest in the Surface Transportation Assistance Act of 1982. The 1982 Federal Budget deficit was $127 billion, and it jumped to $221 billion by 1986.

In 1987, 152 demonstration projects totaling $1.4 billion were named in the Surface Transportation and Uniform Relocation Assistance Act of 1987. The 1987 Federal budget deficit was $149 billion, but it jumped to $269 billion in 1991.

Then in 1991, the mother lode of all demo project bills was signed into law: 538 location-specific projects totaling $6.23 billion were included in the Intermodal Surface Transportation Efficiency Act of 1991. It is 1997 and time once again to authorize new highway demonstration projects.

"If the budget deficit has not curbed demonstration projects, maybe fairness will."

It is 1997 and time once again to authorize funding for our Nation's transportation infrastructure. Funding for highway, bridge, and transit needs must be balanced against other equally important needs.

Senators FEINGOLD and SMITH. It is voted by a vote of 75 to 21.

Senator MACK's amendment was cosponsored by Senators FEINGOLD and SMITH. It passed by a vote of 75 to 21.

Mr. President, most Senators want to raise the amount of highway funding for our States and to assure an equitable distribution of that funding. One way to provide more money is to end the practice of designating highway demonstration projects or other similarly-titled projects."

Mr. President, most Senators want to raise the amount of highway funding for our States and to assure an equitable distribution of that funding. One way to provide more money is to end the practice of designating highway demonstration projects or other similarly-titled projects.

Mr. Domenici. Madam President, I suggest the absence of a quorum.

Mr. Lautenberg. Madam President, I suggest the absence of a quorum.

Mr. Domenici. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The rollcall vote is ordered.

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

Mr. Domenici. Madam President, we tried to expedite things and it
turned out we did not. What I would like to do now is ask unanimous consent that we return to the first McCain amendment on which the yeas and nays have been ordered, and that immediately thereafter we return to the second McCain amendment. We will have further discussion on that during the vote.

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

vote on amendment No. 326

The PRESIDING OFFICER. The question is on amendment No. 326, offered by the Senator from Arizona.

The yeas and nays have been ordered.
The clerk will call the roll.
The assistant legislative clerk called the roll.
Mr. FORD. I announce that the Senator from North Dakota [Mr. DORGAN] is necessarily absent.

The PRESIDING OFFICER. (Ms. COLLINS.) Are there any other Senators in the Chamber who desire to vote?
The result was announced, yeas 84, nays 15, as follows:

[Roll Call Vote No. 86 Leg.]

YEAS—84

Abraham Feingold Lieberman
Akaka Feinstein Lott
Allard Ford Lugar
Ashcroft Frist Mack
Baucus Glenn McCain
Bennett Gordon McConnell
Biden Graham Mikulski
Bingaman Gramm Mosesley-Braun
Bond Grams Moynihan
Breaux Grassley Murkowski
Brown Back Greg Nickles
Bryan Harkin Reid
Burns Helms Robb
Campbell Hollings Roberts
Chafee Hutchinson Roth
Coats Hatchison Santorum
Cooper Inhofe Sessions
Collins Inouye Shelby
Conrad Jeffords Smith (NH)
Coverdell Kemphorne Smith (OR)
Craig Kennedy Snowe
D'Amato Kerrey Specter
Daschle Kohl Stevens
DeWine Kyl Thomas
Dodd Landrieu Thompson
Domenici Lautenberg Thurmond
Enzi Leahy Warner
Faircloth Levin Wyden

NAYS—15

Boxer Harkin Reed
Bumpers Hatch Rockefeller
Byrd Johnson Sarbanes
Cleland Kerry Torricelli
Durbin Murray Wollstone

NOT VOTING—1

Dorgan

The amendment (No. 326) was agreed to.

Mr. DOMENICI. I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.
The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Amendment No. 327

Mr. DOMENICI. Madam President, I believe we are going to be able to avoid a rollcall vote on the second McCain amendment, No. 327, if Senator Reid is permitted to speak for one moment indicating his opposition. I ask unanimous consent that that be the case, after which time we will return to the amendment, and there will not be a rollcall vote on it.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. There will be demonstration projects in the transportation bill that passes Congress this year. As long as there has been a House of Representatives and we have had highways, there have been demonstration projects. The House is showing no signs of giving them up this year. There is no chance — no chance — that the House will pass a transportation bill without earmarks for individual Member projects.

Given that knowledge, do we, as Members of the Senate, really want to unilaterally disarm? Are there going to be demonstration projects, which there will be. Are we merely going to defer to the House? Wouldn't it be better, rather than slipping projects into the final bill going to conference, that we have an open discussion of the merits here on the floor?

At least the House — we should give them credit for having a process. The House committee of jurisdiction required that a 14-point checklist be filled out for each demonstration project this year. If you do not meet all 14, you do not get your project.

Only a few projects from the list will be selected for this funding. In the original ISTEA legislation, under 10 percent of the projects had earmarks. So $6.5 billion for demonstration projects out of the total authorization of about $160 billion.

I dispute the notion of the Senator from Arizona that all demonstration projects are glorified pork. That is not true in rapidly growing areas. It is very true in rapidly growing areas. It is very true in rapidly growing areas.

I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 327.

Mr. DOMENICI. Madam President, this is a sense of the Senate resolution that we should not have any special projects out of the total authorization of about $160 billion.

I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 327.

The amendment (No. 327) was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. If Senators will just bear with me. There is a lot of agreement now on amendments. So I am going to get rid of some of them before we take the next vote, thus eliminating a lot of votes we might have had to have.

Amendment No. 347, as modified

Mr. DOMENICI. Madam President, I send to the desk Senator COVERDELL's amendment No. 347, as modified.

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

The amendment (No. 347), as modified, is as follows:

SEC. 2. SENSE OF CONGRESS REGARDING PA- RENTAL INVOLVEMENT IN PREVEN- TION OF DRUG USE BY CHILDREN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the provisions of this resolution assume that, from resources available in this budget resolution, a portion should be set aside for a national grassroots volunteer effort to encourage parental education and involvement in drug prevention and to create a drug-intolerant culture for our children.

Mr. DOMENICI. It has been cleared on the other side. We accept it.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. DOMENICI. I yield back the time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 347), as modified, was agreed to.

Amendment No. 333

Mr. DOMENICI. We have also worked out Senator MOSELEY-BRAUN's amendment No. 333.

This amendment is a sense of the Senate so that entitlement savings in the budget resolution should be used to protect the long-term future of Social Security and Medicare and maintain Federal discipline.

This is also a sense of the Senate. We urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 333.

The amendment (No. 333) was agreed to.

Mr. LAUTENBERG. I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.
The motion to lay on the table was agreed to.

Amendment No. 334

Mr. DOMENICI. I call up Moseley-Braun amendment No. 334.

The PRESIDING OFFICER. The clerk will report.
The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Ms. MOSELEY-BRAUN, proposes an amendment numbered 334.

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

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

(The text of the amendment is printed in the Record of May 21, 1997.)

Mr. DOMENICI. Madam President, this amendment is also a sense of the Senate that no change in Social Security should be made to reduce the value of the Social Security system for future generations. It is a sense of the Senate. I urge its adoption.

Ms. MOSELEY-BRAUN. Madam President, I rise to make brief statements concerning two of my amendments to the congressional budget resolution that the Members on both sides of the aisle have agreed to support.

These two amendments are of vital importance. They concern the value of...
Poverty rates among the elderly are at the lowest levels since we began collecting the data due in a large part to Social Security; and
Finally, the average Americans retiring in 2015 will have paid $250,000 in payroll taxes during their working career.
There is no question that current retirees rely heavily upon Social Security and future retirees expect the value of the program not to be diminished when they retire. Therefore, I am again happy that my colleagues support this amendment. I think we can all agree that we must protect the value of the Social Security program for future generations of Americans.

The PRESIDING OFFICER. If all time is yielded back, the question is on agreeing to the amendment.

The amendment (No. 334) was agreed to.

Mr. LAUTENBERG. I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MOTION TO WAIVE THE BUDGET ACT

Mr. GRAMM. Madam President, under section 601(b) of the Congressional Budget Act, I raise a point of order against the pending budget resolution, as it violates the discretionary spending caps for fiscal year 1998 as previously set in the 1993 budget resolution and reconciliation bill.

The PRESIDING OFFICER. Under the previous order, the Senator has 2 minutes to speak on his point of order.

Mr. GRAMM. Madam President, I think this is a defining moment for the Congress. I think it is a defining moment for the American people and more freedom. I think it is a defining moment for people who are concerned about spending.

In 1993, on the floor of the Senate, on a straight party-line vote, with a Democratic majority in both Houses of Congress, and a Democratic President, we set out spending totals, including a cap on spending for fiscal year 1998.

Today, in this budget, we are going to bust that spending total by $5.795 billion. Therefore, I think this will be the first time ever that a Democrat Congress has set a spending cap that a Republican Congress has come along and waived and violated, in this case by almost $9 billion.

I think that nothing could say more clearly what the problem is with this budget than the fact that we, as the first act in this budget, will be busting a spending cap and setting it aside, violating the rules of the budget in order to bring to the floor a new budget that spends more than the budget it seeks to replace.

I think it tells you something about our commitment to enforcing these numbers that our first act in adopting this budget is going to be to break the very caps that we claim will enforce the new budget.

So I simply want to ask my colleagues to remember, in 1993, when we had another budget on the floor, when it was adopted, we set out a procedure to enforce that budget by setting a cap on spending. Today, we are going to vote, on this vote, whether we are going to waive that spending cap or whether we are going to live up to it.

I hope my colleagues will vote against the motion to waive this budget point of order.

The PRESIDING OFFICER. The Senator’s 2 minutes have expired.

The Senator from New Mexico.

Mr. DOMENICI. Madam President, parliamentary inquiry. Is it in order for me now to move to waive the point of order?

The PRESIDING OFFICER. The Senator may make the motion to waive.

Mr. DOMENICI. Madam President, pursuant to section 24(a) of the Congressional Budget Act of 1974, I move to waive section 601(b) of the Budget Act, and pursuant to section 24(b) of House Concurrent Resolution 218, fiscal year 1995 budget resolution, I move to waive section 24(a) of House Concurrent Resolution 218 for the consideration of this concurrent budget resolution for fiscal year 1998 as reported, any amendment, to the House companion, and any conference report that has been filed.

Madam President, do I have 2 minutes to argue my case?

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 2 minutes.

Mr. DOMENICI. When the 2 minutes is up, we vote.

The PRESIDING OFFICER. The Chair advises the Senator that the yeas and nays have not yet been ordered. Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. The first thing you have to understand is that if this point of order is not waived the budget resolution that we propose for the next 5 years fails. It is gone. For those who would like it to disappear and we would have no budget resolution, we can start over, then vote for Senator Gramm.

Actually, the problem we are confronting with is not one of over-spending. It is one of technical estimating, nothing more. Two-thirds of this overage is because we underestimated the outlays—the CBO did—the outlays of the expenditures on the Defense Department. Actually, there is no question that we have been operating under a very tight lid, and I do not believe we should be held responsible for a technical error made in the estimating of the costs of the Defense Department.

I believe we should waive this. As one who has been working on budgets, I put it this way. I do not waive the budget.
easily but the better thing to do is to get this 5-year budget rather than to kill it over a point of order that, to me, makes little or no sense in the context of the next 5 years.

Whatever time I have remaining I yield back.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the motion of the Senator from New Mexico [Mr. DOMENICI] to waive section 24(a) of the Budget Act.

The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from North Dakota [Mr. DORGAN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 66, nays 33, as follows:

[Rollcall Vote No. 87 Leg.]

**YEAS—66**

Akaka
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Brease
Bryan
Byrd
Campbell
Chafee
Craig
Conrad
Bumpers
Abraham
Domenici
Dodd
DeWine
Daschle
D’Amato
Coverdell
Cleland
Chafee
Campbell
Byrd
Bryan
Breaux
Boxer
Bingaman
Bennett
Baucus
Akaka

**NAYS—33**

Alford
Allard
Ashcroft
Brownback
Bumpers
Burns
Cassidy
Craig
Enzi
Faircloth
Frist

NOT VOTING—1

Dorgan

The PRESIDING OFFICER (Ms. Collins). Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The point of order falls.

The Senator from New Mexico.

AMENDMENT NO. 26

Mr. DOMENICI. I would like to proceed to Senator ABRAHAM’s amendment next, please.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Thank you, Madam President. I will be very brief. This amendment is great straightforward. It is a sense-of-the-Senate amendment that says that if during the next 5 years the money sent to Washington by our taxpayers will back home exceed the projections which we have made in this budget resolution—and I believe they might—that those excess additional revenues may only be spent for tax cuts or to reduce the deficit and cannot be used for more Federal spending.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Madam President, I ask leave of the Senate to introduce this amendment. It says that if the current balance results in better than expected economic growth that we ought to go back to the lopsided approach advocated by the majority. I, frankly, think it’s illogical. Tax cuts and deficit reductions are not the only policies that can benefit the Nation. And unexpected tax revenue may well be put to good use funding essential Government programs. I don’t think that we ought to get locked in at this juncture to insist that any excess revenues would go to tax cuts or deficit reduction. I think we ought to make our judgment at the time that these things occur.

**ECONOMIC GROWTH DIVIDEND PROTECTION ACT**

Mr. ABRAHAM. Madam President, let me begin by praising Senator DOMENICI and the other negotiators for their hard work and diligence. They have worked for almost 4 months to put this resolution together and end the 2-month stalemate between the President and Congress over spending and taxes. Given these circumstances, I believe this agreement is a step in the right direction and I look forward to seeing many of its provisions enacted into law. On ambition, while I intend support this budget resolution as a whole, I want to express reservations regarding some of its specifics.

First, I consider this resolution to be just a down-payment—not a solution—to the entitlement reforms that will be necessary to ensure the Federal Government’s solvency going into the next century. As we all know, the baby boom generation will soon begin to retire, which will place enormous pressure on Federal entitlement programs. According to the CBO, ___ outlays for government programs that aid the elderly (Social Security, Medicare, and Medicaid) will burgeon as the number of people eligible to receive benefits from these programs shoots up.

Medicare is the first program to experience this problem and this resolution allows for important reforms to extend its solvency. That said, I believe these reforms need to go far enough and soon enough to get the kinds of fundamental changes that will help Medicare stay solvent past the 10 years targeted by this resolution. I encourage the Finance Committee to embrace reforms like MSA’s, Medicare Choice, HIP’s, and PPO’s as other options that will increase patient options even as they hold down costs.

I am also concerned that Congress’ historical bias toward ever-increasing funding is once again on display. While Senators DOMENICI and others have worked hard to reject the myriad of new spending proposals requested by the administration, the bottom line is 5-year spending under this resolution will increase by 17 percent between today and 2002. That increase is faster than the rate of inflation, and well above the growth rates encompassed in the past two budget resolutions.

By creating new Federal entitlements, this resolution paves the door for huge, unexpected spending increases down the road. I applaud efforts to improve the health of this Nation’s children, but I believe the provision to make such funding mandatory is counterproductive to our efforts to restrain the growth of government spending. For that reason, I support efforts to make this funding discretionary.

Finally, I am concerned that the tax cuts called for in this resolution are so modest, especially in comparison to the spending increases included. In particular, I am concerned that, where, according to a USA Today poll from this March, 70 percent of the American people believe that they need a tax cut, under this resolution, Federal spending will grow 17 percent over the next 5 years, while the net tax cuts are less than 1 percent of the total tax burden. Balancing the budget is one of my top priorities, but reducing the burden of government on Americans is my ultimate goal.

Why do Americans need a tax cut? According to the President’s own economists, the tax burden on Americans is the highest ever—31.7 percent. According to the National Taxpayer Union, the average American family now pays almost 40 percent of their income in State, local, and Federal taxes. For all the talk about the “end of big government,” the tax burden today is the highest ever. And while we address that burden in a small, incremental way with this budget resolution, we are also creating the possibility of ever-more spending later on.

I believe we need to tilt the playing field away from more spending and toward more tax reduction. Toward that end, I have offered amendment number 316 along with Senators BROWNBACK, COVERDELL, Kyl, Ashcroft, Sessions, ALLARD, HUTCHINSON, and McCURDY in order to focus the attention of the Senate on the plight of American taxpayers. I am also introducing legislation today which would codify this rule change into law.

Madam President, as we all know, on May 2d the Congressional Budget Office provided budget negotiators with a gift of sorts. In a letter to Senator DOMENICI, the CBO report that for this year, the deficit would be $45 billion less than previously reported. Instead of $112 billion, the deficit this year would be closer to $67 billion.

Moreover, the CBO suggested that this $45 billion windfall would extend over the next 5 years, so that the total deficit over that time would be reduced by $225 billion. For example, our amendment sets a very modest 3 percent growth for Federal spending between now and 2002, well below the rate of inflation, and well below the growth rates encompassed in the past two budget resolutions.

From my perspective, Madam President, this windfall can be viewed as a mixed-blessing. On the one hand, the continued strong performance of the
The amendment (No. 316) was agreed to.

Mr. DOMENICI. Madam President, I move to reconsider the vote.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order. The Senator from New Mexico is recognized.

AMENDMENT NO. 316

Mr. DOMENICI. Madam President, I believe we are ready to go to Senator WELLSTONE’s amendment.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Madam President. May I have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. WELLSTONE. Madam President, the budget.

Mr. DOMENICI. The Senate is not in order. We have to hear.

The PRESIDING OFFICER. The Senate will be in order. Senators desiring to converse will retire to their cloakrooms. Senators will take their seats. The Senator from Minnesota.

Mr. WELLSTONE. Madam President and Senators, the budget is all about priorities. This amendment speaks to priorities. This amendment says that we invest in crumbing schools all across our country $5 billion, that we should do that now. This amendment says that, while we have made progress with Head Start in this budget agreement, still only half the children, if you consider early Head Start, are covered and we should cover more of these children. This amendment says that last year we made cuts in the school breakfast program, we made cuts in the child nutrition programs for Family Head Start Centers, and therefore we ought to restore that nutritional funding for poor children in America.

Madam President, altogether this amendment says we make investments in these areas to the tune of about $20 billion over the next half decade, and the intent is to make sure that the cuts in taxes are targeted to middle income and small business, not the top 2 percent of the economic profile in the country, and that we look at all of these loopholes and deductions in corporate welfare.

The PRESIDING OFFICER. The time of the Senator has expired.

It is the Chair’s understanding that the Senator is calling up amendment No. 313.

Mr. WELLSTONE. That is correct.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from New Mexico.
Mr. DOMENICI. Madam President, this amendment would reduce tax relief contained in the resolution by $16 billion in order to increase spending in programs that the Senator would like to see increased. It happens, in the programs that he would like to see increased, such as Head Start, this budget resolution has an increase of $2.7 billion. It makes it a priority program, so it will most probably be funded at that extraordinarily high level. That was agreed upon. But sometimes, no matter how much you do, it is not enough. In this case, the President brags about the fact that Head Start is going up and going up appreciably, $2.7 billion, yet the Senator would reduce our tax cut for the American people in order to add yet more to that program.

I do not believe that is what we ought to do. I yield back any time I have. Does the Senator from any time remaining?

The PRESIDING OFFICER. The time of the Senator has expired. All time has expired.

AMENDMENT NO. 357 TO AMENDMENT NO. 313
(Purpose: To provide children who have been victims of violent crime the ability to transfer to another school by allowing States and local educational agencies to use Federal education funds in the jurisdiction of the Labor Committee to assist such victims in attending any other school of their choice, whether public, private, or sectarian.)

Mr. DOMENICI. On behalf of Senator COVERDELL, I submit a second-degree amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk reads as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. COVERDELL, proposes an amendment numbered 357 to amendment No. 313.

On page 22, line 9, increase the amount by 0.
On page 22, line 16, increase the amount by 0.
On page 22, line 17, increase the amount by 0.
On page 22, line 24, increase the amount by 0.
On page 22, line 25, increase the amount by 0.
On page 26, line 6, increase the amount by 0.
On page 26, line 7, increase the amount by 0.
On page 26, line 14, increase the amount by 0.
On page 26, line 15, increase the amount by 0.
On page 26, line 22, increase the amount by 0.
On page 26, line 23, increase the amount by 0.
On page 27, line 5, increase the amount by 0.
On page 27, line 6, increase the amount by 0.
On page 27, line 13, increase the amount by 0.
On page 27, line 14, increase the amount by 0.
On page 38, line 14, increase the amount by 0.
On page 40, line 17, decrease the amount by 0.
On page 41, line 7, decrease the amount by 0.
On page 41, line 8, decrease the amount by 0.
On page 43, line 21, increase the amount by 0.
On page 43, line 22, increase the amount by 0.
On page 43, line 24, increase the amount by 0.
On page 43, line 25, increase the amount by 0.
On page 44, line 2, increase the amount by 0.
On page 44, line 3, increase the amount by 0.
On page 44, line 5, increase the amount by 0.
On page 44, line 6, increase the amount by 0.

Mr. DOMENICI. I yield my time to the Senator from Georgia.

Mr. COVERDELL. Madam President, the issue embraced by this amendment is simple but important. In too many schools across our Nation the focus for our children is not on education but survival. Just 2 days ago, as I read from the Washington papers, four teenagers were arrested and charged with gang raping a 14-year-old girl last month by luring her from a cafeteria at a public high school in Queens to an unused classroom to carry out the attack, the authorities said yesterday. This amendment would allow local school districts, agencies, the right to use a voucher system to allow a victim of a crime to escape this kind of environment.

Madam President, I yield my time.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Madam President, my colleagues on the other side do not want to have an up-or-down vote on whether or not they are willing to invest in child nutrition programs and whether or not they are willing to invest in rotting schools. Instead of this increased investment, they want to now vote on the proposition that we have funds that go in an unlimited, unconditional way through a private voucher plan. That is what this vote is all about.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, we are talking now about a whole different program outside the budget resolution. Vouchers—vouchers do not deserve to be debated in this context. We ought to absolutely oppose it. I hope we will find some of our friends on the Republican side who will also oppose the notion of transferring these funds into school vouchers.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

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

The PRESIDING OFFICER. Do Senators yield back all their time? All time is yielded.

The question is on agreeing to the second-degree amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. ROBERTS). Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 51, nays 49, as follows:

[Rollcall Vote No. 89 Leg.]

YEAS—51
Abraham
Allard
Ashcroft
Bennett
Bond
Browne
Burns
Campbell
Cochran
Coverdell
Craig
D’Amato
Dino
Emmi
Faircloth
Allard
Ashcroft
Bennett
Bond
Browne
Burns
Campbell
Cochran
Coverdell
Craig
D’Amato
Dino
Emmi
Faircloth

McConnell
Markowski
Nickles
Roberts
Roth
Santorum
Sensenbrenner
Shelby
Smith (MI)
Smith (OK)
Snowe
Stevens
Thune
Thompson
Thurmond
Warner

NAYS—49
Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bayh
Bumpers
Byrd
Bing
Chafee
Cleland
Collins
Conrad
Daschle
Dodzi
Dorgan
Durbin

Feingold
Feinstein
Ford
Glen
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kerry
Kohl
Landrieu
Lustenberg
Leahy

Levin
Lieberman
Mikulski
Mossley-Braun
Moinihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Specter
Torricelli
Wollstone
Wyden

The amendment (No. 357) was agreed to.

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

Mr. MURKOWSKI. I move to lay that motion on the table.
The motion to lay on the table was agreed to.

AMENDMENT NO. 313

The PRESIDING OFFICER. The question recurs on the Wellstone No. 313, as amended.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The amendment (No. 313), as amended, was agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

AMENDMENT NO. 346

Mr. GRAMS. Mr. President, I call up amendment No. 346.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senate, in terms of the budget resolution, in the budget agreement. We would be able to do that. That is where it went, and that is what we did. So if time has expired, I move to table the amendment.

The PRESIDING OFFICER. The question is on the motion to lay on the table the amendment No. 346.

Mr. MACK. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be. The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment No. 346. Mr. MACK. I ask for the yeas and nays.

The PRESIDING OFFICER. The amendment, I say to my colleagues, expands the Pell grant program. It takes it up to $3,500. It is authorized up to $4,500 right now. It is a commitment of about $6 billion over 5 years. This will help thousands of families.

This will make a huge difference, especially to families with incomes of about $25,000 to $30,000 who, more or less, fall between the cracks on some of the other assistance that we are giving. So it is very targeted. It is very effective. The money comes from loopholes and deductions.

We could be talking about tens of billions, if not hundreds of billions of dollars, that. Just invest a little more in the Pell grant program. This is extremely important to working families in our country.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The amendment numbered 314.

Mr. GRAMS, Mr. President, I call up amendment No. 314.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, it is my understanding that we have a motion to table. The amendment with Senator REED, and also as cosponsors are Senator BINGAMAN and Senator MOYNIHAN.

This amendment, I say to my colleagues, expands the Pell grant program. It takes it up to $3,500. It is authorized up to $4,500 right now. It is a commitment of about $6 billion over 5 years. This will help thousands of families.

This will make a huge difference, especially to families with incomes of about $25,000 to $30,000 who, more or less, fall between the cracks on some of the other assistance that we are giving. So it is very targeted. It is very effective. The money comes from loopholes and deductions.

We could be talking about tens of billions, if not hundreds of billions of dollars, that. Just invest a little more in the Pell grant program. This is extremely important to working families in our country.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The amendment. The Senator from New Mexico is recognized.

Mr. DOMENICI. Thank you, Mr. President.

The motion to lay on the table the amendment (No. 346) was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I say to my colleagues, senators, it is with regret that I have to oppose this amendment. Essentially, this would totally break the budget agreement. We would be back at ground zero. This would propose to take another $34 billion in cuts out of the domestic programs beginning with the cuts which we did in this budget, another $34 billion cut off the discretionary programs that are only growing at half a percent. We might have votes in the remainder of the day on judges and a treaty. So before you assume there will be no additional votes, you better check with the hot line or with the leadership office.

Mr. DOMENICI. The next amendment is Wellstone amendment No. 314. I yield the floor.

AMENDMENT NO. 314

Mr. WELLSTONE. I call up amendment No. 314.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

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

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

(The text of the amendment is printed in the Record of May 21, 1997.)

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. I proposed the amendment with Senator REED, and also as cosponsors are Senator BINGAMAN and Senator MOYNIHAN.

This amendment, I say to my colleagues, expands the Pell grant program. It takes it up to $3,500. It is authorized up to $4,500 right now. It is a commitment of about $6 billion over 5 years. This will help thousands of families.

This will make a huge difference, especially to families with incomes of about $25,000 to $30,000 who, more or less, fall between the cracks on some of the other assistance that we are giving. So it is very targeted. It is very effective. The money comes from loopholes and deductions.

We could be talking about tens of billions, if not hundreds of billions of dollars, that. Just invest a little more in the Pell grant program. This is extremely important to working families in our country.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Chair. I ask the Senator, do you yield back your time?

Mr. WELLSTONE. Senator REED was going to speak.

The PRESIDING OFFICER. The Senator has 4 seconds remaining under his time.

Mr. WELLSTONE. I thought we had 2 minutes.

Mr. FORD. Equally divided.

The PRESIDING OFFICER. The Chair reminds the Senator that there was 1 minute for each side.

Mr. WELLSTONE. Mr. President, it was my mistake, I say to my colleagues. I ask unanimous consent that Senator REED have 30 seconds to speak.

Mr. DOMENICI. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.
Mr. REED. I thank the Chair. I will make two very brief points.

First, in 1972, we passed the Pell grant. If we simply indexed that grant for inflation, the maximum Pell grant today would be $4,300. We are asking for an increase from $3,000 in this budget to $3,500. Second, back in 1980, the maximum Pell grant covered 72 percent of the cost of a 4-year public college. Now it covers roughly 20 percent. We need more. That is what the Wellstone-Reed amendment asks us to do.

Mr. WELLSTONE. I ask unanimous consent that Senator MOSELEY-BRAUN be added as an original cosponsor.

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

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, this amendment should be defeated. The budget resolution before the Senate increases Pell grants from $2,700 to $3,000. Even the President of the United States says that is adequate. This will be a very healthy increase. We have already done that. I do not believe we ought to add further moneys to the Pell grants and take it away from the taxpayers of this country. It is that simple. There is adequate funding already in this bill.

I yield back the balance of my time.

AMENDMENT NO. 358 TO AMENDMENT NO. 314

(Purpose: To ensure that the provisions of this resolution assume that any higher education tax relief are consistent with the objectives that were put forward in the balanced budget agreement, so I am offering an amendment that says we shall include two types of tax cut proposals in the $35 billion postsecondary educational tax cut package in this budget agreement. One proposal would provide incentives for parents and students to save for higher education expenses and that provide relief from the debt burden associated with borrowing to pay for a postsecondary education.)

Mr. DOMENICI. Mr. President, I send a second-degree amendment to the desk on behalf of Senator SNOWE and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI), for Ms. SNOWE, for herself and Mr. COVERDELL, proposes an amendment numbered 358.

Mr. DOMENICI. Mr. President, I ask unanimous-consent reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 4, line 14, increase the amount by 0.
On page 4, line 15, increase the amount by 0.
On page 4, line 16, increase the amount by 0.
On page 21, line 25, increase the amount by 0.
On page 22, line 1, increase the amount by 0.
On page 22, line 8, increase the amount by 0.
On page 22, line 9, increase the amount by 0.
On page 22, line 16, increase the amount by 0.
On page 22, line 17, increase the amount by 0.
On page 22, line 24, increase the amount by 0.
On page 22, line 25, increase the amount by 0.
On page 43, line 21, increase the amount by 0.
On page 43, line 22, increase the amount by 0.
On page 43, line 24, increase the amount by 0.
On page 43, line 25, increase the amount by 0.
On page 44, line 2, increase the amount by 0.
On page 44, line 3, increase the amount by 0.
On page 44, line 5, increase the amount by 0.
On page 44, line 6, increase the amount by 0.

Ms. SNOWE. I thank Senator DOMENICI.

I understand the intent of the amendment offered by the Senator from Minnesota in terms of expanding the Pell Grant Program, and I am pleased the budget agreement includes increasing the maximum grant by $300.

Unfortunately, the Senator's amendment is in violation of the budget agreement, so I am offering an amendment that says we shall include two types of tax cut proposals in the $35 billion postsecondary educational tax cut package in this budget agreement. One proposal would provide incentives for parents and students to save for a postsecondary education. The other proposal would be to try to offset the debt that is incurred by students as a result of borrowing to attend college.

My amendment is consistent with the objectives that were put forward in the budget agreement, as agreed to by President Clinton and the negotiators, and I urge its adoption.

Mr. President, as we all know, the budget resolution provides for $85 billion in tax relief over the coming 5 years. In a May 15, 1997, letter to President Clinton, the Speaker of the House and the Senate majority leader agreed that the tax package "must include tax relief of roughly $35 billion over 5 years for postsecondary education, including a deduction and a tax credit." The letter further stipulated that this package of postsecondary education tax cuts "should be consistent with the objectives put forward in the HOPE scholarship and tuition tax proposals contained in the administration's fiscal year 1998 budget."

Now, even before that letter was crafted, there had been concerns about

the inclusion of any type of education tax cuts in the balanced budget plan. For some, the inclusion of such targeted tax cuts would undermine the overall effort to provide broad-based tax relief for as many Americans as possible. For others, postsecondary tax cut proposals put forward by President Clinton were viewed as potentially counter-productive because they might actually encourage tuition increases or grade inflation.

Regardless of how one feels about educational tax cuts in general—or President Clinton's postsecondary education tax cut proposals specifically—I think we can all agree that the objectives of the $35 billion postsecondary education tax cut package in this resolution, and President Clinton's fiscal year 1998 educational tax cut proposals, are clear: Postsecondary educational tax cuts must promote access to a higher education while addressing the needs of parents and students.

And the amendment I am offering today would encourage that. It is an amendment stating that the $35 billion postsecondary education tax cut package shall provide tax incentives that encourage students and parents to save for a postsecondary education, and provide relief from the debt burden associated with borrowing to pay for a postsecondary education. These two proposals—and my amendment—are not only consistent with the objectives laid out by President Clinton in his own budget proposal, but also with the objectives outlined in the May 15 letter from the Speaker of the House and our majority leader.

Mr. President, a strong commitment to education is included in this budget agreement because of a recognition that education is the great equalizer in our society that can give every citizen of our Nation—regardless of race, income, or geographic background—the same opportunity to succeed in the global economy of the 21st century. It's the same reason I decided to make education tax cuts in the balanced budget plan.

As we seek to identify proposals that would improve access to a higher education, it is critical that we first recognize the primary barrier that stands between us and a strong postsecondary education: rising costs. According to the Institute of Higher Education Policy, students at the undergraduate level have seen tuition increases outpace inflation for more than a decade. As a result, the cost of 4 years of college for a student increases 7.6 million dollars. The 2017-2018 student will require and receive aid in 1997—and this number is expected to increase to

8.1
Mr. President, Congress must remain committed to ensuring that every individual has the opportunity to pursue a higher education while adopting policies that ensure students are not dissuaded from attending a post-secondary institution for financial reasons. While no tax cut can completely remove financial barriers to a higher education, we can certainly endorse sound policies as part of this resolution that adhere to the agreement reached with the White House and move us in the right direction.

Mr. President, I am offering today an amendment to S. 680 which would promote savings by young Americans and their parents to prepare for the rising cost of a higher education, and providing tax relief for the debt accumulated by those who need to borrow, is among the policies we should adopt to move us in that direction.

While no tax cut can completely remove financial barriers to a higher education, we can certainly endorse sound policies as part of this resolution that adhere to the agreement reached with the White House and move us in the right direction. I believe that adhering to the agreement laid out in this balanced budget reconciliation, ultimately, any number of these proposals could effectively meet the objectives set forth by President Clinton, and that can be further reviewed during budget reconciliation. Therefore, although the amendment I am offering today does not endorse a specific bill, it ensures that we at least adopt two types of proposals that will move us in the right direction.

Mr. President, we must ensure that our nation’s students do not turn away from pursuing a higher education due to rising costs and increasing debt burdens. This amendment would ensure that we address these issues during the ongoing reconciliation process, while remaining consistent with the objectives laid out in this balanced budget agreement, and I urge its adoption.

Thank you, Mr. President.

Mr. WELSTONE. Mr. President, we will agree to a voice vote on this amendment.

With all due respect to my colleague, whom I greatly respect, No. 1, this second-degree amendment strikes out all the investment, so as opposed to plugging some of the loopholes in corporate welfare we make no investment in the expansion of Pell grants. That is what this vote is about.

No. 2, you can talk about savings. Families with incomes under $20,000 a year should get them. Women and men from those families, have been able to graduate from college. Do you not think we ought to make sure they get assistance?

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, no one objects to Pell grants. This should be a vote about expanding the Pell grants so we can change the reality that faces working families in this country.

In 1995, Federal financial assistance was in the form of grants and 20 percent in loans. Today, those numbers are reversed. I believe we should expand the Pell grants along the lines of the Wellstone-Reed amendment.

I hope we can do that sometime.

The PRESIDING OFFICER. All time has expired. The question now is on amendment No. 358 of the Senator from Maine.

The amendment (No. 358) was agreed to.

Mr. DOMENICI. I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 314

The PRESIDING OFFICER (Mr. THOMAS). The question now occurs on the amendment of the Senator from Minnesota, as amended.

The amendment (No. 314), as amended, was agreed to.

Mr. DOMENICI. Senator SPECTER has an amendment, and I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AMENDMENT NO. 340

Mr. SPECTER. Mr. President, I call for a vote on amendment No. 340.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 340.

(The text of the amendment is printed in the Record of May 21, 1997.)
The motion to table the amendment (No. 340) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, if I could have the attention of the Senate, everybody is asking where we are on this.

The PRESIDING OFFICER. May we have order? The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me say to Senators I have about five clean-up matters and one amendment we are going to accept and then we go right to final passage. That should not be longer than 3 or 4 minutes.

AMENDMENT NO. 359

(Purpose: To make technical corrections)

Mr. DOMENICI. Mr. President, I send a managers’ technical corrections amendment to the desk. It has been approved by both sides. It is nothing but numbers, number changes.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI, for himself and Mr. LAUTENBERG, proposes an amendment numbered 359).

On page 4, increase the amount on line 15 by $4,800,000,000.
On page 4, decrease the amount on line 16 by $100,000,000.
On page 4, decrease the amount on line 17 by $200,000,000.
On page 4, decrease the amount on line 18 by $300,000,000.
On page 4, decrease the amount on line 19 by $400,000,000.
On page 4, decrease the amount on line 20 by $100,000,000.
On page 4, decrease the amount on line 21 by $400,000,000.
On page 4, decrease the amount on line 22 by $300,000,000.
On page 4, decrease the amount on line 23 by $200,000,000.
On page 4, decrease the amount on line 24 by $100,000,000.
On page 4, decrease the amount on line 25 by $400,000,000.
On page 5, increase the amount on line 2 by $1,800,000,000.
On page 5, decrease the amount on line 3 by $6,200,000,000.
On page 5, decrease the amount on line 4 by $6,100,000,000.
On page 5, increase the amount on line 5 by $7,700,000,000.
On page 5, increase the amount on line 6 by $4,800,000,000.
On page 5, increase the amount on line 7 by $6,200,000,000.
On page 5, increase the amount on line 8 by $6,100,000,000.
On page 5, increase the amount on line 9 by $7,700,000,000.
On page 5, increase the amount on line 10 by $4,800,000,000.
On page 5, increase the amount on line 11 by $6,200,000,000.
On page 5, increase the amount on line 12 by $6,100,000,000.
On page 5, increase the amount on line 13 by $7,700,000,000.
On page 5, increase the amount on line 14 by $4,800,000,000.
On page 5, increase the amount on line 15 by $6,200,000,000.
On page 5, increase the amount on line 16 by $6,100,000,000.
On page 5, increase the amount on line 17 by $7,700,000,000.
On page 5, increase the amount on line 18 by $4,800,000,000.
On page 5, increase the amount on line 19 by $6,200,000,000.
On page 5, increase the amount on line 20 by $6,100,000,000.
On page 5, increase the amount on line 21 by $7,700,000,000.
On page 5, increase the amount on line 22 by $4,800,000,000.
On page 5, increase the amount on line 23 by $6,200,000,000.
On page 5, increase the amount on line 24 by $6,100,000,000.
On page 5, increase the amount on line 25 by $7,700,000,000.

The amendment (No. 359) was agreed to.

AMENDMENT NO. 309

Mr. DOMENICI. Mr. President, I call up amendment 309. This amendment creates a reserve fund with no money in it for childhood education. I urge we adopt it.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI, for himself, proposes an amendment numbered 309).

On page 30, decrease the amount on line 10 by $400,000,000.
On page 30, decrease the amount on line 11 by $300,000,000.
On page 30, decrease the amount on line 12 by $200,000,000.
On page 30, decrease the amount on line 13 by $100,000,000.
On page 30, decrease the amount on line 14 by $400,000,000.
On page 30, decrease the amount on line 15 by $300,000,000.
On page 30, decrease the amount on line 16 by $200,000,000.
On page 30, decrease the amount on line 17 by $100,000,000.
On page 30, decrease the amount on line 18 by $300,000,000.
On page 30, decrease the amount on line 19 by $300,000,000.
On page 30, decrease the amount on line 20 by $200,000,000.
On page 30, decrease the amount on line 21 by $100,000,000.
On page 30, decrease the amount on line 22 by $400,000,000.
On page 30, decrease the amount on line 23 by $400,000,000.
On page 30, decrease the amount on line 24 by $300,000,000.
On page 30, decrease the amount on line 25 by $200,000,000.
On page 31, decrease the amount on line 10 by $400,000,000.
On page 31, decrease the amount on line 11 by $300,000,000.
On page 31, decrease the amount on line 12 by $200,000,000.
On page 31, decrease the amount on line 13 by $100,000,000.
On page 31, decrease the amount on line 14 by $400,000,000.
On page 31, decrease the amount on line 15 by $300,000,000.
On page 31, decrease the amount on line 16 by $200,000,000.
On page 31, decrease the amount on line 17 by $100,000,000.
On page 31, decrease the amount on line 18 by $300,000,000.
On page 31, decrease the amount on line 19 by $300,000,000.
On page 31, decrease the amount on line 20 by $200,000,000.
On page 31, decrease the amount on line 21 by $100,000,000.
On page 31, decrease the amount on line 22 by $400,000,000.
On page 31, decrease the amount on line 23 by $400,000,000.
On page 31, decrease the amount on line 24 by $300,000,000.
On page 31, decrease the amount on line 25 by $200,000,000.

The amendment (No. 309) was agreed to.

AMENDMENT NO. 319 WITHDRAWN

Mr. DOMENICI. I understand, Senator GRAMM, you withdraw amendment 319?

Mr. GRAMM. I do.

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

The amendment (No. 319) was withdrawn.

Mr. LAUTENBERG. Mr. President, I would like to engage in a colloquy with Senator DOMENICI regarding the investment in transportation that is included in this budget agreement.

Mr. President, as most of my colleagues know, I am a strong believer in increasing investment in transportation, whether for roads, bridges, rail systems, aviation, or mass transit. All modes of transportation are important, and all need to be supported.

We have been working hard in the negotiations to increase total investment in transportation, and we have had some success. We have increased total transportation outlays over the President’s request by more than $9 billion over the next 5 years. That is not as much as I would like, but it is a start. I would like to clarify one element of the budget agreement as it relates to...
spending the estimated revenues of the highway trust fund over the next 5 years. That is a goal with which I agree. In an ideal world, I would support even higher spending levels from the highway trust fund.

However, it is important to clarify that, while this agreement includes an assumption that we will spend from the highway trust fund the amounts equivalent to receipts currently estimated to come into the trust fund, the possibility that receipts will grow beyond the levels currently estimated would not endanger our ability to comply with other equally important assumptions in this agreement including increased spending for mass transit and Amtrak.

In the end, the Appropriations Committee will have to set ceilings for individual subcommittees and funding levels for specific transportation programs, and I want to clarify that increases in highway trust fund spending will not negatively impact other modes of transportation, especially mass transit and Amtrak.

I therefore would ask my good friend, the chairman of the Budget Committee, do you agree that nothing in this agreement, nor in the budget resolution Senate to spend all gas tax revenues without regard for the potentially negative impact on other modes of transportation?

Mr. DOMENICI. Senator Lautenberg is correct.

The budget resolution contains an assumption that the Appropriations Committee will provide adequate funding to spend all gas tax revenues into the highway trust fund. In addition, the budget resolution also contains an assumption which provides increased funding for mass transit and Amtrak, in addition to the increase in highway trust fund spending. Therefore, I am optimistic that this agreement provides enough funding to accomplish our mutual goals of spending all trust fund revenues while maintaining our commitments to other modes of transportation, including increased funding for mass transit and Amtrak.

Mr. McCAIN. Mr. President, I rise for the purpose of entering into a short colloquy with the distinguished chairman of the Budget Committee.

Mr. DOMENICI. I understand that the budget resolution assumes reinstatement of the aviation excise taxes, which fund important aviation safety and security programs, and the phaseout of the 10 percent tax on the price of domestic airline tickets.

Mr. DOMENICI. That is correct.

Mr. McCAIN. As you know, the National Civil Aviation Review Commission has undertaken a review of the appropriate funding structure for the national aviation system, and is scheduled to report its legislative recommendations at the end of this summer. The commission may develop an acceptable alternative to the Senate's proposal to reinstate the aviation excise tax system. Am I correct in assuming that the budget resolution does not preclude substituting an alternative funding mechanism for the current aviation excise taxes?

Mr. DOMENICI. That is my understanding, as well. The budget resolution assumes reinstatement of the aviation excise taxes. It should not be read to preclude replacement of the taxes with an alternative means of funding the national aviation system, as long as that alternative is consistent with the budget resolution.

Mr. SNOWE. Mr. President, when it comes to our budget deliberations, the temptation of politics has often made our search for a balanced budget a difficult one. For a long time, I think all Members of this body would agree that too much time was spent aggressively defending narrow or partisan interests. Personal political interests were sometimes placed above pressing national interests. And common, bipartisan objectives were too seldom charted or pursued. The result for our Nation is now too well known as it was troublesome: Spending kept expanding. Deficits kept rising. And confidence in Government kept diminishing.

But here today, Mr. President, with a balanced budget plan before us for the first time in 28 years, it's encouraging and it's encouraging to think that we may be reaching a new beginning. Much of the credit for bringing us to this point belongs to the chairman of the Budget Committee, Pete Domenici. The chairman has demonstrated his unwavering commitment to a balanced budget during his years of service on the Budget Committee, and, ultimately, it was his leadership that brought both sides to the table and made this day possible. For his ongoing efforts, I believe that the chairman is deserving of our thanks—and the thanks of generations of Americans to come.

Let me also thank my majority leader, Trent Lott, for his effort and commitment to a balanced budget agreement, possible, and the President of the United States for his willingness to negotiate and compromise. I know that it is the hope and expectation of most Americans that President Clinton will continue to stay focused on the balanced budget goal and see this plan through to fruition.

And, finally, we should also recognize the other leaders of the House and the Senate who were engaged in this process. They, too, pursued this resolution with determination and vigor—and forged consensus on some very divisive issues. We would not be here today without their leadership.

But Mr. President, we have also reached this encouraging point in our budget deliberations because—at last—there is a widespread recognition that deficits threaten this Nation in unacceptable ways—and that decisive action is needed now to ward off economic crisis. The numbers speak for themselves. Last year's OMB estimates from the President's own Office of Management and Budget, if we do nothing, the deficit will double in 15 years, then double again every 5 years thereafter. Left unchecked, according to OMB, the deficit would reach $2 trillion by 2025.

We also know that such a scenario would prove intolerably costly to this Nation. OMB forecasts that if we fail to reign in the deficit now, future generations will suffer an 82-percent tax rate and a 50-percent reduction in benefits in order to pay the bills we are leaving them today. And the National Budget Office has issued a similarly grave warning, arguing a year ago that: "** * current U.S. budget policies cannot be sustained without risking substantial economic damage."

Eighty-two-percent tax rates, fifty-percent reductions in benefits. Substantial economic damage. This is not some futuristic nightmare, Mr. President. This is the economy that lies ahead for America unless we act now. Unchecked this trend could lead to a long-term deficit elimination by adopting this resolution.

Mr. President, this agreement provides us with an historic opportunity to make our country's right fiscal path. But it also provides the American people some assurance that our political process can work. After more than 2 years of competing proposals, acrimonious debates, and fruitless negotiations, many Americans have become understandably cynical of our ability and even willingness to ever agree on a plan to balance the budget. This agreement should give us some hope. It proves that we can compromise on specifics, compromising on principle—that when an agreement indisputably benefits the American people, we can set aside partisanship and get the job done.

Of course, while the resolution before us today is an encouraging one and should be celebrated, we should also recognize what it is not. This is only a first step, Mr. President, and no Member of this body can say with certainty that this resolution signals a conclusion to the fiscal excesses of old. Indeed, I believe that only a balanced budget amendment to the Constitution can ensure that fiscal prudence and responsibility will be exercised indefinitely into the future and let me be clear about another matter. The budget resolution before us is not perfect. Are there flaws in it? Yes, Mr. President, I think there are. In fact, I suspect that every Member of this body could find aspects that trouble them in this resolution—aspects that they may have written in a slightly or even greatly different manner.

For instance, some may criticize this resolution because it expands new entitlements or does too much to reform existing entitlements before the baby boom generation begins to retire. In fact, it is with the latter concern in mind that I am particularly troubled by the assumption of home health care benefits from Part A to Part B of Medicare. I fear that this shift may actually imperil this vital program even as it masks the true problems of the
Medicare trust fund, which must be addressed if we are to preserve and protect the Medicare Program for senior citizens in the future. Still others may criticize this plan as being insufficient in terms of deficit reduction because it would cut only by one quarter of today’s GDP over the next 5 years, or because it provides what they consider to be too much of an increase in discretionary spending. To put these types of concerns in the words of one analyst from the CATO Institute: “On balance, this is a bad deal. Republicans should just say no.”

Conversely, there are those who may see the cuts quite differently and argue that this dividend plan goes too far in curtailing certain programs and does too little to fund new initiatives. Still others do not support the tax relief included in this resolution, or argue that the package of tax cuts being discussed would disproportionately benefit higher income individuals or families.

But Mr. President, after 28 years of deficit spending, we can no longer let the perfect be the enemy of the good. We can no longer let politics drive our budget decisions because for 2 years—2 years, Mr. President—Republicans and Democrats have squared-off over a variety of issues, while offering competing plans. And the result has been wholly unimpressive. There has been no agreement. No plan for a balanced budget. And I think it’s worth noting that the only reason that we have this resolution before us today is that competing budget plans were unsuccessful. It is compromise that offers us this chance to reach agreement and lay the groundwork for long-term balance. But if each Member of this body rejects such compromise and demands instead that the plan do exactly what he or she would want in the ideal world, then only one thing is for sure. This plan will be derailed—and our historic opportunity will be lost.

And lest we focus only on those parts of the budget that are less than perfect, I want to point out the laudable elements of this plan. For instance, not only will this plan balance the budget in the year 2002, if its policies are continued, OMB tells us that it will lead to a surplus of $34 billion in the year 2007. And while many have cited the fact that the total deficit reduction in this plan will be only $204 billion over the next 5 years, they fail to mention that there will be more than $700 billion in additional savings during the 5 years thereafter. Consider for a moment the two dramatically different futures that potentially lie ahead for this Nation: If we reject this plan and continue with the status quo, we will have $1 trillion in additional national debt over the next 10 years. On the other hand, if we use the 2002 to 2007 surpluses to buy-down the deficit, this plan will ensure that more than $800 billion would be available for useful investments, and not eaten up by the national debt.

Perhaps most importantly, by putting us on a course to balance the budget in 5 short years, this plan will also allow us to address the significant long-term threats described by OMB and CBO because we will have laid the groundwork for even larger reforms in the coming years. And it will also hold Congress accountable to maintain this same level of fiscal responsibility.

And let’s not forget the important impact that a balanced budget will have on economic growth. I know that there are those who say that our economy is doing well. They point to the growth rate for the last economic quarter and the fact that we now have had continuous growth for 6 straight years, and they say things could not be rosier. And it is at least partly true. Mr. President. We are now approaching the post-World War II record for the longest period of growth without a recession. But no one is projecting that the economy will maintain this pace, and the average annual rate of growth during the early 1990s was 3.2 percent—unimpressive. The lowest level of growth during a recovery in this century.

But, tragically, even this lethargic annual rate of growth is not predicted to last and—unless we tackle the deficit now. Look out to future years and we see that the economy is anticipated to grow at even more anemic rates; 2.0 percent in 1998; 2.1 in 2000. The numbers are not impressive. However, with the enactment of a balanced budget plan, the resolution presents us with our most direct and tangible means of stimulating economic growth in the short-term, even as we seek to extend our current economic expansion for another 5 years.

And, finally, to those concerned with various details, let’s remember this: Within the framework of this resolution, there are specific levels of savings in various programs, specific levels of tax cuts and the resolution even includes some of the policies that should not use tax cuts. But, appropriately, this resolution does not spell out all of the details, and it leaves opportunities for the authorizing and appropriating Committees to fulfill the parameters and benchmarks that have been set as a reminder that the goal of this resolution—a balanced budget in 2002—is in ink, but some of the details are still in pencil. And that’s OK. The administration will continue to have the opportunity to encourage specific spending priorities, and Members of this body will also have their opportunity to influence and mold these decisions.

Now, Mr. President, let me address one final question. Whenever there is a political initiative as significant as the one before us, I begin to ask: “Who is the political winner in this agreement? Is it Republicans? Or is it Democrats?” Well, let me suggest an answer: The winner in this resolution is our Nation and its people. Deficits have damaged this Nation and its citizens for 28 years and set us on an inevitable economic crash course. But today, with this resolution, we have an opportunity to avoid ending these deficits in the short-term, which lays the groundwork for eliminating them completely in the long-term. What lies before us is a framework for achieving a balanced budget by the end of this century, and must meet them.

Mr. President, “a journey of a thousand miles begins with the first step.” I am reminded of this Chinese proverb today because this resolution represents such a monumental first step in our journey to a balanced budget. To be sure, our journey is not complete. And it will not be complete unless Members of this body, the House of Representatives, the Senate, maintain a strong commitment in the coming years to follow through and make this balanced budget goal a reality. We cannot falter in these coming challenges. But, in the meantime, we should celebrate today for all that it represents. Mr. President, this resolution places our Nation on the right path and, against a future of uncontrolled deficits and all that the dangers and problems that these deficits entail, this resolution gives us hope for a new beginning of fiscal sanity, economic growth, and prosperity.

So I think our choice should be clear. We need to take this path—and we need to support this resolution of doing so. Mr. President, is too great. The cost of failing to do so, conversely, is simply too severe. Mr. REED. Mr. President, like many I recognize that this budget agreement is a good faith effort. It shows a recognition by Republicans that their past plans were extreme and unpopular. Indeed, the agreement acknowledges, to a degree, that Americans want us to invest in priorities.

However, for all its positive steps, I do not believe it is the right budget outline for our future. I support a balanced budget plan, but I cannot support a resolution which sets in motion the enormous painless package of tax cuts and other misguided priorities.

The agreement contains a number of laudable elements. The welfare act’s excesses are curbed. It takes a small first step toward health care coverage for children, and important education tax credits are provided. And it does purport to continue the march toward a balanced budget.
Indeed, we would not be able to consider this agreement without the 1993 budget agreement. With only Democratic votes, that package has cut the deficit for 4 years in a row and brought the deficit to its lowest point as a percentage of the Gross Domestic Product (GDP) since 1974. Ironically, we on this side of the aisle predicted the 1993 budget would cause economic collapse and ruin. Yet, today, the economic growth generated, in part, by the 1993 budget has brought us to the place where it is conceivable to reach budget balance. Today’s national economy is a marvel of low inflation, low unemployment, and strong revenues, which is good news for many although it has yet to reach some in my State of Rhode Island.

Again, there are sound elements of this plan, but I would caution that a budget resolution is short on specifics, long on figures, and tends to obscure the magnitude of what is under consideration. While the budget resolution is nonbinding, it imposes an austere procedural and fiscal discipline on what the Senate can and cannot do. Certainly the defeat of the Hatch-Kennedy amendment showed that this budget resolution, which could continue to be, used to thwart efforts to meet even the health care needs of America’s children.

Mr. President, for all its effort, I believe this agreement falls short in a number of key areas. First, the deal’s economic assumptions are optimistic, and are based on a $255 billion midnight revenue windfall estimate from the Congressional Budget Office. Sadly, the accuracy of these estimates is not guaranteed. Since 1980, CBO’s revenue estimates have been wrong 11 times, and, on several occasions, these estimates have been off by more than $50 billion. I would also add that as the Senate might, the business community legislated the very existence. My sincerest hope is that the current economic growth continues, however, history shows that what goes up usually comes down. If we experience a downturn, this agreement could need massive retuning, which would probably not include the elimination of tax breaks for the well-to-do, but would mean pain for society’s most vulnerable.

Second, and, most important, I believe that tax breaks are the wrong direction for an agreement which claims to balance the budget. When we are engaged in the task of trying to balance the budget, we should not make the job more difficult by enacting questionable tax breaks for those individuals who are already benefiting handsomely from the current economic growth.

This agreement calls for tax cuts totaling $250 billion over 10 years. When it comes to taxes, what starts small, explodes later. Indeed, 44 percent of the cost of the agreement’s tax breaks are packed into the years 2005, 2006, and 2007. Indeed, the cost of these tax cuts grows 32 percent in the final 2 years of the deal. What does this portend for the second 10 years of the agreement? According to the nonpartisan Center on Budget and Policy Priorities, the revenue loss could reach up to $850 billion from 2008 to 2017. I would hasten to inform my colleagues that this is the time when the baby boom retirees will begin to place enormous pressure on already strained entitlement programs.

In contrast, targeted, middle-class tax breaks, like the Hope Scholarship, are supportable because they help working families afford college and prepare their children for the competitive international economy. Unfortunately, the agreement lacks even the attractiveness of closing corporate welfare loopholes that subsidize the shipment of jobs overseas and other questionable business activities to pay for tax breaks.

Mr. President, the specifics of the tax bill this agreement calls for are questionable to say the least. As the resolution’s year-by-year revenue loss tables show, there is plenty of budgetary room for time bombs and gimmicks. Indeed, after the revenue loss from the 1959 tax break, when the dollar peaked in 1990 and 2000, it fell in 2001 and 2002, but it keeps rising and explodes after 2007. As others have pointed out, the pattern is not accidental. Instead, it is designed to permit a number of questionable tax gimmicks to give the appearance of fairness and simplicity. One such revenue trick is to phase in the capital gains indexation which conveniently hides the first 5 year revenue loss and assumes more revenue early on in the second 5 years as investors rush to cash in on capital gains indexing. According to experts, capital gains indexing will cost three times as much in the second 5 years as in the first 5 years of the budget deal.

Some may argue that if gimmicks are embedded and subsequently wreak havoc on deficit reduction, Senators will do the right thing and repeal these taxes. Mr. President, I am not so sure that you can put the tax cut genie back in the bottle. This agreement contains no commitment to control a revenue loss explosion. Indeed, all of the President’s requests for such assurances were rejected by Republicans. The word “permanent” is used to describe the capital gains tax cuts, but there is no commitment to tax incentives. I would also add that it is very difficult to repeal taxes both politically and practically. For example, phased-in capital gains indexing and other revenue games are hard to repeal or modify because taxpayers will have accepted the Government’s tax cut offer on which the Senate would be hard pressed to renege.

But, I am not simply concerned with revenue loss and tax cut chicanery. I believe that too many of the tax cuts called for in this agreement are dubious merit and value. The best example of this fact is an across the board capital gains tax cut. Such a proposal is not investment oriented. There will be no holding period or connection to investments in small businesses. As Paul Volker, former head of the Federal Reserve said before the Senate Finance Committee:

"...a near-term reduction in the capital gains tax rate from present levels does not strike me as a pressing matter, especially given the current performance of the economy and the medium and longer-term budget prospects...[A] very large across the board reduction of capital gains taxes poses serious problems of equity and complexity, of revenue loss and of distortion of decision making.

If public policy is to make a serious effort to raise the level of savings and investment, and do so equitably, the priorities seem to me clear. We should move as fast as we can toward a surplus in the Federal budget.

There are those who would argue that a capital gains cut would help millions of Americans. However, the typical beneficiary of a capital gains cut is not a middle-income family. Indeed, households with incomes over $100,000 receive about three-quarters of all capital gains income, and as the Joint Tax Committee reported—JCS-4-97:

"...[W]hile many taxpayers may benefit from the exclusion of capital gains, the bulk of the dollar value of any tax reduction will go to those taxpayers who realize the bulk of the dollar value of gains."

In other words a capital gains tax cut benefits the wealthy who actually have capital gains.

There are other questionable tax cuts in this plan, such as the estate tax cut which would only benefit the top 1.2 percent of estates and the backloaded IRA proposal which aims to increase savings for retirement, but causes a revenue loss explosion when the pressure on entitlements is most acute due to the baby boomers. Again, the President had tax proposals which were better and helped family business owners without significantly adding to the deficit.

Third, while the agreement correctly focuses on education through a $35 billion targeted tax incentives for college costs, a commitment to increase the Pell grant for fiscal year 1996, a commitment to technology in the classroom, and a minimal commitment to improving literacy, the need may exceed what this plan allows due to its 10 percent reduction in domestic investment in real terms. Groups like the Committee for Education Funding are greatly concerned about the restrictive discretionary spending caps in the agreement which could severely thwart efforts to invest in our education needs. The agreement contains no school construction funds and little room in budget caps for such an initiative. There is no room for further Pell grant increases, as the defeat of my amendment to increase Pell grant funding demonstrates. There are scarce resources for the estimated $4.8 billion capital gains losses as suggested by the National Commission on Teaching and America’s Future. Moreover, there is no commitment to fund
goals 2000, school to work, national service, or the burgeoning need for re-
search into early childhood develop-
ment.

Fourth, the agreement makes very modest room for health care needs, and, yes, there was money in this agreement for a more robust children’s health care program paid for with a tax on tobacco. I am also con-
cerned that there are limited resources available for the National Institutes of Health’s fight against cancer and HIV.

Fifth, I am concerned that the $115 billion in Medicare cuts called for in the agreement may exceed what is abso-
lutely needed to preserve Medicare. Indeed, the level of cuts in the years 2001 and 2002 total $69 billion. I am also dis-
trusted to use solid estimates are available for the premium increases that many seniors face. The agreement also ignores the long-term-solvency issues of the Medicare program and may leave some with the mistaken im-
pression that Medicare is guaranteed to be there for them. There are even those in the other body who would like to add the dubious concept of medical savings accounts to this plan.

Sixth, the agreement ignores our in-
vestments in health care and edu-
cation. It restores some benefits for legal immigrants hurt by last year’s welfare act, and it builds on the suc-
cess of the 1993 deficit reduction pack-
age.

However, the fundamental question is, Does this agreement meet the chal-

lenges of the future? Will it allow us to truly reform education? Will it help more working families afford college? Will it rebuild our roads, bridges, and railroads? Will it provide tax relief to those making the transition from welfare to work? Most important, is this agreement fair or does it ask too much of those who can least afford it?

Mr. President, this budget resolution is not the plan for our future. It is too generous where fiscal discipline is re-
quired and too tight-handed where in-
vestment is direly needed. And, sadly, it fails to meet the test of fairness and honesty we owe hard working Amer-
can families.

Mr. President, as the specific legisla-
tion to implement this agreement is developed, I am hopeful that its ex-
cesses can be curbed, and I would urge my colleagues to accept amendments which would make this plan worthy of greater support.

Mr. LEVIN. Mr. President, the rev-
ue provisions in the budget resolu-
tion which is before the Senate reflects the bipartisan budget agreement en-
tered into by the President and the congressional leadership. I quote from the Budget Committee’s report accom-
panying this resolution:

"The Bipartisan Agreement assumes the net tax cut shall be $85 billion over the next five years and not more than $250 billion over the next ten years, to provide tax relief to Amer-
can families. Under the Agreement, revenue would continue to grow, from $1,554.9 billion in 1997 to $1,890.4 billion in 2002, an in-
crease of $335.5 billion over the five year pe-
riod.

As always, the Ways and Means Committee in the House and the Finance Committee in the Senate will determine the specific amounts and structure of the tax relief pack-
Age. The tax-writing committees will be re-
quired to balance the interests and desires of many parties (while protecting the interests of taxpayers in the aggregate) in crafting the tax cut within the context of the goals adopted by the Bipartisan Budget Agreement.

I also want to read those guidelines from the letter sent to the President on May 15, 1997, from the Speaker of the House and the Senate majority leader:

"It was agreed that the net tax cut shall be $85 billion through 2002 and not more than $250 billion over the next ten years. These levels provide enough room for important re-
forms, including broad-based permanent capital gains tax reductions, significant death tax relief, lower child tax credit, and ex-
pansion of IRAs.

In the course of drafting the legislation to implement the balanced budget plan, there are some specific numbers that we want to be sure the committees of jurisdiction consider.

Specifically, it was agreed that the package must include tax relief of roughly $35 billion over the next five years, for post-secondary education, including a deduction and a tax credit.

Would the distinguished ranking member of the Budget Committee agree that this agreement and this budget resolution leave great flexi-

bility for the Congress to shape the tax reconciliation bill?

Mr. LAUTENBERG. I do agree with the Senator from Michigan.

Mr. LEVIN. Does the Senator agree that within the parameters of an $85 billion net tax cut through the year 2002 and no more than $250 million over the next 10 years, including $35 billion in tax relief over 5 years for post-second-
ary education, including a deduc-
tion and a tax credit, there is signifi-
cant flexibility in the size and the tar-
getting of a permanent capital gains tax reduction and in the size and the spe-
cifics of death tax relief included in the package?

Mr. LAUTENBERG. Again, the Sen-
ator is correct.

Mr. LEVIN. Does the Senator agree that the term “broad-based” as applied to permanent capital gains reductions as in the agreement letter and in the reconciliation bill is subject to a rea-
sonable debate as to its interpretation?

Mr. LAUTENBERG. I agree with the Senator.

Mr. LEVIN. And does the Senator agree that the term “significant” as it is defined in the agreement letter and in the reconciliation bill is subject to a rea-
sonable debate as to its interpretation?

Mr. LAUTENBERG. I agree. Mr. LEVIN. When I read the table sum-
marizing the agreement, entitled “Long Range Summary, 1997–2007,” on page 77 of the committee print, there is an agreement regarding net tax figures for the years 1997 through 2002. The word “agreement” appears above the columns for those years. The word “projection” appears above the col-
umns for the years 2003 through 2007. Am I correct then that the net tax cut figures for the years 2003 through 2007 are simply OMB projections?

Mr. LAUTENBERG. The Senator from Michigan is correct.

Mr. LEVIN. I thank the distinguished ranking member of the Budget Com-
mittee. I ask these questions to reflect my concern that any tax bill produced pursuant to the budget agreement and this budget resolution not set in motion tax policies which will create large deficits in the next decade. Also, I strongly believe we must carefully study the effect of any tax provisions which we include in the revenue reconcili-
cation legislation to assure that it is fair, and not weighted to benefit prin-
cipally those who need it least.

Mr. KENNEDY. Mr. President, with reluctance, I oppose this budget resolu-
tion. It has many worthwhile features, and I am hopeful that as the process continues, it can be significantly im-
proved. In its current version, it has too many obvious defects that make it un-
acceptable. It contains excessive tax cuts that are likely to balloon in the future and lead to massive new deficits that make
the pledge of a genuinely balanced budget a hollow promise. It fails to ask the rich to make a fair contribution to reducing the deficit, and rewards them with massive tax breaks instead. It threatens the system that delivers health care. It also does excessive reductions in the needed level of public investment. And it does not do enough to provide health insurance coverage to the 10 million children without such coverage today.

The last time a budget promised balance and large, ballooning tax cuts at the same time was the Reagan budget of 1981. And the tax cuts in this budget do balloon. As a May 21 study by the Center on Budget and Policy Priorities shows, the tax cuts in the budget are growing at a rate of 32 percent in the final 2 years of the first 10-year period. That study also indicates that the tax cuts are likely to cost about $650 billion, nearly two-thirds of a trillion dollars in the second 10-year period. That study also indicates that the tax cuts are likely to cost about $650 billion, nearly two-thirds of a trillion dollars in the second 10-year period, from 2008 through 2017. The budget asks too little sacrifice from corporate tax subsidies.

Our recent budget history should teach us that we only have so much money for. We should target those service tax cut dollars to working families and the middle class. But too many of the tax cuts that the Republican majority brags about in this budget would benefit the very wealthierest individuals and corporations.

As part of the bipartisan budget agreement, Speaker GINGRICH and Senator LOTT wrote to the President, "We believe that levels provide enough room for * * * broad-based permanent capital gains reductions, significant death tax relief, * * * and expansion of IRAs." President Clinton will be hard-pressed to preserve his important tax cuts for education if the Republican majority in Congress holds to its present course.

The capital gains tax cuts in S. 2, the Republican leadership tax bill, would cost $18 billion in the first 5 years and $48 billion in the second 5 years. More than 85 percent of its benefits would go to those with incomes greater than $100,000 a year, according to an analysis by Citizens for Tax Justice. Fully two-thirds of the benefits from lowering the capital gains tax rate would go to the top 1 percent of taxpayers—those with incomes above $241,000. This wealthy elite would get an average tax cut of about $6,800 from the capital gains tax cut, while families in the middle fifth of the population would get an average tax cut of $4.

The estate tax cuts in S. 2, the Republican leadership tax bill, would cost $18 billion in the first 5 years and $48 billion in the second 5 years. All of the benefits of these tax cuts would go to the 1 percent of estates larger than $600,000 in value. A 1989 Joint Tax Committee analysis of an IRA provision similar to that in the Republican leadership tax bill found that 95 percent of the benefits went to taxpayers with net worth of at least $1 million. Reasonable restrictions on the tax cuts for capital gains and estate tax relief place much less of a burden on the deficit. The Democratic leader, for example, has introduced targeted capital gains tax cuts that cost $4.5 billion, and estate tax cuts that cost $3 billion over the next 5 years.

In addition, this budget takes only modest steps to control the massive subsidies that the tax laws now bestow on the wealthy. It has been estimated that over four-fifths of tax subsidies go to the richest 20 percent of the population. At a time when billions of dollars of budget cuts are being proposed in health benefits for the elderly, it makes no sense to provide tax breaks to billionaires who renounce their citizenship.

The tax expenditures listed in a December 1996 Senate Budget Committee report add up to more than $2.7 trillion over the next 5 years. That's more than 30 percent of the cost of running the entire Federal Government over the same time period. These tax entitlements represent a larger share of the Federal budget than Social Security, Medicare, Medicaid, or any spending program.

Together with Senator JOHN MCCAIN and other Senators, I have joined in a bipartisan effort to reduce corporate subsidies using a base-closing type Federal commission. Cutting corporate subsidies would introduce a needed element of fairness in the budget. When so many individuals and families are being asked to bear a heavy burden of budget cuts, there should be no free ride for special interest groups and their cozy subsidies.

Medicare cuts, at $115 billion, make up nearly two-fifths of the total spending cuts in this budget. These Medicare cuts grow to $155 billion over 6 years, and $215 billion over 7 years. Even though this budget does not ask as much of beneficiaries as did the Republican budgets of the last 2 years, cuts of this size raise questions about the continued willingness of Medicare providers to participate in the system.

Defense did not sacrifice to make its contribution to the budget. Defense cuts in this budget are essentially the higher of either the President's or the Republicans' proposals. The Republicans' levels were higher in the short run, and the President's levels were higher in the long run.

Domestic appropriations contribute $61 billion over 5 years and are assumed to contribute $273 billion over 10 years to keep the budget in balance. Coming after the 1990 budget, which essentially froze total appropriations, these cuts seriously reduce the pool of money from which education, research, and other needed investments are made to ensure the future growth of the economy.

The budget does make a worthwhile start for children's health, by allotting $16 billion—$3.2 billion a year on average—over the next 5 years. But the budget also takes $14 billion out of Medicaid at the same time, leaving doubts about how much net funding will actually reach children in need.

We should be realistic about what $3.2 billion a year can and cannot do. According to the Congressional Budget Office, the Federal cost of providing Medicaid coverage to one child in 1997 will be $860. At $860 per child, $3.2 billion dollars a year will cover about 3.7 million children. This is just one-third of the number of uninsured, just enough to cover those children below poverty with a little left over. If we stop at the $16 billion in the budget agreement, we will be leaving out almost a million children. This resolution includes more than enough to cover the health insurance their children need.

The $20 billion over the next five years in the Hatch-Kennedy CHILD amendment was designed to help these families, and I regret that it was narrowly defeated. Senator HATCH and I continue to believe that is should be included in the budget, and we intend to offer it as part of the reconciliation bill later this year.

The debates ahead will offer realistic opportunities to improve the budget package and address the greatest excesses in its worst provisions. I look forward to working with my colleagues to enact a balanced budget that truly reflects the Nation's needs and priorities.

Mr. KEMPThorne. Mr. President, I rise today in support of Senate Concurrent Resolution 27, the Concurrent Budget Resolution for fiscal year 1998. This resolution charts the course to achieve the goal that the people of America and Idaho want and deserve—a balanced budget. With the spending targets set forth in this resolution Congress will balance the federal budget for the first time in nearly 30 years.

This accomplishment has a very personal perspective for me because the last we had a balanced budget, in 1969, I was a junior in high school. Now, almost 30 years later, as we are on the verge of balancing the budget again, I have to consider all of those generations who have never seen a balanced budget. An entire generation of Americans has lived their entire lives under the burden of a national debt that is now almost $20,000 for every man, woman and child in this country. Our children deserve a better future than having to pay the interest on a $5 trillion debt. This budget resolution offers them hope for a better tomorrow.

Mr. President, I am proud to support this monumental budget resolution not only because it achieves a balanced budget and eliminates the national debt, but because it accomplishes these goals while providing significant tax relief to working American families. This resolution confirms that the money in the Federal budget belongs to the taxpayers of this country, not the government, and it is about time we start leaving more of it where it belongs, in the taxpayers pocket.

This resolution provides families with a $500 per child tax credit, cuts
Mr. President, the budget resolution before us is a strong plan for reversing the decades old Washington habit of spending more than it can afford. We won't be easy to stop this out of control deficit train and turn it around, but Republicans are determined to get the job done, and we will.

I am proud to vote for this resolution and work for tomorrow for our children. I ask my colleagues to join me in supporting Senate Concurrent Resolution 27.

I yield the floor.

Mr. GLENN. Mr. President, I rise to comment on the important resolution before us today, the concurrent budget resolution. This is truly a remarkable occasion. We are considering the outlines of a plan that will balance the budget over the next 5 years. This bipartisan proposal achieves a number of important accomplishments. The most significant of course is balancing the budget by 2002. I believe that the Budget Committee Chairman DOMENICI and ranking member LAUTENBERG and the many others who worked in their work to bring this agreement to the floor of the Senate.

Without a constitutional amendment, this agreement will balance a budget that has been the focal point of national debate and a goal supported by most every candidate for President and Senator for at least as long as I have been in office.

Four years ago we proposed cutting the budget deficit in half. After many difficult votes we supported the plan. Democrats along with a tie breaking vote from Vice-President GORE helped enact a program that set us on a course of real deficit reduction. Many criticized that effort and predicted economic disaster. But now after 4 years of economic growth and reduced deficits we are in a position to finish the job. After 4 years, our deficit has been reduced from $290 billion down to $67 billion.

This proposal outlines a plan to extend the solvency of the Medicare trust fund for at least a decade. It will expand beneficiaries' choice of private health plans by allowing preferred provider plans and provider sponsored plans to compete in the managed care programs in Medicare. Additional preventive health benefits are provided and beneficiary copayments for outpatient services are limited. Part B premiums are maintained at 25 percent of premium increases necessary for home health care benefits are phased in over 7 years. Low income seniors are protected from any potential home health premium increases.

In order to ensure that this important area of service are adequately protected this agreement identifies priorities such as education reform, Pell grants, child literacy, and Head Start. Two very important initiatives are anticipated in this agreement. The first provides $16 billion to expand health coverage to up to 5 million children who do not now have health insurance. The second revises last year's welfare reform to restore necessary benefits to disabled immigrants. I believe that the initiatives on these issues are commendable.

Although important progress is made in this agreement, I want to make clear that I have a number of concerns. I have worked on and voted on budget agreements before and I recognize some of the pitfalls. My first concern is the question of tax cuts. If the first priority of this agreement is to balance the budget, I do not believe that we should make that job any harder. This agreement calls for a tax cut of $85 billion over 5 years. Why can't we eliminate these cuts and balance the budget sooner? Why can't we apply those funds to establish a budget surplus and apply it to debt reduction? Or at least, why can't we wait to determine if this agreement and its underlying assumptions prove successful? What happens to our deficit reduction and balanced budget efforts in the event of an economic downturn? There is no assurance that this agreement will be as successful as the one 4 years ago.

I recognize that tax incentives have historically been employed to stimulate our economy. Although some argue our economic growth could be even higher, last quarter's 5.6 percent growth is the highest in 10 years. The stock market is at record highs, a core inflation rate of 2.5 percent in the last year is the best in 30 years and the inflation rate of 4.9 percent is at a 25 year low. I am not convinced that this is time to use tax cuts to stimulate the economy. I believe that deficits should be reduced in good economic times. If tax cuts are to be used in good economic times what tools will we have in a less favorable economy?

The tax cuts anticipated in this resolution are calculated to cost a net $85 billion over 5 years. I am concerned, however, that beyond the scope of the 5 year outlook these tax cuts will go even higher. Indeed the agreement expects that the 10 year cost will rise to $250 billion.

Even though this agreement provides for a balanced budget in 2002, entitlement spending is expected to soar beyond the turn of the century. Yes, we improve the solvency of Medicare in this budget and put it on a firm footing for 10 years, but beyond that time frame Medicare costs will rise. This agreement continues to use the surplus provided by the Social Security system to reach a balance. Beyond the turn of the century the surpluses will provide reduced benefits for beneficiaries.

I am concerned that again we are putting off finding a solution to these problems when relatively small steps taken now can avoid much larger steps that will undoubtedly need to be taken later.

During the consideration of the resolution I supported efforts to provide additional support for children without health insurance, additional support for early childhood development, and additional support to rebuild crumbling schools. Although we were unsuccessful on these amendments, this will not be the end of the work. Those battles will continue throughout the reconciliation and appropriations process and I am hopeful that we will have some success.

Let me say further that I recognize that just because this agreement does not solve each and every problem is no reason to oppose it. The perfect then becomes the enemy of the good. Important progress is made here and although not perfect I intend to vote for the good.

GROWTH WINS

Mr. ROTH. Mr President, it is no coincidence that the first balanced budget agreement in a generation has come about at a time when the economy is red hot and when joblessness has dropped below 4.9 percent. The expanding economy has did not shrink the deficit as well as the gulf between both sides of the budget debate.

Any lingering distance between Congress and the administration was swept away on the eve of the agreement when the Congressional Budget Office predicted that a tidal wave of new money would flood the treasury in the next 5 years.

These new CBO estimates project the economy without a budget agreement, increased revenues and decreased outlays would shrink the deficit an additional $225 billion.

Perhaps even more important than the first balanced budget in a generation, this tidal wave of new money has washed away the ground underneath opponents of growth. Nothing signified the victory of growth over zero-sum, class-warfare politics more clearly than the words of President Clinton’s former Labor Secretary Robert Reich when he told the New York Times a few weeks ago, “The fact is, a lot of the deficit solved itself. It was the one solution that no one thought of.”

Actually, it was the guiding philosophy of the Kemp-Roth tax cut. If I may quote Jack Kemp, “Even with spending...
VerDate Mar 15 2010 22:21 Oct 24, 2013 Jkt 081600 PO 00000 Frm 00021 Fmt 0637 Sfmt 0634 E:\1997SENATE\S23MY7.REC S23MY7mmaher on DSK5TPTVN1PROD with SOCIALSECURITY

especially when the baby boom begins in both Social Security and Medicare, and this is true. It is also true that we citizens. We no longer harbor fears about the produce the jobs our country needed. When President Clinton took of- Federal Government.

no longer debatable is that growth is relish such a debate about the connec-

vironment. It is the key to rebuilding the American dream.

Growth has won the debate because it has proven itself. Even the more ar-

ponents of growth oriented poli-

cies must realize that to raise $225 bil-

lion to less than $70 billion.

With this resolution, we are finally taking the historic step of balancing the Federal budget for the first time since 1969. In 1993, I was proud to support the President's economic plan. Since that plan was enacted, our deficit has been reduced from $290 bil-

lion to less than $70 billion.

The 1993 vote was strong medicine. But it was the right medicine for our economy. Today, we have an oppor-
tunity to finish the job we began in 1993. We can adopt this resolution which will bring us to a balanced budg-

et by the year 2002.

But, unlike previous attempts to bal-

ancing the budget resolution pro-
tects crucial investments in our future. Balancing the budget must be based on principles. First and foremost, it must meet families' day-to-day needs.

I believe this resolution succeeds in putting families and children first. It makes especially concerned with education—from adding 1 million children to the Head Start Program to making it possible for millions of students to receive a college education.

This resolution expands health care coverage to 5 million uninsured chil-

dren. I want to do more. This resolu-
tion still leaves another 5 million children with no health insurance. I am supporting the Kennedy-Hatch CHILD bill which would make sure that every child has access to immunizations, early detection screening, and basic health care. I view the commitment made in this budget resolution to child-

health as a downpayment on the job. I hope we will finish the job by en-
acting the CHILD bill later this year.

The bill before us will continue our progress in making our neighborhoods safe. It ensures that the programs of the 1994 crime bill, which have been so effective in bring down crime rates, will be continued.

I am particularly pleased that the budget resolution protects the violent crime reduction trust fund, including the community policing or COPS Pro-
gram. The COPS Program has already put over 1,200 new police officers on the streets in my State of Maryland.

Under this budget agreement, envi-

renert will also be taking important steps to move people from welfare to work and to provide tax relief for working families. It will enable us to provide help for those who practice self help.

As the Finance Committee begins putting together the tax component outlined in this budget agreement, I hope they make capital gains tax relief for middle income families their priority. I want to enact capital gains relief. I think we owe it to those who have invested in their community through purchasing and maintaining a home. They should be able to realize their investment, and not have it taken away through capital gains taxes.

I hope we can do something to pro-

vide capital gains relief for other types of investments as well. For example, that the longer you hold an investment, the less you should pay in capital gains. That rewards those who invest in our economy for the long run, without re-

warding those who are just out to make a fast buck.

I want us to have estate tax relief, so that a car dealer in Frederick can pass on the business to the next generation, or a small family farm in western Maryland or the Eastern Shore can stay in the family.

I hope the Finance Committee will put together a tax package that puts families first. If the tax package is un-

fairly tilted toward the well-to-do, I will oppose it. Although I will support this budget resolution, I must be clear that there are parts of it that give me great pause. I am particularly troubled by the $115 billion in cuts in the Medicare Program. If we were given the oppor-
tunity to vote separately on each of the major components of this package, I would oppose the Medicare compo-

...
In the last Congress, when the majority party was attempting to push through $270 billion in cuts to the Medicare Program to provide tax cuts for the wealthy, I opposed them. I said at the time that we did not have a $270 billion solvency problem in the Medicare Program, and we had a $89 billion solvency problem. I was joined by the majority of my Democratic colleagues in that position.

So to see a resolution which calls for $115 billion in cuts to Medicare is of deep concern to me. I acknowledge this is much better than plans that were before us over the last 2 years. However, I am still concerned about the impact on seniors and on health care providers of this magnitude of cuts.

I realize that the budget resolution does not cut a single dollar from the Medicare Program. It only provides a guideline for the authorizing committee to follow. We are a long way from making any actual changes in Medicare. So I think that the majority Committee will exercise extreme care in crafting the Medicare piece of the budget reconciliation bill. I believe we can ensure the solvency of Medicare without creating a financial burden for seniors or providers.

Let me acknowledge one final area of concern. America owes a special debt to our veterans. We have a sacred commitment to honor all of our promises to them. I want to ensure that we provide adequately for veterans’ health care.

I am pleased that we passed an amendment to express the sense of the Senate that we must provide sufficient funding for veterans programs and benefits. This amendment includes language to urge that third party payments—that is, payments from private insurers—be used only to supplement, not supplant veterans health care funding. It makes clear that the Senate intends to keep our faith with America’s veterans. I won’t stand for anything less than that.

Despite these reservations, I will support this resolution. It plots our course toward a balanced budget and puts families and children first. I believe this budget resolution will make a real difference in the lives of working Americans, and I will support it as a framework for future action.

Mr. ENZI. Mr. President, I rise in opposition to the concurrent Resolution 27, the Budget resolution. The budget resolution before us has gone through an incredible amount of negotiating to get to this point. I commend the Budget Committee chairman and the ranking member for working so diligently on this budget document.

As we began our work on the blueprint for our Nation’s future, I had certain criteria in mind the budget resolution had to meet in order for me to support it. Unfortunately, this budget does not meet either of my criteria to justify my support.

I would like to take this opportunity to explain my position and those provisions which I feel leaves this agreement short of the mark.

I feel that a good budget agreement should balance the budget before the year 2002. The Congressional Budget Office estimates a $225 billion windfall over the next 5 years. We should be giving this unexpected revenue back to the American people and use it to reduce the deficit.

It also concerns me that there are no enforcement measures in place to ensure that the budget will remain in balance after the year 2002, let alone before that.

Finally, the spending cuts are back loaded in the last 2 years of the agreement, and will take place after President Clinton leaves office. That isn’t right. I believe the American working families expect action from us today—not promises for a better tomorrow.

I voted for amendments that I felt would make the budget more enforceable and realistic. Without these amendments, the resolution does not go far enough. The amendments would ensure that the debt limit would not be increased, and that these additional unexpected Federal revenues and the projected $225 billion revenue will be used only toward tax cuts and deficit reduction.

If we don’t produce a balanced budget, we lose, and generations to come will lose right along with us. A balanced budget only gets more difficult to achieve the longer we wait. If we are genuinely concerned about the welfare of our children, we should first look at balancing the budget while it is still realistic and possible for us to do so. The longer we wait, the more we turn our children’s dreams and hopes for a brighter future into a terrible nightmare. They look to us for leadership. They look to us to pass a budget that actually balances, and continues to balance the budget every year. I have no intention of letting them down.

I yield the floor.

Mr. LEVIN. Mr. President, the budget resolution which the Senate is now considering represents the next step forward in a process begun in 1993. It reflects a considerable bipartisan accomplishment of the congressional leadership and the President. While I don’t agree with it in every specific, it represents the best opportunity to reach a zero deficit by the year 2002, in a way which protects Medicare, Medicaid, funding for education and environmental protection.

In 1992, the deficit in the Federal budget was $290 billion which represented 4.7 percent of the gross domestic product. The most recent estimate of the deficit for fiscal year 1997 is $67 billion, approximately eight-tenths of one percent of the gross domestic product.

Over the 5 years from 1993 to 1998, the deficit has been reduced by about 1 trillion dollars from the deficit for those 5 years projected at the time. This remarkable progress has come about in large part as a result of the deficit reduction package which President Clinton presented in 1993, and which this Senate passed, without a single Republican vote, by a margin of one vote, the Vice-President’s.

This economy has responded to the steady reduction of the deficit. The economy grew for the first quarter of 1997 at a 5.6 percent rate, with an inflation rate of 2.7 percent. The unemployment rate is now 4.9 percent, the lowest in 24 years. This continued unemployment rate in 1992 of 7.5 percent. More than 12 million new jobs have been created since President Clinton took office. Now, this budget agreement, reflected in the budget resolution before us, holds the promise of bringing us even closer to finishing the job.

This budget gets many of the nation’s priorities right. It protects Medicare and Medicaid—while assuring the solvency of the Medicare trust fund for another decade—it includes an important new initiative for children’s health insurance, assures necessary funding for the protection of our natural environment, and perhaps most importantly, it includes the largest investments in our education of our children in over 30 years. The agreement includes the commitment to pass $35 billion of postsecondary education tax cuts and funding for the President’s initiatives in child literacy, school technology, Head Start, and an increase in the maximum Pell Grant to $3,000. Overall, this represents a 13 percent increase over the five years of the budget, and a 36 percent increase in education and training from last year’s budget resolution.

Mr. President, the resolution before us also makes room in the budget for $250 billion in net tax cuts over the next 10 years, and $85 billion in net tax cuts over the next 5 years. This could represent an opportunity to achieve the educational opportunity of our children in over 30 years. The agreement includes the commitment to pass $35 billion of postsecondary education tax cuts and funding for the President’s initiatives in child literacy, school technology, Head Start, and an increase in the maximum Pell Grant to $3,000. Overall, this represents a 13 percent increase over the five years of the budget, and a 36 percent increase in education and training from last year’s budget resolution.

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For that reason, I hope that the tax-writing committees will consider tying tax reductions to actually accomplished milestones of deficit reduction. Second, we must carefully study the effect of any tax provisions which we include in tax-reform legislation to assure that it is fair, and not weighted to benefit those who need it least. Many of the capital gains and estate tax proposals which we have seen proposed over the last seven years would clearly have mostly benefited the top 10% of income earners.

The budget resolution before us leaves great flexibility to the tax-writing committees, and ultimately to the House and Senate to fashion an equitable tax bill that provides not only tax relief, but investment in our nation’s future, particularly through education. Also, and very importantly, the resolution provides for the tax provisions to be considered separately in a reconciliation bill after the other elements of the balanced budget have been enacted. This will provide the Senate with the opportunity to reject a tax bill which is inconsistent with balancing the budget and keeping it balanced in the years beyond 2002, and/or a tax bill that does not focus its relief on middle-income families and investment in education. It will also provide the President with the opportunity to veto such legislation. While I hope that course will prove unnecessary, it does provide greater assurance that the budget agreement that we will soon ratify in this budget resolution will produce an outcome of which we can be truly proud.

Mr. President, I want to commend all of those who worked to produce this bipartisan budget resolution. It is with hope that we are finally approaching a balanced budget which protects the nation’s priorities that I will support this resolution.

Mr. Frist. Mr. President, I rise today in support of Senate Concurrent Resolution 27, the 1998 concurrent budget resolution, which outlines the bipartisan budget agreement between the President and the Congress. While I acknowledge the legislation’s shortcomings, I support the overall agreement because it is a step in the right direction for our country.

Before I begin, I want to commend Senator DOMENICI and the other negotiators for their relentless and award-winning commitment to reaching this agreement. Their leadership serves the American people well.

Today, this bipartisan balanced budget resolution fulfills a series of promises that we made to the American people. We promised to pass a balanced budget by 2002—reflecting our commitment to economic growth, fiscal responsibility, and the simple principle that our Government should live within its means. Today, the plan before us will extend the solvency of Medicare’s Part A hospital insurance trust fund for 10 years and make structural reforms that will preserve the program in the future.

We promised tax relief to help families and businesses grow—reflecting our belief that the American people, rather than the Federal Government, should make decisions about how to spend, save, or invest their hard-earned income. Today, the agreement includes $250 billion in permanent tax cuts over 10 years in including a $500-per-child tax credit, capital gains relief, death tax reform, expanded individual retirement accounts [IRA’s], and education tax incentives. For every $1 in new spending, we cut taxes $3.90.

We also promised to reduce the size and scope of the Federal Government. Today, the agreement before us reduces total Government spending $320 billion over 5 years and more than $1 trillion over 10 years. This will include a $120 billion over 5 years and $3,800 over 10 years for each man, woman, and child in America. In fact, for every new $1 added to this budget, we reduce spending $15.

In constructing this budget, we promised to consider a full range of economic scenarios in our assumptions. Unlike the President’s past two budgets, the agreement before us does not include mechanisms that automatically and arbitrarily impose one-time spending increases or eliminate budget shortfalls. It is also based on the conservative economic assumptions of the Congressional Budget Office [CBO], which forecasts economic growth even more conservatively than most private economists at about 2.1 percent annually over the next 5 years. We chose these assumptions so we could err on the side of caution.

However, even the most conservative assumptions involve a considerable degree of uncertainty. Forecasting the performance of a multi-trillion-dollar economy is far from an exact science. I believe we have done the best we could with the information we have available. But if the agreement does not produce the expected results due to unforeseen circumstances, I will not be discouraged as long as we maintain our focus on a balanced budget and fiscal responsibility.

Finally, we promised to reject rhetoric before us and work to together—Republicans and Democrats alike—to achieve results for the American people. In this spirit, we have worked to accommodate the President’s priorities, and he has worked to accommodate ours. Today, the agreement before us includes countless hours of negotiations between a Democratic President and a Republican Congress. I hope we can continue working in a bipartisan manner.

Mr. President, I cannot express my support without also outlining my concerns in four particular areas. First, this agreement does not adequately restrain long-term entitlement spending, growth to prepare for the Baby Boomers’ retirement just over a decade away. In fairness, the authors of this agreement do not claim that it does. But as we approach this new demographic era, we must be acutely aware of our fiscal situation.

Today, 200,000 Americans turn 65 every year. By 2011, 1.5 million Americans will turn 65 every year, a trend that will continue for 20 years. As the elderly population increases, our younger working population will shrink. Today, there are 4.9 workers paying for every retiree’s benefits in programs like Social Security and Medicare. In 2030, when we will have many more retirees to support, there will only be 2.8 workers to support each beneficiary.

This dramatic demographic shift will bring significant economic, political, social, and cultural changes that will transform our society. If we continued on our current spending course, our entitlements—our automatic spending programs—and interest on the debt would consume all federal revenues in just 15 years—leaving not a single dollar for roads, education, national parks, medical research, defense, or other basic government functions. I believe this agreement will help ease this demographic pressure, but more work lies ahead. We must begin sooner rather than later to deal with these problems fairly and effectively.

This week, I joined with Senator KERREY in offering a Sense of the Senate amendment on the need for entitlement reform. Specifically, it encouraged Congress and the President to work to enact structural reforms in entitlement spending in 1997 and beyond which sufficiently restrain the growth of mandatory spending in order to keep the budget in balance over the long term, extend the solvency of the Social Security and Medicare trust funds, and include a binding commitment to reform basic government functions, and that every effort should be made to hold mandatory spending to no more than 70 percent of the Federal budget. I am pleased that the Senate adopted this amendment unanimously. While a Sense of the Senate amendment is not binding, I believe it will help lay the foundation for more substantive reforms in the future.

Medicare is my second concern. As the second largest entitlement program in the budget serving more than 38 million seniors, Medicare will have a profound impact on our long-term fiscal health. When we consider that the average two-earner couple receives $117,000 more in benefits than they paid in taxes and premiums and factor in that Medicare is projected to be bankrupt before the baby boomers retire, we see the urgent nature of this problem. While I am encouraged by the bipartisan attempt to modestly restrain Medicare growth, I believe in our efforts to save and strengthen this vital program through true structural reform.
In addition to the demographic pressures outlined earlier, Medicare also faces the challenge of delivering 21st century health care through a bureaucratic 1960’s delivery system. Clearly, piecing together fair and balanced policy changes to achieve the required $115 billion in savings should not be our only goal. Working within the framework of this budget agreement, Congress should adopt structural reforms that tailor the program specifically to seniors’ needs.

These reforms should give beneficiaries more choices among competing health plans—similar to the ChoiceCare proposal introduced by Senator GREGG and my Provider Sponsored Organizations [PSO] bill—while retaining the current fee-for-service option for any senior who wants it. With these options, seniors could choose a plan that covers prescription drugs, a benefit not available under the current program. We also need to educate students about the benefits and disadvantages of long-term-care insurance. By changing the structural dynamics of the system, we truly can prepare Medicare for the challenges that await us.

My third concern involves our investment in research and development. Advances in technology have been responsible for one-third to one-half of our long-term economic growth through improved capital and labor productivity and the creation of new products and services. Despite this important relationship, our Federal investment in research and development has been falling as a percent of our gross national product [GNP] compared to other advanced nations. Unfortunately, this budget agreement does not reverse this troubling trend.

While some research and development investments such as the National Institutes of Health [NIH] and the National Science Foundation [NSF] are protected, many others are cut. Total Federal research and development funding could fall up to 14 percent over the next 5 years. As a percentage of GNP, it will have dropped more than 30 percent from 1994 to 2002. As a research scientist and chairman of the Commerce Science, Technology, and Space Subcommittee, I believe that underfunding research and development risks our national security and our economic competitiveness. If this trend continues, we may be retreating from investments with a proven record of returns that have made us healthier, wealthier, more productive, and more secure than almost any civilization in world history.

Finally, my fourth concern is education. Time after time in this Chamber, we have stressed the importance of a balanced budget to our children. With a balanced budget, they can leave the deficit spending of the past behind and look forward to a future of better economic opportunities. To take advantage of these opportunities, our children will need a quality education. I am pleased that education is a priority in this agreement. However, we are not targeting our resources where they are needed most—elementary and secondary education.

In the President’s budget, about 85 percent of the new education spending and nearly all the other education directed toward higher education. This budget agreement is structured in a similar way. These facts are troubling when you consider that only 28 percent of fourth graders are proficient in reading, only 21 percent of eighth graders are proficient in math, and about 30 percent of college freshman must take remedial coursework.

Our higher education institutions are the envy of the world, but without a stronger K-12 education system, this academic superstructure rests on a foundation of quicksand. I am concerned that our academic success will not last if we do not target our resources where they are needed most and greatest potential. Ultimately, we should consider targeting at least 50 percent of new education resources toward elementary and secondary education in the future. I urge my colleagues to focus more on this problem.

Mr. President, as I have mentioned, my vote today is not the final solution to our budget problems. My vote today is merely a down payment on a long-term commitment to my constituents in Tennessee and to all Americans—a commitment to fiscal responsibility.

The issues raised by this agreement will not disappear if this resolution passes. In fact, we will debate them again and again this year as we implement the agreement in the appropriations and reconciliation process. However, we can build on the momentum of this agreement to recommit ourselves to the discipline and fiscal responsibility that are necessary to free our children from debt and unlock the doors of economic opportunity for our future. I look forward to meeting this challenge.

Ms. MOSELEY-BRAUN. Mr. President, today the vote on the blueprint our nation will follow to reach fiscal balance by the year 2002. I commend the efforts of the President and the Congressional leadership to reach this agreement. It is clear that unless we get our deficit under control, we will be leaving our children—and our children's children—a legacy of debt that will make it impossible for them to achieve the American Dream.

This budget resolution reflects public opinion. This is a bipartisan agreement because of clear public opposition to continued deficit spending.

Although the deficit has been reduced in the past few years, our Nation’s ability to focus our resources on the areas that impact Americans’ daily lives. The deficit under President Carter was $73.8 billion when he left office. Under President Reagan it ballooned to $221 billion, and reached $296 billion under President Bush. When President Clinton took office, he inherited a $290 billion deficit. The national family was in debt $1.4 trillion.

Under President Clinton’s leadership, however, the deficit has been reduced to $77 billion, the lowest nominal level since 1981. During the Bush administration, private sector growth averaged 1.3 percent annually, but under President Clinton, growth has averaged 3.5 percent per year. The current federal deficit was 1.4 percent of the size of our economy, well below the deficits of other major economies, and the smallest level since 1974. This year, it will fall to about 1 percent of the economy.

President Clinton’s 1993 economic budget plan gave the signal to the world’s financial markets that Democrats were committed to fiscal responsibility and that we would put our country on a glide path to balance. Our Nation is now in our 6th straight year of economic growth. Unemployment was 7.5 percent in 1992. Last month it fell to 4.9 percent, the lowest level in a quarter century.

During the first quarter of this year, the economy grew at an annual rate of 5.6 percent, the best in a decade. And since President Clinton took office, more than 12 million new jobs have been created.

The best news about this resolution is that it continues the trend begun in 1993: this budget makes strides toward balance. Balance was a precondition of this agreement. While I regret that we did not pass a balanced budget amendment to the Constitution, the proof of the pudding is in the eating: the President and congressional leaders have reached a consensus and agreed that this budget should reach balance in the year 2002. And this budget has achieved that.

Mr. President, an area where the nation has reached a consensus is tax cuts. Everybody likes tax cuts. Public opinion is always in favor of tax cuts and this budget resolution provides for a net tax cut of $85 billion over 5 years. Average income tax cuts; about $35 billion in higher education tax cuts; a capital gains tax cut; a cut in the estate tax; and a variety of other tax proposals included in the President’s budget, including the welfare-to-work tax credit.

But this budget resolution only outlines the overall framework of the budget. The tax cuts that were agreed upon must be finalized in reconciliation in the Finance Committee. But there is little likelihood that this will happen.

While I support the concept of these proposals, I would have preferred to finish balancing the budget first.

Mr. President, the budget resolution also reflects the popular support for health care and Medicare. And the changes contained in the Medicare Program will not hurt seniors.

The agreement calls for $115 billion in Medicare savings, keeping the Medicare trust fund secure for another decade. It expands seniors’ choices of private health plans by allowing preferred provider organizations and provider-sponsored plans to compete in Medicare’s managed care program.
Furthermore, this agreement will make some fixes to the Medicaid Program. While the resolution does not contain a per-capita cap, which would have hurt Illinois, it calls for $13.6 billion in net Medicaid savings. It restores Medicaid coverage for certain legal immigrants and provides food stamps to individuals subject to last year’s welfare reform bill time limits, who are seeking work but have not been able to find a job. And it provides a welfare-to-work initiative.

The news is that this budget also provides for: expansion of the funding for Superfund hazardous waste cleanups; help up for to five million children, who currently lack health insurance, receive health insurance coverage by 2002; and it provides for the largest increase in education spending in 30 years.

This budget resolution does however, contain a few disappointments. It does not come to grips with the fundamental public investment needs of our Nation for the coming years. Instead of confronting these challenges and taking steps to meet them, it is the budgetary equivalent of the scene from “Casablanca” when Claude Rains says “I know that you don’t suspect me.” In this case, the “usual suspects” are domestic discretionary spending and cuts in reimbursements for Medicare and Medicaid health providers.

Like Captain Renault, this agreement is concerned with the appearance of action than with actually achieving something. And unlike the situation in “Casablanca”, where the captain’s inaction produced a good result, the failure to address our fundamental retirement security and investment challenges now, makes the future more difficult for all of us.

Since 1991, discretionary spending has remained relatively flat. While the President has resisted deeper cuts this year, the budget resolution leaves unaddressed the most glaring, gross and ruthless short-changes domestic spending. The agreement cuts investments in non-defense discretionary programs by at least $61 billion below the level needed to maintain the current level of services. This agreement represents roughly a 10 percent cut in real terms in non-defense discretionary programs. This translates into less money for cops on the streets, less money for sewers, and less money for our highways—fundamental public investments needed to underpin a strong economy.

The squeeze is being put on discretionary funding to pay for tax cuts. Furthermore, nothing is being done to address entitlement spending. This budget resolution does nothing to address the ominously long-term issue facing our country: changing demographics and its effect on our ability to maintain retirement security for future generations.

I was a member of the Bipartisan Commission on Entitlement and Tax Reform. The Commission made it clear that unless we get the deficit under control, by the year 2003, mandatory spending—most of which goes to Medicare and Social Security—plus interest on the national debt, will account for fully 73 percent of the total Federal budget.

Though the current economic news is generally good, and among many economists, this trend may not continue. The Congressional Budget Office’s report entitled “The Economic and Budget Outlook: Fiscal Years 1998–2007,” points out that “Despite the improved outlook, the budget situation will start to deteriorate rapidly only a few years later with the retirement of the first baby boomers and the continued growth of per-person health care costs.”

By the year 2012, the Social Security trust fund will begin spending more than it takes in. And by the year 2029, the trust fund will have exhausted all of its resources. After 2012, when there are no more surpluses, Federal deficits will really begin to explode, an explosion fueled by the looming retirement of the baby boom generation.

The fact that for the next 15 years Social Security will be running a surplus, works to disguise the extent of the problem, as does the fact that the retirement of the baby boomers will be somewhat more than roughly in balance. Social Security and Medicare payroll taxes, Medicare part B premiums, and interest earned by the Social Security and Medicare trust funds roughly equal the spending by those two programs, at least for the moment.

The long-term prognosis, however, is nowhere near as favorable and the problem with this budget resolution is that it does nothing to address these problems now, while there is still time. Granted, the proposed set of Medicare reductions will extend the solvency of the trust fund until 2008. There are also some true systematic reforms to the Medicare Program that will move many of the program features toward prospective payment systems.

However, this is not nearly enough. This budget resolution does not even extend the Medicare Program solvency to the year 2010 when the baby-boom generation begins to retire. Think about this: Currently, 13 percent of the population is over age 65, and that number will double by the year 2030. The problem of fixing Medicare for the long run is only going to get more difficult. If we don’t act by the next millennium to deal with Medicare, it is going to take a lot more than $115 billion over five years to fix the problem. If we want Medicare to exist for our children and for many of us, we have to seize this opportunity to overhaul the program in a long-lasting way.

Equally depressing is our complete ignoring of needed Social Security reform. There has been a lot of talk over the last few years about tax cuts and how needed to give Americans some relief from the burden of excess taxation. As you may know, 70 percent of Americans pay more in payroll taxes than income taxes. The average worker retiring in 2015 will pay $250,000 in payroll taxes over her working career.

People pay these taxes into a system that they believe will provide them with some measure of retirement security. They expect Medicare to be there to cover health care costs and they expect Social Security to be around to provide a measure of income support. Eighty percent of Americans get more than 50 percent of their retirement income from Social Security.

The Social Security system, just like Medicare, is not prepared for our future challenges in demographics. More retirees can expect to get back in benefits what they paid in taxes plus interest within eight years.

For the vast majority of past and current retirees, Social Security has been a great value. They paid into the system with the promise that when it was their turn to retire, Social Security would be there. Well, the outlook is not as good for future generations of retirees. Already, the probability of getting back what they will pay into this system is diminishing. In the year 2015, it will take the average worker 13 years to recover what he pays in payroll taxes.

This already eroding value of Social Security is compounded by the facts that we are planning to reduce the consumer price index which will lengthen the time it takes to recoup taxes and even more problematic, the trust fund is expected to become insolvent in 2029.

A lot of work has been left undone by this budget resolution. This resolution does not even begin to make the reforms necessary to ensure that the next generations of Americans can retire with the same dignity as their grandparents and parents. Cutting $115 billion from Medicare is simply a quick fix to get past the next election date. Future seniors should not have to worry about whether Medicare will pay their doctor’s bill or whether their Social Security check will arrive on time.

Mr. President, I was particularly disappointed that this proposal did not invest in education infrastructure. It is a sad fact of life that in thousands upon thousands of classrooms all across the country, our schools are not physically up to the task of educating all Americans for the 21st century. Too many of our schools are literally falling down around our children.

Too many of our schools are overcrowded to the point where students cannot learn effectively. Too many of our schools do not have the physical infrastructure necessary to support the integration of computers into classrooms.

According to the U.S. General Accounting Office, which at my request conducted an intensive, 2-year study of the condition of America’s schools, 14 million classrooms need major renovation or outright replacement; 7 million children attend schools with life-
threatening safety code violations; and it will cost $112 billion just to bring schools up to what the GAO calls good, overall condition—in other words—up to code. This budget resolution does nothing to address these concerns.

Mr. President, education does not just provide benefits to individuals. Education benefits the public. Every single American benefits from improvements to our elementary and secondary education system.

It is true, then, that we continue to pay for our education system as though its benefits were individual and local in nature. In order to remain the world's economic leader, we must reform our education funding system that was designed to meet the needs of yesterday's economy.

Our reliance on local property taxes to pay for elementary and secondary education causes wide disparities in the abilities of school districts to adequately fund education. Under our current system, wealthy communities with low tax rates can often generate sufficient revenues to build the finest facilities, while poor communities with very high tax rates often cannot raise enough to support even mediocre schools. Poor districts, often the most remote or least likely to be rich, have the highest tax rates, the system works against them.

According to the U.S. General Accounting Office, poor and middle-class schools in 35 States make a greater effort than their wealthier districts to fund education. In my home State of Illinois, the poorest districts tax themselves at an average rate of 43 percent higher than the wealthiest districts. This phenomenon is our school finance system’s greatest irony: the lowest-income areas often have the highest property tax rates and the schools with the fewest resources.

The GAO found that although most states make some attempt to supplement the efforts of poor districts, wealthy school districts in 37 states have more total funding per pupil than poor districts. These disparities exist even after adjusting for differences in geographic and student need-related educational costs. In Illinois, the wealthiest 20 percent of districts have almost two-thirds as much to spend per pupil than the other 80 percent.

Because we rely on the local property tax to fund education, the opportunities and challenges for children in wealthy communities far outweigh those to which the vagaries and disparities of local property wealth. Children in wealthy communities are able to attend the best schools and have the most opportunities, while children in poor and middle-class communities are very much like the budget of any family. It should balance revenues and spending, it should address the needs and priorities of the various family members, it should be fair in the appointment of spending and sacrifice, and it should lay a foundation for the future well-being of its members.

It should address the looming needs of the American family, especially in regards to health care and retirement security, as well as reinvestment in the infrastructure which is in progressively worse shape.

The agreement reached can be thought of to pay off some, but not all, of the old bills, to give more support to a variety of family activities, and to give up a part time job. Because the economy is so robust, those decisions represent the cashing in of a prosperity dividend.

Mr. President, Congress must not only look at the 5 and 10 year effect of the policies we enact. We need to look at how the policies we change today affect the future. It is true that long-term budget problems are not tri-ously unreliable, but having said that, long-term budget problems are in no small part related to long-term demographic trends. And long-term demographic trends are reliable.

Our actions today impact future generations, our grandchildren. For example, if Social Security were examined under the requirements of private pension funds, you would find that it is underfunded by hundreds of billions of dollars. Congress should look outside the budget horizon, particularly at the long-term budgetary consequences of tax cuts. Tax cuts are back-loaded in this resolution.

Mr. President, in Alice in Wonderland, Alice asked the Cheshire Cat, “Which way should I go?” And the Cheshire Cat responded “It depends on where you want to go.” Congress must decide which way to go. Mr. President, this budget resolution does not lay the foundation for the future. But more work needs to be done to meet our obligations to future generations, our grandchildren. For example, if Social Security were examined under the requirements of private pension funds, you would find that it is underfunded by hundreds of billions of dollars. Congress should look outside the budget horizon, particularly at the long-term budgetary consequences of tax cuts. Tax cuts are back-loaded in this resolution.

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$35 billion for the President’s education credit, the tax writing committees are left with very little room to accommodate the equally important capital gains tax reductions, death tax reform, the $500 per child tax credit, expansion of [IRA’s] and other relief provisions. For instance, $100 billion would not even cover the full $500 credit. These restrictions will produce scaled-down, phased-in, and barely noticeable adjustments. Fact 4: The agreement contains no real entitlement reform. This budget proposes $115 billion in Medicare savings, but does absolutely nothing to fundamentally restructure the ailing program. In fact, the biggest reform is an achievement for our nation. It is neither the perfect plan, nor is it the plan that we could have expected. This agreement is not felt until the years beyond the 10-year path laid out by this agreement today. It is not until the years beyond the 10-year path laid out by this agreement today. It is not until the years beyond the 10-year path laid out by this agreement today.

In order to understand this agreement in its proper context, we should take a moment to remember that this agreement today would not be possible without the hard-fought bipartisan compromise between two parties, which pay for law enforcement, child protection, education, and road maintenance on our Nation’s highways. Mr. President, this bipartisan budget agreement represents a hard-fought achievement for our nation. It is neither the perfect plan, nor is it the plan that I would write if I were solely responsible for this enormous task. What I would write if I were solely responsible for this enormous task.

The agreement will fund the President’s proposed budget for the National Park Service, producing an increase of $75 million over current budget levels. The agreement will reform Medicare to extend the life of the Medicare trust fund by 10 years. The agreement will provide new long-term benefit reductions. Medicare beneficiaries will be eligible for new preventive care benefits, such as mammography coverage, other cancer screening, and diabetes management. The agreement will be enshrined in this critical program by 2002. This is a vast improvement over the Contract With America, which called for the elimination of the Department of Education, cuts in student loans, and reductions in Head Start.

In order to understand this agreement, we should take a moment to remember that this agreement today would not be possible without the hard-fought bipartisan compromise between two parties, which pay for law enforcement, child protection, education, and road maintenance on our Nation’s highways. Mr. President, this bipartisan budget agreement represents a hard-fought achievement for our nation. It is neither the perfect plan, nor is it the plan that I would write if I were solely responsible for this enormous task. What I would write if I were solely responsible for this enormous task.
highly irresponsible, to pass into law a tax cut package that could not be sustained over the long term. Our goal should be to keep this budget in balance for good. Accordingly, I urge my colleagues on these committees to keep long-term fiscal considerations in mind.

Mr. President, I want to thank all those on both sides of the aisle that spent countless hours negotiating this agreement. We have not yet finished the job, but the passage of this resolution will be a step down the road to balanced budget.

Mr. FAIRCLOTH. Mr. President, I reluctantly have to rise in opposition to this balanced budget agreement.

Mr. President, this agreement will balance the budget in 5 years. But, we are already $5 trillion in debt. We can’t wait 5 years. We can’t go deeper into debt, just to spend more on domestic programs.

In the last 40 years, the Government has grown too big—it is time for our national debt to get smaller. In fact, this budget could actually be balanced by the year 2000 rather than 2002, and still provide tax relief for working families, were it not for the first 3 years of higher spending which the President insisted upon. I want to commend my colleagues who negotiated with the President, and I have no doubt it was difficult to persuade the President to agree to a budget that ever achieves balance. But that is something we cannot support. It increases and tax increases in this budget.

If this budget resolution is enacted, spending will grow—that’s right, grow—by $397 billion over 5 years, rising from $1.622 trillion this year to $1.692 trillion in 1998, $1.755 trillion in 1999, $1.809 trillion in 2001, and $1.889 trillion in 2002. Under this budget deal, deficits will grow next year alone by 55 percent, from $67.2 billion to $90.4 billion. In fact, deficits will be above this year’s level for each of the next 3 years. This budget deal allows spending to balloon over the next 3 years, and it does not begin to control spending until the year 2001, which of course will be after the end of the President’s second term.

In fact, this agreement will actually produce the largest increase in social spending in the last 15 years.

While we’re spending at record levels, we give little in the way of tax relief. And much of the tax relief that is provided is really robbing Peter to pay Paul. The agreement includes a gross tax cut of $135 billion, but let’s take another look at that so-called tax cut. If you look elsewhere in the agreement, you could see that it actually includes $50 billion in new tax increases, including $34 billion in tax increases from the airport and airway trust fund tax.

In addition, the Bureau of Labor Statistics will adjust the Consumer Price Index downward by 0.25 percent. That’s another $6 billion in tax increases. In other words we are cutting taxes with one hand, and raising them with another, so the Government can keep spending and deficits can keep growing.

Most of the deficit reduction in this bill comes not from tough choices and policy changes that control Government spending, but from rosy-scenario assumptions, and gives the American people a net total of $341 billion of tax increases. The current balanced budget agreement of 1997 provides $320 billion of spending reductions, and gives the American people a net total of $85 billion in tax relief.

Mr. President, this agreement will balance the deficit drop dramatically. In fact, it is very instructive to compare this budget agreement with the budget produced in 1993, when the President and a Democratic Congress unveiled their own budget plan. That 1993 budget raised taxes by $241 billion, provided absolutely no net tax relief, and never achieved balance, but continued deficit spending as far as the eye could see. The Clinton budget of 1993 provided spending reductions of $193 billion, as against a net total of $241 billion of tax increases. The current balanced budget agreement of 1997 provides $320 billion of spending reductions, and gives the American people a net total of $85 billion in tax relief.

Without the current balanced budget agreement, it is likely that the Federal Government would face another Government shutdown. This agreement should prevent that from happening.

Is this a perfect agreement? No, it is not. Unfortunately, no agreement which attempts to reconcile a philosophy of tax and spend Government growth with one of tax relief and fiscal restraint is likely to be perfect. Perhaps it is the best that can be achieved under these circumstances.

Although it is perhaps the best that Congress can get from this President, the Nation deserves much better, and for that reason I plan to vote against the budget agreement. With that, Mr. President, I yield the floor.

Mr. KYL. Mr. President, Gen. George S. Patton once said, “if everybody is thinking alike, then somebody is not thinking.”

Mr. President, I have no doubt that this budget is going to pass. There appears to be no balking on either side of the aisle that the deal must be approved even though it is flawed in many respects. But, like General Patton, I hope each of us and every American will actually evaluate the budget agreement on its merits before deciding whether or not to go along. I, for one, have concluded that the deal—on its merits—should not be supported, and there are several reasons why.

Mr. President, I yield the floor.
May 23, 1997

Mr. President, this budget will not produce the intended results. It merely postpones all of the tough decisions until a new President and a new Congress are elected early in the next century. It is, as Yogi Berra once said, deja vu all over again—a remake of the 1980’s. It is all too easy to enact tax cuts today and then find ourselves in the year 2000 well above the deficit targets proposed by this resolution. Will we be able to repeal these foolish tax cuts to bring us closer to balance? Will we be able to tell those beneficiaries of these tax cuts to give them up? I have served in this body long enough to recognize that tax cuts such as the ones included in this Budget Resolution are like a one-way street; there is no turning back. We should steer clear of this diversion and stay focused on the course of balancing the budget.

Mr. President, before I conclude my remarks, I want to remind all Senators of the actions that have helped to bring us to this point, where balancing the federal budget is well within our reach. According to the Congressional Budget Office, the FY 1997 budget deficit will be approximately $67 billion, or less than one percent of Gross Domestic Product (GDP). Just five years ago, many Senators will remember that we were facing a budget deficit of $290 billion, or about 4.7 percent of GDP. This sizable improvement in fiscal order of our nation did not occur by accident. Rather, it can be traced directly to the passage in 1993 of the Omnibus Budget and Reconciliation Act (OBRA–93) by the 103rd Congress, with the support of President Clinton. That landmark legislation combined responsible spending cuts and revenue increases to begin the painful—but necessary—process of eliminating the deficit. There can be no doubt of the success of OBRA–93 in bringing down the stimulative economic growth. We are currently in our sixth consecutive year of economic growth, unemployment has dipped below five percent, and inflation has remained in check. The Budget Resolution before us today continues the task of balancing the budget from the propitious starting point made possible by OBRA–93, and it relies on projections of similar economic conditions in the future. Mr. President, it is safe to say that, were it not for OBRA–93, the task of balancing the budget would be substantially more difficult, and the Budget Resolution before us today would not come close to balance.
After discussing what actions have made this Budget Resolution possible, however, I believe it is also important to focus on what actions were not needed. Specifically, I am referring to the proposed constitutional amendment to balance the budget, which was again defeated earlier this year. Without constitutively tying the hands of this and future Congresses, the leaders of the Congress and the President have come together to forge a balanced-budget plan. The plan is not perfect, by any means, but nonetheless serves as a reminder that, in order to balance the budget, it takes only the courage to stand in the well of this chamber and cast our vote for a specific plan to eliminate the deficit. There is no substitute for courage that can be drawn from such an ill-conceived constitutional amendment.

In conclusion, Mr. President, let me announce my intention to support final passage of S. Con. Res. 27. I commend the members of the majority and minority leadership, and the Budget Committee, who have come together with equanimity to work out a bipartisan budget agreement with the White House. Compromise is never easy to achieve, and results may not be worth our efforts. After all, let us not forget that the Senate itself was, according to "The Federalist Papers," the "result of compromise between the opposite pretensions of the large and the small States." Similar conflicting "pretensions" have helped mold the bipartisan budget agreement before this body into a reasonable approach to balance the budget.

Mr. President, I yield the floor.

Ms. LANDRIEU. Mr. President, I rise in support of Senate Concurrent Resolution 27, the bipartisan budget agreement as amended during the debate of the past few days. Mr. President, I believe that the Budget Resolution represents a significant victory for this body and for the American people in that we can finally look forward to a balanced budget by 2002. Priorities like Medicare, Medicaid, education and the environment have been protected. This agreement, the first true balanced budget in 28 years, delivers on a personal promise of mine to work to strengthen the economy, balance the budget and put families first.

Mr. President, I salute the work of both the House and Senate Budget Committees for finally hammering out a budget agreement that the whole country can support. The Senate Budget Committee worked hard to ensure that the budget is proactive and not just a balancing act. It is a budget that invests in the future of America, not just for the sake of the deal, but to ensure a balanced budget by 2002. This budget agreement puts more resources into educating America's children—from Head Start to college—and ensures that America's seniors have the resources they need to live a comfortable retirement. It also eliminates the deficit, which is a vital objective, but it is neither an economic policy nor a statement of priorities for our Nation or its Government.

Said another way, it matters, and matters greatly, how we achieve balance, not just that we achieve it. Mr. President, despite the fact it achieves balance, and despite the fact that one can imagine many budgets that would be worse for our Nation—indeed, one need look no further than the draconian budget the congressional Republicans tried to force down our throats as recently as 2 years ago—this budget does not meet America's needs as I believe they can and must be met while achieving budget balance. It fails this test in two ways—one of those consists of vital activities it fails to include, and the other consists of the detrimental effects of its contents.

The foremost deficiency of this budget is that it has no vision for America's children. To partially address this deficiency, I offered an amendment to enable the Senate to consider legislation this year to reduce the critical early developmental needs of children from birth to age 6. I applaud the managers for accepting this amendment. But earlier, the Senate rejected a bipartisan amendment that would have provided limited room for so-called Presidential initiatives. These include $16 billion over 5 years to provide health insurance to children who do not now have it; an increase in Pell grants; and increased funding for bilingual and immigrant education, child literacy initiatives, Head Start, and Environmental Protection Agency and National Park Service operations. But the allocations for these categories fall far short of the additional investments that are needed in these and other critical areas.

The share of our gross domestic product invested in education, training, infrastructure, and civilian research and development will continue to decline for years to come. Mr. President, this budget does not meet America's needs as I believe they can and must be met while achieving budget balance. It fails this test in two ways—one of those consists of vital activities it fails to include, and the other consists of the detrimental effects of its contents.

I would like nothing more than to vote for a solid budget resolution that would achieve balance while allocating resources in a way most likely to meet our most pressing national needs. Because of the strength of my desire to achieve balance and eliminate the deficit, I am tempted to vote for the resolution that the Senate is considering today. But, of course, project balance in 2002.

Mr. President, I know how difficult it is to achieve a budget compromise, which entails bridging the great differences among elected officials—the President and his Administration and both Democrats and Republicans in the Congress. President Clinton and his senior advisors, the Senate and House Republican leadership, and the chairmen and ranking members of the House and Senate Budget Committees have labored mightily for many weeks to try to bridge the plan on which we will be voting today. Given those differences they had to bridge, I think they are to be commended for what they accomplished.

But above all the applause for the deal they struck, and the bipartisan agreement, apply for laying aside the usual bickering and sticking with the plan they have prepared, I hear my conscience saying it is wrong to ignore my core set of values and what I believe should be the priorities for our Nation.

This budget deal, Mr. President, may be historic. I strongly support the fact that it achieves balance in 5 years, and if that balance actually is achieved, it surely will be only the measure that should be applied to a budget. Deficit elimination is a vital objective, but it is neither an economic policy nor a statement of priorities for our Nation or its Government.

I commend the members of the majority and minority leadership, and the Budget Committee, who have come together to forge a balanced-budget plan. The plan is not perfect, but, nonetheless, serves as a reminder that, in order to balance the budget, it takes only the courage to stand in the well of this chamber and cast our vote for a specific plan to eliminate the deficit. There is no substitute for courage that can be drawn from such an ill-conceived constitutional amendment.
MOSELEY-BRAUN attempted to set aside $5 billion for school construction. Of the schools in Massachusetts, 92 percent are in disrepair, and this money would have been a downpayment on our obligation to allow these children and all American children to have at a minimum a proper setting in which to learn. But Senator MOSELEY-BRAUN’s amendment was rejected. And, why? Because it purportedly would have busted the deal.

The Senator from Minnesota, Senator WELLSTONE, sought to increase funding for Head Start, school lunches, and school construction. Republicans cynically demolished that amendment by passing a substitute amendment calling for a school voucher program.

At the head of the list of the harmful features of the bill can be placed the effects of its tax cuts. I support and believe the Nation can benefit greatly from the President’s initiatives to provide assistance through the Tax Code to American workers and industries to help them meet the costs of higher and continuing education. But this budget resolution includes tax cuts that are sufficiently large that the result inescapably will be to increase the deficit——for at least the next 2 years.

Considerably more potentially destructive, despite a fuzzy commitment by the deal cutters that the tax cuts will not be backloaded—that is, they will arrive in mushrooming revenue loss in the future, the revenue losses will significantly increase in the outyears. The net revenue loss over 5 years will be $85 billion; the net loss over 10 years is projected to be $250 billion.

Mr. President, while President Clinton did win some less-than-ironclad assurances that the Republican-controlled Finance and Ways and Means Committees will include some of his tax cuts in their year-end revision, and corporate beneficiaries are asked to bear significantly in the next several years, resulting in even higher deficit service costs which must be borne by the budget until that debt is reduced.

I reiterate that I staunchly support balancing the Federal budget. But I do not believe in balancing the budget in just any way. One roadmap for achieving balance is not the same every other roadmap that can achieve balance. There unquestionably is a difference. Indeed, I have worked on and voted for balanced budget plans over the years with colleagues on both sides of the aisle. But this is not a Wizard of Oz budget deal—no home, no heart, no brain, and no courage.

If this budget passes and becomes the operative structure for fiscal decision making by the Congress, as I expect it will, I will work diligently to do everything possible to meet the needs of America’s children, and other pressing needs, within its constraints, and to alter those constraints where it is possible to do so.

But, with no joy, I will vote no on final passage, greatly disappointed and saddened that the Senate has not taken the steps and provided the opportunities that are so badly needed to fairly confront and meet our Nation’s most critical needs while achieving a balanced budget.

Mr. DASCHLE. Mr. President, this is an historic occasion. This budget outline is the first plan Congress has produced in 28 years to balance the budget.

I want to thank all of those who worked so hard to get us to this point, including the President and Vice President, Erskine Bowles, Frank Raines, John Hilley and others at the White House, Senators FRANK LAUTenberg, ranking member of the Senate Budget Committee, House minority leader Dick Gephardt and John Spratt.

And all the staff, in both houses, the administration and including my own, who have worked so diligently to complete this agreement.

Finally, I want to thank two former colleagues, Senators Jim Sasser and Harris Wofford, who were defeated for re-election in 1994—in no small part because they supported the 1993 deficit reduction plan. Without that plan we would have been able to cut the budget deficit by 75 percent. In less than 5 years, we’ve gone from a $280 billion deficit to a $67 billion deficit.

The U.S. economy has added more than 12.5 million net jobs and 3 million small businesses. Our economy is now growing at a virtually unparalleled rate of 3.5 percent a year. Unemployment is at its lowest level in 24 years. Young people graduating from college this month are entering one of the best job markets in years. That’s a remarkable record of progress.

I support this budget resolution because it builds on that progress. Make no mistake. This budget plan is not the culmination of the Contract With America. It is, in some fundamental ways, a repudiation of that contract.

Where the contract targeted tax relief to those who needed it least, this budget agreement targets it to those who need it most. Where the contract would have left Medicare to wither on the vine, this agreement extends the solvency of the Medicare trust funds for a decade. Where the contract represented a declaration of war, this resolution is instead a declaration of principles.

There is a difference between a budget that slashes and burns to get to zero, and a budget that is truly balanced. This resolution—if we adhere to it—will result in a balanced budget that addresses not only our financial deficit, but our investment deficit as well. This budget plan sets aside $35 billion in education tax relief to ensure families pay for college and job training. This plan will provide health insurance for 5 million children—half of the uninsured children in America. This plan extends the life of Superfund, clean up environmental mistakes of our past, and it invests in environmental safeguards, so we can avoid mistakes in the future. This budget keeps Medicare solvent for another decade—not gouging senior citizens who depend on it.

It is a good deal. But it is not a done deal. We still have a long way to go before this declaration of principles is
translated into an actual budget—13 individual appropriations bills, plus a reconciliation bill.

We know full well, from the last Congress, how difficult these next steps can be. It is my hope that we will also remember the personal consequences of refusing to take those steps. As long as the commitments we have received now in writing are honored, we will proceed in good faith toward reconciliation.

That does not mean, however, that we will be passive observers of this process. Any attempt to undermine our agreement and skew the tax relief to benefit disproportionately those who need tax relief the least will be met with forceful opposition. So will any effort to shortchange our agreement on education tax credits and children’s health insurance.

The time for negotiations on these priorities is over. There is more than enough money, and flexibility, in this budget plan to honor these important commitments. There is also enough room in this framework to accommodate our proposal to help communities rebuild crumbling schools, and replace obsolete schools. According to the Government Accounting Office, one-third of all schools—serving 14 million children—require extensive repair or replacement. Almost 60 percent of schools have at least one major structural problem, from sagging roofs to cracked foundations. About half have unhealthy environmental conditions, such as poor ventilation or inadequate heating. Half lack the basic electrical wiring needed to connect them to the information superhighway.

It is wrong for us to bumble future generations with the debts of this generation; that is why we are taking these steps to eliminate the deficit. But it is equally wrong to deny future generations the basic tools they will need to make a life for themselves and their own families. Education is the most important of those tools, and that includes safe, adequate schools. It is our hope that we can have a truly balanced budget on its way to the President’s desk before the August recess. Then we need to turn our attention to other concerns, including juvenile drug abuse and crime, pension reform and, yes, campaign finance reform. But this budget outline proves it is not impossible.

It is my hope that we will be able to work together to make sure this balanced budget framework is not the only bipartisan victory of this Congress, but merely the first. There is much more we need to do.

AMENDMENTS Nos. 310, 338, 339, 349 WITHEDRAWN

Mr. DOMENICI. Mr. President, I ask unanimous consent that any amendments that were pending at the desk and have not been called up be withdrawn.

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

Amendments Nos. 310, 338, 339, 349 were withdrawn.

The PRESIDING OFFICER. Under the previous order, the clerk will report House Concurrent Resolution 84. The assistant legislative clerk read as follows:

A Concurrent Resolution (H. Con. Res. 84) establishing the Congressional Budget for fiscal years 1998 through 2002.

The PRESIDING OFFICER. All after the resolving clause is stricken, and the text of Senate Concurrent Resolution 27 will be inserted in lieu thereof. The question now occurs on agreeing to the concurrent resolution, House Concurrent Resolution 84, as amended. Mr. DOMENICI. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. There is a request for a second.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered. The PRESIDING OFFICER. The question occurs on agreeing to House Concurrent Resolution 84, as amended. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 78, nays 22, as follows:

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Strike out all after the resolving clause and insert:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1998.

(a) DECLARATION.—The Congress declares and determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1998 including the appropriate budgetary levels for fiscal years 1999, 2000, 2001, and 2002 as required by section 301 of the Congressional Budget Act of 1974.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:


TITLE I—LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.

Sec. 102. Social security.

Sec. 103. Major functional categories.

Sec. 104. Reconciliation.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

Sec. 201. Discretionary spending limits.

Sec. 202. Allowance in the Senate for section 8 housing assistance.

Sec. 203. Environmental reserves.

Sec. 205. Priority Federal land acquisitions and exchanges.

Sec. 206. Allowance in the Senate for armaments.


TITLE III—SENSE OF THE SENATE

Sec. 301. Sense of the Senate on long term entitlement reforms, including accuracy in determining changes in the cost of living.

Sec. 302. Sense of the Senate regarding entitlement reform.

Sec. 303. Sense of the Senate on long term entitlement reform.

Sec. 304. Sense of the Senate on a Medicaid per capita cap.

Sec. 305. Sense of the Senate that added savings go to deficit reduction.

Sec. 306. Sense of the Senate on fairness in Medicare.

Sec. 307. Sense of the Senate on Social Security reform.

Sec. 308. Sense of the Senate regarding a national commission on higher education.

Sec. 309. Sense of the Senate on consolidation.

Sec. 310. Sense of the Senate on the earned income credit.

Sec. 311. Sense of the Senate on payment of the Federal debt.

Sec. 312. Sense of the Senate supporting long term entitlement reforms.

Sec. 313. Sense of the Senate on disaster assistance funding.

Sec. 314. Sense of the Senate on enforcement of bipartisan budget agreement.

Sec. 315. Sense of the Senate regarding the National Institutes of Health.

Sec. 316. Sense of the Senate regarding certain elderly legal aliens.

Sec. 317. Sense of the Senate regarding reversion.

Sec. 318. Sense of the Senate on social security and balancing the budget.

Sec. 319. Sense of the Senate regarding sufficient funding for veterans programs and benefits.

Sec. 320. Sense of the Senate regarding family violence and option clarifying amendment.

Sec. 321. Sense of the Senate on tax cuts.

Sec. 322. Sense of the Senate regarding assistance to assist the Federal court system.

Sec. 323. Sense of the Senate regarding the protection of children’s health.
Sec. 324. Deposit of all Federal gasoline taxes into the Highway Trust Fund.
Sec. 325. Sense of the Senate early childhood education.
Sec. 326. Highway Trust Fund not taken into account for deficit purposes.
Sec. 327. Airport and Airway Trust Fund not taken into account for deficit purposes.
Sec. 328. Military Retirement Trust Funds not taken into account for deficit purposes.
Sec. 329. Civil Service Retirement Trust Funds not taken into account for deficit purposes.
Sec. 330. Unemployment Compensation Trust Fund not taken into account for deficit purposes.
Sec. 331. Sense of the Senate concerning Highway Trust Fund.
Sec. 332. Sense of the Senate concerning tax incentives for the cost of post-secondary education.
Sec. 333. Sense of the Senate on additional tax cuts.
Sec. 334. Sense of the Senate regarding truth in budgeting and spectrum auctions on National defense demonstration projects.
Sec. 335. Sense of the Senate regarding the use of budget savings.
Sec. 336. Sense of the Senate regarding the value of the social security system for future retirees.
Sec. 338. Sense of the Senate on economic growth dividend protection.
Sec. 339. Sense of the Senate regarding parental involvement in prevention of drug use by children.

TITLE I—LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1998, 1999, 2000, 2001, and 2002:

1. FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

- Fiscal year 1998: $1,199,000,000,000.
- Fiscal year 1999: $1,241,000,000,000.
- Fiscal year 2000: $1,285,000,000,000.
- Fiscal year 2001: $1,343,000,000,000.
- Fiscal year 2002: $1,407,000,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

- Fiscal year 1998: $–7,400,000,000.
- Fiscal year 1999: $–11,100,000,000.
- Fiscal year 2000: $–22,000,000,000.
- Fiscal year 2001: $–22,000,000,000.
- Fiscal year 2002: $–19,900,000,000.

(C) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

- Fiscal year 1998: $113,500,000,000.
- Fiscal year 1999: $119,000,000,000.
- Fiscal year 2000: $125,000,000,000.
- Fiscal year 2001: $130,700,000,000.
- Fiscal year 2002: $136,800,000,000.

2. NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

- Fiscal year 1998: $1,386,700,000,000.
- Fiscal year 1999: $1,440,100,000,000.
- Fiscal year 2000: $1,488,939,000,000.
- Fiscal year 2001: $1,520,300,000,000.
- Fiscal year 2002: $1,551,600,000,000.

3. BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

- Fiscal year 1998: $1,372,000,000,000.
- Fiscal year 1999: $1,424,100,000,000.
- Fiscal year 2000: $1,468,800,000,000.
- Fiscal year 2001: $1,500,700,000,000.
- Fiscal year 2002: $1,515,900,000,000.

4. DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

- Fiscal year 1998: $(–173,000,000,000).
- Fiscal year 1999: $(–162,200,000,000).
- Fiscal year 2000: $(–161,200,000,000).
- Fiscal year 2001: $(–157,100,000,000).
- Fiscal year 2002: $(–108,300,000,000).

5. PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

- Fiscal year 1998: $5,593,500,000,000.
- Fiscal year 1999: $5,841,000,000,000.
- Fiscal year 2000: $6,080,500,000,000.
- Fiscal year 2001: $6,307,300,000,000.
- Fiscal year 2002: $6,681,200,000,000.

6. DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

- Fiscal year 1998: $34,000,000,000.
- Fiscal year 1999: $33,400,000,000.
- Fiscal year 2000: $36,100,000,000.
- Fiscal year 2001: $37,400,000,000.
- Fiscal year 2002: $39,000,000,000.

7. PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

- Fiscal year 1998: $315,700,000,000.
- Fiscal year 1999: $324,900,000,000.
- Fiscal year 2000: $330,600,000,000.
- Fiscal year 2001: $332,200,000,000.
- Fiscal year 2002: $335,300,000,000.

SEC. 102. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of the enforcement of this resolution, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

- Fiscal year 1998: $402,800,000,000.
- Fiscal year 1999: $422,300,000,000.
- Fiscal year 2000: $442,600,000,000.
- Fiscal year 2001: $461,600,000,000.
- Fiscal year 2002: $482,800,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of the enforcement of this resolution, the amounts of expenditures of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

- Fiscal year 1998: $230,600,000,000.
- Fiscal year 1999: $230,200,000,000.
- Fiscal year 2000: $234,600,000,000.
- Fiscal year 2001: $232,200,000,000.
- Fiscal year 2002: $235,300,000,000.

SEC. 103. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1998 through 2002 for each major functional category are:

1. National Defense (050):

   (a) New budget authority, $268,200,000,000.
   (b) Outlays, $266,600,000,000.
   (C) New direct loan obligations, $0.
   (D) New primary loan guarantee commitments, $600,000,000.

2. Energy (270):

   (a) New budget authority, $270,800,000,000.
   (b) Outlays, $265,800,000,000.
   (C) New direct loan obligations, $0.
   (D) New primary loan guarantee commitments, $800,000,000.

3. Education (480):

   (a) New budget authority, $274,800,000,000.
   (b) Outlays, $268,400,000,000.
   (C) New direct loan obligations, $0.
   (D) New primary loan guarantee commitments, $1,000,000,000.

4. Energy (270):

   (a) New budget authority, $270,800,000,000.
   (b) Outlays, $265,800,000,000.
   (C) New direct loan obligations, $0.
   (D) New primary loan guarantee commitments, $800,000,000.


   (a) New budget authority, $281,300,000,000.
   (b) Outlays, $270,100,000,000.
   (C) New direct loan obligations, $0.
   (D) New primary loan guarantee commitments, $1,100,000,000.
Fiscal year 1998:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $4,300,000,000.
(C) New direct loan obligations, $1,900,000,000.
(D) New primary loan guarantee commitments, $253,500,000,000.

Fiscal year 2000:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $255,200,000,000.

Fiscal year 2001:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $2,500,000,000.
(D) New primary loan guarantee commitments, $258,000,000,000.

Fiscal year 2002:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $259,900,000,000.

Transportation (400):
Fiscal year 1998:
(A) New budget authority, $46,400,000,000.
(B) Outlays, $40,900,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $46,600,000,000.
(B) Outlays, $41,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:
(A) New budget authority, $47,100,000,000.
(B) Outlays, $41,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.

Education, Training, Employment, and Social Services (500):
Fiscal year 1998:
(A) New budget authority, $61,700,000,000.
(B) Outlays, $59,300,000,000.
(C) New direct loan obligations, $12,300,000,000.
(D) New primary loan guarantee commitments, $21,900,000,000.

Fiscal year 2000:
(A) New budget authority, $64,239,000,000.
(B) Outlays, $60,700,000,000.
(C) New direct loan obligations, $13,900,000,000.
(D) New primary loan guarantee commitments, $22,300,000,000.

Fiscal year 2001:
(A) New budget authority, $63,000,000,000.
(B) Outlays, $61,900,000,000.
(C) New direct loan obligations, $14,700,000,000.
(D) New primary loan guarantee commitments, $24,500,000,000.

Fiscal year 2002:
(A) New budget authority, $63,300,000,000.
(B) Outlays, $62,300,000,000.
(C) New direct loan obligations, $15,400,000,000.
(D) New primary loan guarantee commitments, $25,700,000,000.

Health (550):
Fiscal year 1998:
(A) New budget authority, $137,800,000,000.
(B) Outlays, $137,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.

Fiscal year 1999:
(A) New budget authority, $145,000,000,000.
(B) Outlays, $144,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:
(A) New budget authority, $154,100,000,000.
(B) Outlays, $153,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:
(A) New budget authority, $163,400,000,000.
(B) Outlays, $163,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:
(A) New budget authority, $172,200,000,000.
(B) Outlays, $171,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Medicare (570):
Fiscal year 1998:
(A) New budget authority, $201,600,000,000.
(B) Outlays, $201,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $212,100,000,000.
(B) Outlays, $211,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:
(A) New budget authority, $225,500,000,000.
(B) Outlays, $225,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:
(A) New budget authority, $239,600,000,000.
(B) Outlays, $238,800,000,000.
Fiscal year 2002:
(A) New budget authority, $251,500,000,000.
(B) Outlays, $250,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:
(A) New budget authority, $42,100,000,000.
(B) Outlays, $42,200,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $26,200,000,000.

Fiscal year 2000:
(A) New budget authority, $42,200,000,000.
(B) Outlays, $42,400,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $25,500,000,000.

Fiscal year 1999:
(A) New budget authority, $100,000,000,000.
(B) Outlays, $100,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000,000.

Fiscal year 1998:
(A) New budget authority, $254,700,000,000.
(B) Outlays, $250,700,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $100,000,000,000.

Fiscal year 1997:
(A) New budget authority, $239,000,000,000.
(B) Outlays, $237,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000,000.

Fiscal year 1996:
(A) New budget authority, $1,200,000,000.
(B) Outlays, $1,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1993:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1992:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1991:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1990:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1989:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1985:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1984:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1983:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1982:
(A) New budget authority, $36,900,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(1) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that increase outlays by $300,000,000 in fiscal year 2002 and $9,000,000,000 for the period of fiscal years 1998 through 2002.

(2) COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.—The Senate Committee on Banking, Housing, and Urban Affairs shall report changes in laws within its jurisdiction that reduce the deficit $343,000,000 in fiscal year 2002 and $9,000,000,000 for the period of fiscal years 1998 through 2002.

(3) COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.—The Senate Committee on Commerce, Science, and Transportation shall report changes in laws within its jurisdiction that reduce the deficit $14,849,000,000 in fiscal year 2002 and $26,496,000,000 for the period of fiscal years 1998 through 2002.

(4) COMMITTEE ON ENERGY AND NATURAL RESOURCES.—The Senate Committee on Energy and Natural Resources shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $6,000,000 in fiscal year 2002 and $13,113,000,000 for the period of fiscal years 1998 through 2002.

(5) COMMITTEE ON FINANCE.—The Senate Committee on Finance shall report to the Senate changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $40,911,000 in fiscal year 2002 and $100,646,000,000 for the period of fiscal years 1998 through 2002.

(6) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report to the Senate changes in laws within its jurisdiction that reduce the deficit $1,769,000,000 in fiscal year 2002 and $5,467,000,000 for the period of fiscal years 1998 through 2002.

(7) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on Labor and Human Resources shall report changes in laws within its jurisdiction that reduce the deficit $271,500,000,000 in new budget authority and $266,833,000,000 in outlays; and $257,857,000,000 in new budget authority and $266,455,000,000 in outlays; and

(b) for the nondefense category $257,857,000,000 in new budget authority and $266,455,000,000 in outlays; and

(8) COMMITTEE ON VETERANS’ AFFAIRS.—The Senate Committee on Veterans’ Affairs shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $413,438,000 in fiscal year 2002 and $1,729,000,000 for the period of fiscal years 1998 through 2002.

(b) RECONCILIATION OF REVENUE REDUCTIONS.—Not later than June 27, 1997, the Senate Committee on Finance shall report to the Senate a reconciliation bill proposing changes in laws within its jurisdiction necessary to reduce revenues by not more than $20,500,000,000 in fiscal year 2002 and $87,500,000,000 for the period of fiscal years 1998 through 2002.

(c) THE SENATE OF CONGRESSIONAL PAY-AS-YOU-GO.—For purposes of section 202 of House Concurrent Resolution 67 (104th Congress), legislation which reduces revenues pursuant to a reconciliation bill proposed by the Senate Committee on Finance pursuant to section 2(b) shall be taken together with all other legislation enacted pursuant to the reconciliation instructions contained in this resolution when determining the deficit effect of such legislation.

(d) ADJUSTMENTS.—

(1) DEFICIT NEUTRAL ADJUSTMENTS.—Upon the reporting of reconciliation legislation pursuant to subsection (a), or upon the submission of a conference report thereon, and if the Committee on Finance has determined that any amount is equal to or greater than the outlay reduction that would be achieved pursuant to subsection (a)(5)(A), the Chairman of the Committee on the Budget may notify the Senate of the overall and aggregate deficit effect of that legislation, and the Appropriations Committees in both Chambers shall take appropriate action to adjust the outlay reductions that would be achieved pursuant to subsection (a)(5)(A), to the extent necessary to achieve a deficit neutral reconciliation bill.

(2) FLEXIBILITY ON ADJUSTMENTS.—(A) IN GENERAL.—If the adjustments authorized by paragraph (1) involve a reduction in the revenue aggregates set forth in this resolution, the committee of which the Appropriations Committee is a part shall report a reconciliation bill which makes upward adjustments to the discretionary spending limits in this resolution, or any combination thereof.

(B) LIMIT.—The adjustments made pursuant to this subsection shall not exceed $2,300,000,000 in fiscal year 1998 and $16,000,000,000 for the period of fiscal years 1998 through 2002.

(3) DEFINITION OF DISCRETIONARY LIMITS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, revenues, and deficits for a fiscal year shall be determined on the basis of new budget authority laws as estimated by the Committee on the Budget of the Senate.

SEC. 202. ALLOWANCE IN THE SENATE.

(a) ADJUSTMENTS.—In the Senate, for fiscal years 1999, 2000, 2001, and 2002, the reporting of an appropriations measure (or the submission of a conference report thereon) that includes an appropriation with respect to paragraph (2) of the Omnibus Budget Reconciliation Act of 1993, the Chairman of the Committee on the Budget shall increase the appropriate allocations, budgetary aggregates, and discretionary limits by the amount of budget authority that provides discretionary spending in excess of the $300,000,000,000 in new deficit $14,849,000,000 in fiscal year 2002 and $26,496,000,000 for the period of fiscal years 1998 through 2002.

(b) AMENDMENTS TO DISCRETIONARY SPENDING.—In the Senate, for fiscal year 1998, upon the reporting of an appropriations measure (or upon the submission of a conference report thereon) that includes an appropriation with respect to paragraph (2) of the Omnibus Budget Reconciliation Act of 1993, the Chairman of the Committee on the Budget may increase the appropriate allocations, budgetary aggregates, and discretionary limits by the amount of budget authority that provides discretionary spending in excess of the $300,000,000,000 in new deficit $14,849,000,000 in fiscal year 2002 and $26,496,000,000 for the period of fiscal years 1998 through 2002.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appropriate Appropriations Committees. If a joint resolution pursuant to section 602(b) of the Concurrent Resolution on the Budget, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to override the decision of the Chair on a point of order raised under this section.

(d) DETERMINATION OF DISCRETIONARY LIMITS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, revenues, and deficits for a fiscal year shall be determined on the basis of new budget authority laws as estimated by the Committee on the Budget of the Senate.

SEC. 203. ALLOWANCE IN THE SENATE FOR SEC. 8 HOUSING ASSISTANCE.

(a) ADJUSTMENTS FOR DISCRETIONARY SPENDING.—In the Senate, for fiscal year 1998, upon the reporting of an appropriations measure (or upon the submission of a conference report thereon) that includes an appropriation with respect to the Department of Housing and Urban Development, the Chairman of the Committee on Appropriations may increase the appropriate allocations, budgetary aggregates, and discretionary limits by the amount of budget authority that provides discretionary spending in excess of the $300,000,000,000 in new deficit $14,849,000,000 in fiscal year 2002 and $26,496,000,000 for the period of fiscal years 1998 through 2002.

(b) AMENDMENTS TO DISCRETIONARY SPENDING.—In the Senate, for fiscal year 1998, upon the reporting of an appropriations measure (or upon the submission of a conference report thereon) that includes an appropriation with respect to the Department of Housing and Urban Development, the Chairman of the Committee on Appropriations may increase the appropriate allocations, budgetary aggregates, and discretionary limits by the amount of budget authority that provides discretionary spending in excess of the $300,000,000,000 in new deficit $14,849,000,000 in fiscal year 2002 and $26,496,000,000 for the period of fiscal years 1998 through 2002.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chairman relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appropriate Appropriations Committees. If a joint resolution pursuant to section 602(b) of the Concurrent Resolution on the Budget, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to override the decision of the Chairman on a point of order raised under this section.

(d) DETERMINATION OF DISCRETIONARY LIMITS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, revenues, and deficits for a fiscal year shall be determined on the basis of new budget authority laws as estimated by the Committee on the Budget of the Senate.
Environment and Public Works by an amount that does not exceed—

(A) $200,000,000 in budget authority and $200,000,000 in outlays for fiscal year 1998; and

(B) $1,000,000,000 in budget authority and $1,000,000,000 in outlays for the period of fiscal years 1998 through 2002.

(2) PRIOR SURPLUS.—For the purposes of section 302(b) of House Concurrent Resolution 67 (104th Congress), legislation reported (or the submission of a conference report thereon) pursuant to paragraph (1) shall be taken together with the budget authority and the amount of outlays enacted pursuant to section 104 of this resolution.

(b) LIMITATIONS.—The adjustments made pursuant to this subsection shall only be made for legislation that provides funding to reform the Superfund program to facilitate the cleanup of hazardous waste sites.

SEC. 205. PRIORITY FEDERAL LAND ACQUISITIONS AND EXCHANGES.

(a) ADJUSTMENT FOR DISCRETIONARY SPENDING.—In the Senate, for fiscal year 1998, upon the reporting of an appropriations measure (or upon the submission of a conference report thereon) that includes an appropriation for the National Park Service’s Land Acquisition and State Assistance account at the fiscal year 1998 request level on February 2, 1997 (and up to an additional $700,000,000 in budget authority for priority Federal land acquisitions and exchanges during that fiscal year, the Chairman of the Committee on Appropriations may increase the appropriate allocations by an amount that does not exceed $700,000,000 in budget authority and the amount of outlays flowing from such budget authority.

(b) COMMITTEE SUBALLOCATIONS.—The Committee on Appropriations of the Senate may report appropriately revised suballocations pursuant to sections 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974 following the adjustments made pursuant to subsection (a).

SEC. 206. ALLOWANCE IN THE SENATE FOR ARREARAGES.

(a) ADJUSTMENT FOR DISCRETIONARY SPENDING.—In the Senate, for fiscal year 1998, 1999, and 2000, upon the reporting of an appropriations measure (or upon the submission of a conference report thereon) that includes an appropriation for arrearages for international organizations, international peacekeeping, and multilateral banks during that fiscal year, the Chairman of the Committee on the Budget may increase the appropriate allocations, aggregates, and discretionary spending limits reflected in this resolution by an amount that does not exceed—

(1) $415,000,000 in budget authority and the amount of outlays flowing from such budget authority for fiscal year 1998;

(2) $1,227,000,000 in budget authority and the amount of outlays flowing from such budget authority for fiscal year 1999; and

(3) $324,000,000 in budget authority and the amount of outlays flowing from such budget authority for fiscal year 2000.

(b) COMMITTEE SUBALLOCATIONS.—The Committee on Appropriations of the Senate may report appropriately revised suballocations pursuant to sections 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974 following the adjustments made pursuant to subsection (a).


(a) IN GENERAL.—If legislation is enacted which generates revenue increases or direct spending reductions to finance mass transit and to the extent that such increases or reductions are not included in this concurrent resolution on the budget, the appropriate budgetary levels and limits may be adjusted if such adjustments do not cause an increase in the deficit in this resolution.

(b) ESTABLISHING A RESERVE.—

(1) REVISIONS.—Upon the enactment of an amendment thereto or conference report thereon) that reduces direct non-highway spending or increases revenues for a fiscal year or years, the Chairman of the Committee on the Budget shall submit revised budget authority allocations and aggregates by an amount that equals the amount such legislation reduces direct spending or increases revenues.

(2) ESTABLISHING A RESERVE.—The Chairman of the Committee on Appropriations may submit revised suballocations pursuant to sections 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974.

(3) LIMITATIONS.—

(1) IN GENERAL.—In the Senate, for fiscal year 1998, upon the reporting of an appropriations measure (or upon the submission of a conference report thereon) that increases revenue or direct spending reductions, unless the committee that generates the direct spending reductions in this resolution (not including the direct spending reductions envisioned in subsection (b)):

(A) with respect to direct spending increases, unless revenues are at or above the revenue aggregates in this resolution (not including the revenue increases envisioned in subsection (b));

(B) with respect to direct spending reductions, until the committee that generates the direct spending reductions in this resolution (not including the direct spending reductions envisioned in subsection (b)):

(a) (A) the amount of revenue increases or direct spending reductions to finance mass transit and to the extent that such increases or reductions are not included in this concurrent resolution on the budget, the appropriate budgetary levels and limits may be adjusted if such adjustments do not cause an increase in the deficit in this resolution.

(b) (2) REVISES ALLOCATIONS AND AGGREGATES.—The Committee on Appropriations may submit appropriately revised suballocations pursuant to sections 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974.

(c) ADJUSTMENTS FOR DISCRETIONARY SPENDING.—

(1) REVISIONS TO ALLOCATIONS AND AGGREGATES.—Upon the reporting of an appropriations measure, or when a conference committee submits a conference report thereon, that appropriates for the National Railroad Passenger Corporation and funds from the intercity passenger rail fund,

(a) the reporting of an appropriations measure, or when a conference committee submits a conference report thereon, that appropriates funds for the National Railroad Passenger Corporation and funds from the intercity passenger rail fund;

(b) the reporting of an appropriations measure, or when a conference committee submits a conference report thereon, that appropriates funds from the intercity passenger rail fund (funds having previously been appropriated for the National Railroad Passenger Corporation for that same fiscal year),

the Chairman of the Committee on Appropriations shall submit revised suballocations pursuant to section 302(b)(1) of the Congressional Budget Act of 1974.

(d) LIMITATIONS.—

(1) IN GENERAL.—The revisions made pursuant to subsection (b) shall not be made—

(A) for respect to direct spending reductions, until the committee that generates the direct spending reductions is within its allocations and aggregates, and discretionary spending limits reflected in this resolution (not including the direct spending reductions envisioned in subsection (b)); and

(B) with respect to revenue increases, unless revenues are at or above the revenue aggregates in this resolution (not including the revenue increases envisioned in subsection (b)).

(2) BUDGET AUTHORITY.—The budget authority, any adjustments made pursuant to subsection (c) shall not exceed the amounts specified in subsection (b)(2) for a fiscal year.


(a) IN GENERAL.—If legislation generates revenue increases or direct spending reductions to finance highways and to the extent that such increases or reductions are not included in this concurrent resolution on the budget, the appropriate budgetary levels and limits may be adjusted if such adjustments do not cause an increase in the deficit in this resolution.

(b) ESTABLISHING A RESERVE.—Upon the reporting of legislation (the offering of an amendment thereto or conference report thereon) that reduces direct non-highway spending or increases revenues for a fiscal year or years, the Chairman of the Committee on the Budget shall submit revised budget authority allocations and aggregates by an amount that equals the amount such legislation reduces direct spending or increases revenues.

(2) REVENUE INCREASES OR DIRECT SPENDING REDUCTIONS.—

(a) ADJUSTMENTS FOR DISCRETIONARY SPENDING.—Upon the submission of such revisions, the Chairman of the Committee on the Budget shall also submit the amount of revenue increases or direct non-highway spending reductions such legislation generates revenue increases or direct non-highway spending reductions.

(b) ADJUSTMENTS FOR DISCRETIONARY SPENDING.—

(1) REVISIONS TO ALLOCATIONS AND AGGREGATES.—Upon the reporting of an appropriations measure, or when a conference committee submits a conference report thereon, that appropriates funds for mass transit, the Chairman of the Committee on Appropriations shall submit increased outlay allocations, aggregates, and discretionary limits for the amount of outlays flowing from the additional obligatory authority provided by such legislation.
SEC. 301. SENSE OF THE SENATE ON LONG TERM ENTITLEMENT REFORMS, INCLUDING ACCURACY IN DETERMINING CHANGES IN THE COST OF LIVING.

(a) FINDINGS.—The Senate finds that—

(1) entitlement reform continues to grow dramatically as a percent of total Federal spending, rising from fifty-six percent of the budget in 1987 to an estimated seventy-three percent of the budget in 2007;

(2) the growth in mandatory spending poses a long-term threat to the United States economy because it crowds out spending for investment and in education, infrastructure, defense, law enforcement and other programs that enhance economic growth;

(3) in 1994, the Bipartisan Commission on Entitlement and Tax Reform concluded that if no changes are made to current entitlement laws, all Federal revenues will be spent on entitlement programs and interest on the debt by the year 2012;

(4) the 1997 Department of Defense Quadrennial Defense Review has recommended reducing the F-22 program buy from 548, and reducing the F-22 program from 548, and the EA-6B aircraft; and

(b) CONGRESSIONAL RECORD — SENATE

(TITLE III—SENSE OF THE SENATE SEC. 302. SENSE OF THE SENATE ON TACTICAL FIGHTER AIRCRAFT PROGRAMS.

(a) FINDINGS.—The Senate finds that—

(1) the Department of Defense has proposed to modernize the United States tactical fighter aircraft force by developing tactical fighter procurement programs, including the F/A-18 E/F aircraft program of the Navy, the F-22 aircraft program of the Air Force, and the Joint Strike Fighter aircraft program for the Navy, Air Force, and Marine Corps;

(2) the General Accounting Office, the Congressional Budget Office, the Chairman of the Joint Chiefs of Staff, the Under Secretary of Defense for Acquisition and Technology, and several Members of Congress have publicly stated that, given the current Department of Defense budget for procurement of Department of Defense’s original plan to buy over 4,600 F/A-18 E/F aircraft, F-22 aircraft, and Joint Strike Fighter aircraft at a total program cost in excess of $520,000,000,000, the current plan is ill-advised;

(3) the F/A-18 E/F, F-22, and the Joint Strike Fighter tactical fighter programs will be competing for a limited amount of procurement funding with other acquisition programs, including the Comanche helicopter program, the V-22 Osprey aircraft program, and the C-17 aircraft program, as well as for resources to modernize aging aircraft such as the KC-135, the C-5A, the F-117, and the EA-6B aircraft; and

(4) the 1997 Department of Defense Quadrennial Defense Review recommended reducing the F/A-18 E/F program buy from 1,000 aircraft to 546, and reducing the F-22 program buy from 438 to 339.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that in order to meet deficit reduction targets in this resolution with respect to medicare—

(1) the per capita cap will not be used as a method for meeting spending cuts; and

(2) the per capita cap represents a significant structural change that could jeopardize the quality of care for children, the disabled, and senior citizens.

SEC. 303. SENSE OF THE SENATE THAT ADDED SAVINGS GO TO DEFicit REDUCTION.

(a) FINDINGS.—The Congress finds that—

(1) balancing the budget will bring numerous economic benefits for the United States economy and American workers and families, including improved economic growth and lower interest rates;

(2) the fiscal year 1998 budget resolution craft- ed pursuant to an agreement reached between the Congress and the Administration purports to achieve balance in the year 2002;

(3) the deficit estimates contained in this reso lution may not conform to the actual deficits in subsequent years, which make it imperative that any additional savings realized are devoted to deficit reduction;

(4) the Congress and the Administration must ensure that the deficit levels contained in this budget are met and, if actual deficits prove to be lower than projected, the additional savings are used to balance the budget on or before the year 2002;

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that—

(c) the enactment enacted pursuant to this resolution must ensure that the goal of a balanced budget is achieved on or before fiscal year 2002; and

(d) if the actual deficit is lower than the projected deficit in any upcoming fiscal year, the added savings should be devoted to further deficit reduction.

SEC. 306. SENSE OF THE SENATE ON FAIRNESS IN MEDICARE.

(a) FINDINGS.—The Congress finds that—

(1) the Trustees of the Medicare Trust Funds recently announced that medicare’s Hospital Ins policy (HI) Trust Fund is headed for bank ruptcy in 2001, and in 1997, HI will run a deficit of $26,000,000,000 and add $36,000,000,000 annually to the Federal deficit;

(2) the Congress and the President, through the index for Federal tax brackets, social security benefits, and other Federal program benefits, have undertaken to protect taxpayers and bene-
twice as fast as the economy and the taxpayers’ subsidy to keep the SMI from bankruptcy will grow from $58,000,000,000 to $89,000,000,000 annually from 1997 through 2001; (1) the Congressional Budget Office reports that when the baby-boom generation begins to receive social security benefits and is eligible for Medicare in 2008, the Federal budget will face intensifying interest rates, mounting surpluses and the erosion of future economic growth; (4) long-term solutions to address the financial and demographic problems of Medicare are urgently needed to preserve and protect the Medicare trust funds; (5) these solutions to address the financial and demographic problems of Medicare are urgently needed to preserve and protect the Medicare trust funds; (6) reform of the Medicare program should ensure equity and fairness for all Medicare beneficiaries, and offer beneficiaries more choice of private health plans, to promote efficiency and enhance the quality of health care; (7) all Americans pay the same payroll tax of 2.9 percent to the Medicare trust funds, and they deserve the same choices and services regardless of where they retire; (8) however, the currently adjusted-average-per-capita cost (AAAPCC), some counties receive 2.5 times more in Medicare reimbursements than others; (9) an inequity in Medicare reimbursement jeopardizes the quality of Medicare services of rural beneficiaries and penalizes the most efficient and effective Medicare service providers; (10) this inequity in Medicare reimbursement jeopardizes the quality of Medicare services of rural beneficiaries and penalizes the most efficient and effective Medicare service providers; (11) the United States, which never recognized the Soviet Union, has provided assistance to strengthen democratic institutions and reverse the market reforms in Lithuania and Latvia since 1991; (12) the Congress and the President should provide for repayment of the Medicare debt beyond the year 2002, including the money borrowed from the Social Security Trust Fund; and (13) the United States as well as Lithuania and Latvia would benefit from the continued assistance which helps Lithuania and Latvia to implement the long-term reforms, sustain private sector development, and establish well-trained judiciaries.

SEC. 312. SENSE OF THE SENATE ON DISASTER AND TAX FUNDING.

(a) FINDINGS.—The Senate finds that— (1) emergency spending adds to the deficit and total spending; (2) the Budget Enforcement Act of 1990 exempts emergency spending from the discretionary spending caps and pay-go requirements; (3) the Budget Enforcement Act of 1990 expires in 1998 and needs to be extended; (4) since the enactment of the Budget Enforcement Act, Congress and the President have approved an average of $5,800,000,000 per year in emergency spending; (5) a natural disaster in any particular State is an occurrence by the United States is likely to experience a natural disaster almost every year.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should work to enact structural reforms in entitlement spending in 1997 and beyond which sufficiently restrain the growth of mandatory spending in order to keep the budget in balance over the long term, extend the solvency of the Social Security and Medicare Trust Funds, avoid crouding out funding for basic Government functions and key areas of investment, and establish a federal budget surplus; and (6) the plan should specifically explain how the President would cap spending growth at a level one percentage point lower than projected growth in revenues.

SEC. 313. SENSE OF THE SENATE ON DISASTER AND TAX FUNDING.

(a) FINDINGS.—The Senate finds that— (1) Congress and the President should enact a law that creates a regimen for paying off the Federal debt within 30 years; and (2) Congress and the President should act to enact a law that creates a regimen for paying off the Federal debt within 30 years; and (3) if spending growth were held to a level one percentage point lower than projected growth in revenues, then the Federal debt could be repaid within 30 years.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that— (1) the President’s annual budget submission for fiscal year 2003 should include a plan for repayment of the Federal debt beyond the year 2002, including the money borrowed from the Social Security Trust Fund; and (2) the plan should specifically explain how the President would cap spending growth at a level one percentage point lower than projected growth in revenues.

SEC. 314. SENSE OF THE SENATE SUPPORTING LONG-TERM ENTITLEMENT REFORMS.

(a) FINDINGS.—The Senate finds that the resolution assumes the following— (1) entitlement spending has risen dramatically over the last thirty-five years; (2) in 1963, mandatory spending (i.e., entitlement spending and interest on the debt) made up 29.6 percent of the budget, this figure rose to 63.4 percent by 1993 and is expected to reach 70 percent shortly after the year 2000.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that— (1) adequate assistance should be provided to Lithuania and Latvia in fiscal year 1998 to continue the progress they have made; and (2) assistance to Lithuania and Latvia should be continued beyond fiscal year 1998 as they continue to build democratic and free market institutions.

SEC. 306. SENSE OF THE SENATE REGARDING A NEW NATIONAL COMMISSION ON HIGHER EDUCATION.

(a) FINDINGS.—The Senate finds that— (1) an April 1997 study by the Internal Revenue Service of Earned Income Credit (EIC) filers revealed that on tax forms filed in 1994 with $4,000,000,000 of the $17,000,000,000 spent on the EIC for that year was erroneously claimed and paid by the IRS, resulting in a fraud and error rate of 25.8 percent; (2) the IRS study further concluded that EIC reforms enacted by the One Hundred Fourth Congress will only lower the fraud error rate to 20.7 percent, meaning over $23,000,000,000 will be wasted over the next five years; and (3) the President’s recent proposals to combat EIC fraud and error contained within this budget resolution assumes the following— (a) mandatory spending (i.e., entitlement spending) has risen dramatically over the last thirty-five years; (b) Congress and the President should consider appropriating at least $5,000,000,000 every year to experience a natural disaster almost every year.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that the President should propose and Congress should enact additional programmatic changes sufficient to ensure that the primary purpose of the EIC to encourage work over welfare is achieved without wasting billions of tax- payer dollars on fraud and error.

SEC. 311. SENSE OF THE SENATE ON REPAYMENT OF THE MEDICARE EARNED INCOME CREDIT.

SEC. 311. SENSE OF THE SENATE ON REPAYMENT OF THE MEDICARE EARNED INCOME CREDIT.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that— (1) Congress and the President should work to enact structural reforms in entitlement spending in 1997 and beyond which sufficiently restrain the growth of mandatory spending in order to keep the budget in balance over the long term, extend the solvency of the Social Security and Medicare Trust Funds, avoid crouding out funding for basic Government functions and key areas of investment, and establish a federal budget surplus; and (2) the plan should specifically explain how the President would cap spending growth at a level one percentage point lower than projected growth in revenues.

SEC. 307. SENSE OF THE SENATE REGARDING ASSISTANCE TO LITHUANIA AND LATVIA.

(a) FINDINGS.—The Senate finds that— (1) Congress and the President have a basic moral and ethical responsibility to future generations of Lithuanians and Latvians, which in other counties and states are still struggling to recover from the devastation of 30 years of communist domination; (2) Congress and the President should work to enact structural reforms in entitlement spending in 1997 and beyond which sufficiently restrain the growth of mandatory spending in order to keep the budget in balance over the long term, extend the solvency of the Social Security and Medicare Trust Funds, avoid crouding out funding for basic Government functions and key areas of investment, and establish a federal budget surplus; and (2) the plan should specifically explain how the President would cap spending growth at a level one percentage point lower than projected growth in revenues.
SEC. 315. SENSE OF THE SENATE REGARDING THE NATIONAL INSTITUTES OF HEALTH.

(a) FINDINGS.—Congress finds that—

(1) heart disease was the leading cause of death for Americans between the ages of 24 and 44;

(7) the Institute of Medicine has described United States clinical research to be “in a state of crisis” and the National Academy of Sciences concluded in 1994 that “the present cohort of clinical investigators is not adequate”;

(b) biomedical research has been shown to be effective in saving lives and reducing health care expenditures;

(9) research sponsored by the National Institutes of Health has contributed significantly to the first overall reduction in cancer death rates since recordkeeping was instituted;

(10) vehicular trauma is a leading cause of death and disability and a national priority; and

(11) National Institutes of Health has been key to the development of Magnetic Resonance Imaging (MRI) and Positron Emission Tomography (PET) scanning technologies.

(12) research sponsored by the National Institutes of Health has developed effective treatments for Acute Lymphoblastic Leukemia (ALL). Today, 80 percent of children diagnosed with Acute Lymphoblastic Leukemia are alive and free of the disease after 5 years; and

(13) National Institutes of Health contributed to the development of a new, cost-saving care for puerperal sepsis.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the assumptions underlying this Budget Resolution assume that the Medicare/Medicaid budget is reduced by $20,000,000,000 in fiscal year 1998 over the amount appropriated in fiscal year 1997;

(2) if either of the conditions in paragraph (1) is not met, our ability to achieve a balanced budget by 2002 will be jeopardized.

SEC. 316. SENSE OF THE SENATE REGARDING CERTAIN ELDERLY LEGAL AliENS.

It is the sense of the Senate that the provisions of this resolution assume that—

(1) the Committee on Finance should include legislation to ensure the targets set forth in this budget process description included in the agreement and to ensure the balanced budget goal is met; and

(2) such legislation shall—

(A) establish procedures to ensure those targets are interpreted in a consistent manner;

(B) require that the President’s annual budget and annual Congressional concurrent resolutions on the budget comply with those targets every year;

(C) consider provisions which provide that if the deficit is below or the surplus is above the budget targets in the first overall reduction in cancer death rates since recordkeeping was instituted;

(D) consider provisions which include a provision to budget for and control emergency spending in order to prevent the use of emergencies to evade the budget targets.

SEC. 317. SENSE OF THE SENATE REGARDING RETROACTIVE TAXES.

(a) FINDINGS.—The Senate finds that—

(1) in general, the practice of increasing a tax retroactively is fundamentally unfair to taxpayers; and

(2) the Congress and the President should work together to ensure that any revenue generated from any retroactively increase tax.

(b) Congress and the President should not enact provisions which provide that if either of the conditions in paragraph (1) is not met, our ability to achieve a balanced budget by 2002 will be jeopardized.

SEC. 319. SENSE OF THE SENATE SUPPORTING SUFFICIENT FUNDING FOR VETERANS PROGRAMS AND BENEFITS.

(a) FINDINGS.—The Senate finds that—

(1) veterans and their families represent approximately 27 percent of the United States population;

(2) more than 20 million of our 26 million living veterans served during wartime, sacrificing their freedom so that we may have ours; and

(3) veterans have earned the benefits promised to them.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the assumptions underlying this Budget Resolution assume that the Medicare/Medicaid budget is reduced by $20,000,000,000 in fiscal year 1998 over the amount appropriated in fiscal year 1997;

(2) funds collected from legislation to improve the Department of Veterans Affairs’ ability to collect and retain reimbursement from third-party payers ought to be used to supplement, not supplant, an adequate appropriation for medical care.

(3) Domestic violence is often intensified as women seek to gain economic independence through attending school or finding employment. A University of Minnesota survey reported that 1⁄2 of battered women surveyed had lost a job partly because of being abused and that over 1⁄2 of these women had been harassed by their abuser at work.

(4) Nationwide surveys of service providers prepared by the Family Violence Prevention Fund in 1995, 1996, and 1997, found that violence is significantly more likely to occur if the woman is poor, is single, and has children. A study by the National Center on Family Violence found that women facing hardships due to domestic violence were more likely to be battered by their partners than those who were not facing hardships.

(5) In recognition of this finding, the Committee on the Budget in considering the 1997 Budget Resolution on the budget of the United States government to support and the safety net necessary to enable poor women to be free from discrimination.

(6) In recognition of this finding, the Committee on the Budget in considering the 1997 Budget Resolution on the budget of the United States government to support and the safety net necessary to enable poor women to be free from discrimination.
SEC. 321. SENSE OF THE SENATE ON TAX CUTS.
It is the sense of the Senate that the Concur- rent Resolution on the Budget assumes that—

(1) a substantial majority of the tax cut ben- efits provided in the tax reconciliation bill will go to middle class working families earning less than approximately $100,000 per year; and
(2) the tax cuts in the tax reconciliation bill will not cause revenue losses to increase significantly in years after 2007.

SEC. 322. SENSE OF THE SENATE REGARDING AS- SISTANCE TO AMTRAK.

(a) FINDINGS.—The Senate finds that—
(1) Amtrak is in a financial crisis, with grow- ing and substantial debt obligations approaching $20,000,000,000;
(2) Amtrak has not been authorized since 1994;
(3) the Senate Committee on Commerce, Science, and Transportation favorably reported legislation to reform Amtrak during the last two Congresses, but no legislation was enacted;
(4) the Finance Committee favorably reported legislation in the last Congress that created a dedicated trust fund for Amtrak, but no legisla- tion was enacted;
(5) in 1997 Amtrak testified before the Con- gress that it cannot survive beyond 1998 without comprehensive reforms and a dedi- cated source of capital funding; and
(6) Congress is obligated to invest Federal tax dollars responsibly and to reduce waste and inefficiency in Federal programs, including Amtrak.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that Congress should consider legislation to—

(1) Legislative reform is urgently needed to address Amtrak’s financial and operational problems;
(2) it is fiscally irresponsible for Congress to allocate additional Federal dollars to Amtrak, and to distribute money from a new trust fund, without providing reforms requested by Amtrak to address its financial situation;
(3) the distribution of money from any new fund to finance an intercity rail passenger fund should be implemented in conjunction with legislation to reauthorize and reform the National Rail Passenger Corporation;

SEC. 323. SENSE OF THE SENATE REGARDING THE PROTECTION OF CHILDREN’S HEALTH.

(a) FINDINGS.—The Senate makes the follow- ing findings:
(1) Today’s children and the next generation of children are the prime beneficiaries of a bal- anced Federal budget. Without a balanced budget, today’s children will bear the increasing burden of the Federal debt. Continued deficit spending under doom future generations to slower economic growth, higher taxes, and lower living standards.
(2) The health of children is essential to the future economic and social well-being of the Na- tion.
(3) The Medicaid program provides health care for over 90,000,000 children, or 1 out of every 2 children.
(4) While children represent 1⁄2 of all individ- uals eligible for Medicaid, children account for less than 25 percent of expenditures under the Medicaid program.

SEC. 324. DEPOSIT OF ALL FEDERAL GASOLINE TAXES INTO THE HIGHWAY TRUST FUND.

(a) FINDINGS.—The Senate makes the fol- lowing findings:
(1) Since 1956, Federal gasoline excise tax reve- nues have generally been deposited in the Highway Trust Fund and reserved for transporta- tion use.
(2) In 1993, Congress and the President en- acted the first permanent increase in the Fed- eral excise tax on gasoline, which was dedicated to general revenues, not the Highway Trust Fund.
(3) Over the next five years, approximately $7,000,000,000 per year in Federal gasoline excise tax revenues will be shifted from the general fund of the Treasury, rather than the Highway Trust Fund.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions in this resolution assume that Congress should in the extension of the Budget Enforcement Act, ISTEA reauthorize highway and transit programs, and in any rev- enue bills, that all revenues from Federal gaso- line excise taxes, including amounts dedicated to general revenues in 1993, should be dedicated to the Highway Trust Fund so that such taxes may be used for the purpose to which they have historically been dedicated, promoting transpor- tation infrastructure and building roads.

SEC. 325. SENSE OF THE SENATE EARLY CHILD- HOOD EDUCATION.

(a) FINDINGS.—The Senate finds the follow- ing:
(1) Scientific research on the development of the brain in the early child- hood years, particularly from birth to age 3, is critical to children’s development.
(2) Studies repeatedly have shown that good quality child care and development in early child- hood can help a child enter school ready to succeed, improve their skills, cognitive abilities and socioemotional de- velopment, improve classroom learning behavior, and stay safe while their parents work. Further, high quality early childhood programs can positively affect children’s long-term success in school achievement, higher earnings as adults, de- crease reliance on public assistance and decrease involvement with the criminal justice sys- tem.
(3) The first of the National Education Goals, endorsed by the Nation’s governors, passed by Congress and signed into law by President Bush, stated that by the year 2000, every child should enter school ready to learn and that ac- cess to a high quality early childhood education program was integral to meeting this goal.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should consider legislation to require the Health Care Financing Agency to report on successful locally driven efforts.

SEC. 326. MILITARY RETIREMENT TRUST FUNDS NOT TAKEN INTO ACCOUNT FOR DEFICIT PURPOSES.

It is the sense of the Senate that the assump- tions underlying this budget resolution assume that the Congress should consider legislation to exclude the receipts and disbursements of the Military Retirement Trust Funds from the totals of the Budget of the United States Government.

SEC. 327. AIRPORT AND AIRWAY TRUST FUND NOT TAKEN INTO ACCOUNT FOR DEFICIT PURPOSES.

It is the sense of the Senate that the assump- tions underlying this budget resolution assume that the Congress should consider legislation to exclude the receipts and disbursements of the Airport and Airway Trust Funds from the totals of the Budget of the United States Government.

SEC. 328. MILITARY RETIREMENT TRUST FUNDS NOT TAKEN INTO ACCOUNT FOR DEFICIT PURPOSES.

It is the sense of the Senate that the assump- tions underlying this budget resolution assume that the Congress should consider legislation to exclude the receipts and disbursements of the retirement and disability trust funds for members of the Armed Forces of the United States from the totals of the Budget of the United States Government.

SEC. 329. CIVIL SERVICE RETIREMENT TRUST FUNDS NOT TAKEN INTO ACCOUNT FOR DEFICIT PURPOSES.

It is the sense of the Senate that the assump- tions underlying this budget resolution assume that the Congress should consider legislation to exclude the receipts and disbursements of the retirement and disability trust funds for civilian employees of the United States from the totals of the Budget of the United States Government.

SEC. 330. UNEMPLOYMENT COMPENSATION TRUST FUND NOT TAKEN INTO ACCOUNT FOR DEFICIT PURPOSES.

It is the sense of the Senate that the assump- tions underlying this budget resolution assume that the Congress should consider legislation to exclude the receipts and disbursements of the Federal Unemployment Compensation Trust Fund from the totals of the Budget of the United States Government.

SEC. 331. SENSE OF THE SENATE CONCERNING THE HIGHWAY TRUST FUND.

(a) FINDINGS.—The Senate finds that—
(1) there is no direct linkage between the fuel taxes deposited in the Highway Trust Fund and the government’s promotion spending from the Highway Trust Fund;
(2) the Federal budget process has severed this linkage by diverting revenues and spending into separate budget categories with —
(B) most spending from the Highway Trust Fund in the discretionary category; (3) each budget category referred to in paragraph (2) has its own rates and procedures; and (4) any fuel taxes imposed in effect prior to the date of adoption of this resolution, an increase in fuel taxes permits increased spending to be included in the budget but not for increased Highway Trust Fund spending.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that: (1) this session of Congress, Congress should, within a unified budget, change the Federal budget process to establish a linkage between the fuel taxes deposited in the Highway Trust Fund and any fuel taxes imposed that may be enacted into law after the date of adoption of this resolution, and the spending from the Highway Trust Fund; and (2) changes to the budgetary treatment of the Highway Trust Fund should not result in total program levels for highways or mass transit that is inconsistent with those assumed under the resolution.

SEC. 332. SENSE OF THE SENATE CONCERNING TAX INCENTIVES FOR THE COST OF POST-SECONDARY EDUCATION.

It is the sense of the Senate that the provisions of this resolution assume that any revenue reconciliation bill should include tax incentives for the cost of workforce education and training at vocational schools and community colleges.

SEC. 333. SENSE OF THE SENATE ON ADDITIONAL TAX CUTS.

It is the sense of the Senate that nothing in this resolution is construed as prohibiting Congress in future years from providing additional tax relief if the cost of such tax relief is offset by reductions in discretionary or mandatory spending or in revenue from alternative sources.

SEC. 334. SENSE OF THE SENATE REGARDING TRUTH IN BUDGETING AND SPEC-HIRING TRUSTEE.

(7) (a) FINDINGS.—The Senate finds that— (1) the electromagnetic spectrum is the property of the American people and is managed on their behalf by the Federal Government; (2) the spectrum is a highly valuable and limited natural resource; (3) the auctioning of spectrum has raised billions of dollars for the Treasury; (4) the estimates made regarding the value of spectrum in the past have proven unreliable, having been understated and now overstating its worth; (5) because estimates of spectrum value depend on technological, commercial, market forces, and other variables that cannot be predicted or controlled, it is not possible to reliably estimate the value of a given segment of spectrum; therefore; (b) It is the Sense of the Senate that as auctions occur as assumed by this Resolution, the Congress shall take such steps as necessary to reconcile the difference between actual revenues raised and estimates made and shall reduce spending accordingly if such auctions raise less revenue than projected.

SEC. 335. SENSE OF THE SENATE ON MODAL SURFACE TRANSPORTATION PROJECTS.

(a) FINDINGS.—The Senate finds that— (1) 10 demonstration projects totaling $362,000,000 were listed for special line-item funding in the Surface Transportation and Uniform Relocation Assistance Act of 1982; (2) 152 demonstration projects totaling $1,400,000,000 were named in the Surface Transportation and Uniform Relocation Assistance Act of 1987; (3) 64 percent of the funding for the 152 projects has been obligated over 5 years and State transportation officials determined the projects added little, if any, to meeting their transportation infrastructure priorities; (4) 536 additional specific projects totaling $6,230,000,000 were included in the Intermodal Surface Transportation Efficiency Act of 1991; (5) more than $3,300,000,000 of the funds authorized for the 538 location-specific projects remained unobligated as of January 31, 1997; (6) the General Accounting Office determined that the Stations To Go program in Arizona and Puerto Rico would have received more funding if the Intermodal Surface Transportation Efficiency Act location-specific project funds were redistributed with a Federal-aid highway program apportionments; (7) this type of project funding diverts Highway Trust Fund money away from State transportation priorities established under the formula distribution process and under the Intermodal Surface Transportation and Efficiency Act of 1991; (8) on June 20, 1995, by a vote of 75 years to 21 nays, the Senate voted to prohibit the use of Federal Highway Trust Fund money for future demonstration projects; (9) the Intermodal Surface Transportation and Efficiency Act of 1991 expires at the end of fiscal year 1997; and (10) hundreds of funding requests for specific transportation projects in Congressional Districts have been submitted in the House of Representatives.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that— (1) notwithstanding different views on exist- ing projects and the current formula, funding for demonstration projects or other similarly titled projects diverts Highway Trust Fund money away from State priorities and deprives States of the flexibility to adequately address their transportation needs; (2) States are best able to determine the priorities for allocating Federal-Aid-To-Highway money within their jurisdiction; (3) Congress should not divert limited Highway Trust Fund resources away from State transportation priorities by authorizing new highway projects; and (4) Congress should not authorize any new demonstration projects or other similarly-titled projects.

SEC. 336. SENSE OF THE SENATE REGARDING THE USE OF BUDGET SAVINGS.

(a) FINDINGS.—The Senate makes the following findings: (1) Poverty rates among the elderly are at the lowest level since our Nation began to keep poverty statistics, due in large part to the social security system; (2) for 60 percent of all senior citizens, social security benefits provide over 50 percent of their total income; (3) Poverty rates among the elderly are at the lowest level since the United States began to keep poverty statistics, due in large part to the social security system; (4) Seventy-eight percent of Americans pay more in payroll taxes than they do in income taxes; (5) According to the 1997 report of the Managing Trustee for the social security trust funds, the accumulated balance in the Federal Old-Age and Survivors Insurance Trust Fund is esti- mated to fall to zero by 2029, and the estimated payroll tax at that time will be sufficient to cover only 75 percent of the benefits owed to retirees at that time; (6) The average American retiring in the year 2015 will pay $250,000 in payroll taxes over the course of his or her working career; (7) Future generations of Americans must be guaranteed the same value from the social security system as past covered recipients.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that no change in the social security system should be made that would reduce the social security system; (8) ghetto children must be guaranteed the same value from the social security system and the medicare program.

SEC. 338. SENSE OF SENATE ON ECONOMIC GROWTH DIVIDEND PROTECTION.

(a) FINDINGS.—The Senate finds that with respect to the revenue levels established under this resolution: (1) According to the President's own economists, the tax burden on Americans is the highest ever at 31.7 percent. (2) According to the National Taxpayers Union, the average American family now pays almost 40 percent of their income in State, local, and Federal taxes. (3) Between 1978 and 1985, while the top marginal rate on capital gains was cut almost in half—from 35 to 20 percent—total annual Federal receipts from the tax almost tripled from $9,100,000,000 annually to $26,500,000,000 annually. (4) Conversely, when Congress raised the rate in 1986, revenues actually fell well below what was anticipated. (5) Economists across-the-board predict that cutting the capital gains rate will result in a windfall dividend for the Treasury. (6) While a USA Today/Gallup poll in March found 70 percent of the American people believe that they need a tax cut, under this resolution Federal spending will grow 17 percent over five years. (7) The net tax cuts are less than 1 percent of the total tax burden.

(b) SENSE OF SENATE.—It is the sense of the Senate that with respect to the revenue levels in this resolution, the Senate finds that under this resolution that actual revenues exceed the projected revenues not under this resolution due to higher than
anticipated economic growth, that revenue windfall should be reserved exclusively for additional tax cuts and/or deficit reduction.

SEC. 339. DEFICIT-NEUTRAL RESERVE FUND IN THE SENATE.

(a) In General.—In the Senate, revenue and spending aggregates may be changed and allocated or reallocated for legislation that provides for: (1) Federal, State, and local law enforcement programs for children ages zero to six provided funding for early childhood development programs to assist State and local efforts to combat violent crime, including violence against women, will be maintained; and (2) funding for the Violent Crime Reduction Trust Fund will continue in its current form at least through fiscal year 2007.

(b) Revised Allocations. (1) ADJUSTMENTS FOR LEGISLATION.—Upon the consideration of legislation pursuant to subsection (a), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels and aggregates contained in this resolution.

(2) ADJUSTMENTS FOR AMENDMENTS.—If the chairman of the Committee on the Budget submits an adjustment under this section for legislation that would necessitate such a submission, the chairman shall submit to the Appropriations Committee for funding allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels and aggregates contained in this resolution.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committee shall report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

SEC. 340. SUPPORT FOR FEDERAL, STATE, AND LOCAL LAW ENFORCEMENT OFFICERS.

(a) FINDINGS.—The Senate makes the following findings:

(1) The Federal, State, and local law enforcement officers provide essential services that preserve and protect the freedoms and security, and with the support of Federal assistance, State and local law enforcement officers have succeeded in reducing the national scourge of violent crime, as illustrated by a murder rate in 1996 that is projected to be the lowest since 1971 and a violent crime total in 1996 that is the lowest since 1990.

(2) Through a comprehensive effort to attack the root causes of crime, including violent crime, including violence against women, demonstrated, that the legislation which changes revenues or programs for children ages zero to six provided funding for early childhood development programs to assist State and local efforts to combat violent crime, including violence against women, will be maintained; and (2) funding for the Violent Crime Reduction Trust Fund will continue in its current form at least through fiscal year 2007.

(b) SENSE OF THE SENATE.—It is the sense of the Congress that the provisions of this resolution assume that, from resources available in this budget resolution, a portion should be set aside for a national grass-roots effort to encourage parental education and involvement in youth drug prevention and to create a drug-intolerant culture for our children.

(c) APPROPRIATIONS.—The chairman shall submit to the Appropriations Committee reports containing the revised allocations, functional levels, and aggregates to carry out this section.

(d) REPORTING REVISED ALLOCATIONS.—The appropriate committee shall report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

SEC. 341. SENSE OF CONGRESS REGARDING PARENTAL INVOLVEMENT IN PREVENTION OF DRUG USE BY CHILDREN.

It is the sense of the Congress that the provisions of this resolution assume that, from resources available in this budget resolution, a portion should be set aside for a national grass-roots effort to encourage parental education and involvement in youth drug prevention and to create a drug-intolerant culture for our children.
I noted with one of our colleagues over there, Senator Nickles—and I am sure that he does not mind my quoting him here—he said that this markup in the budget was the least acrimonious that he had seen in his 17 years on the Budget Committee. I, too, in the 14 years I have been on the Budget Committee.

We had plenty of differences. Do not let anybody think it was smooth going all the way. But there was a determination to get the job done. It was larger in scope and size, but the willingness to just put aside some differences.

My leader, Tom Daschle, was always there to encourage me and the team.

Senator Lott, too, you know how to push at times and how to pull at other times. You still got us going in the same direction. I don’t get it. But it was a pleasure working with the majority leader.

My team, John Cahill, Bruce King, Sander Janet, Steve Morris, Sue Nelson, Mitch Warren, and the others whom I was fortunate enough to inherit from the experienced days of Senator Exon and Senator Sasser, Amy Abraham, Matt Greenwald, Phil Karsting, Jim Kumpner, Nell Mays, and Jon Rosenwater, everybody helped enormously. I want to say Bill Hoagland and the majority leader’s team were cooperative. They tried to always make sure we understood exactly what was going to be in there. There was no attempt to deceive or fool.

Thus, we have an agreement that we can all be proud of. The American people should be proud of it. They saw us cooperating, as the majority leader said. And here we saw a vote of 78 to 22. That is pretty darn good.

Thank you very much. I yield the floor.

Mr. Lott. I thank the Senator.

I do have a couple unanimous-consent requests to make. I think Members will be very interested in this. Then we can go on with some closing statements and some wrapup information.

We have some other matters that we are going to try to work through in the afternoon. But if we can get these two agreements, then we could announce there would be no further votes today. I think that would be very important.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. Lott. Mr. President, I ask unanimous consent that the Senate now proceed to executive session to consider the following nominations: No. 73, Donald Middlebrooks; No. 74, Jeffrey Miller; No. 75, Robert Pratt. I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, statements relating to any of these nominations be printed in the RECORD, the President be immediately notified of the Senate’s action, and that the Senate then resume legislative session.

The PRESIDING OFFICER. Is there objection?

Mr. Leahy. Reserving the right to object, Mr. President, we are now at the end of May. We have confirmed a grand total of two judges in this session. If we confirm these, it will make five, one a month, which is zero population growth in the Federal judiciary. I urge the distinguished majority leader to work with the Senate to move these judges. We have 100 vacancies in the Federal courts. Since this session began, vacancies on the Federal bench have increased from 87 to 103 and we have proceeded to confirm only five nominees. After these three confirmations, after more than doubling our confirmation output for the entire year in this one afternoon, we still face 98 current vacancies today and that number is continuing to grow. At this rate, we are falling farther and farther behind and more and more vacancies are continuing to mount over longer and longer times to the detriment of more Americans and the national cause of prompt justice.

Mr. President, I ask unanimous consent to have printed in the RECORD reports on the confirmation of the nominees by the vacancies in the Federal courts. There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Time, May 26, 1997]

EMPTY-BENCH SYNDROME—CONGRESSIONAL REPUBLICANS ARE DETERMINED TO PUT CLINTON’S JUDICIAL NOMINEES ON HOLD

(By Viveca Novak)

The wanted posters tacked to the walls of courthouses around the country normally depict carjackers, kidnappers and other scruffy lawbreakers on the lam. But these days the flyers might just as well feature distinguished men and women in long dark suits. "Are you wanted?" The wanted signs read. "Help Wanted." As of this week, 100 seats on the 844-person federal bench are vacant. Case loads are creeping out of control, and sitting judges are crying for help.

The situation is urgent, says Procter Hug Jr., chief judge of the Ninth Circuit Court of Appeals, which covers California and eight other Western states. "Hug says that with a third of its 28 seats vacant, the court has had to cancel hearings for about 600 cases this year. Criminal cases take precedence by law, so both the trial and appellate levels, it is civil cases that have been crowded out. Civil rights cases, shareholder lawsuits, product-
Orrin Hatch, chairman of the Senate Judiciary Committee, says he would like to clear the backlog. “Playing politics with judges is unfair, and I am sick of it,” he said in March. But those close to him say he’s feeling pressure from the right, and indeed his remarks have become more combative. Last week he told a group of judges that he would refuse to confirm any judicial activists named to the federal bench.

Republicans are also aiming rocket launchers at those lucky enough to have already won. Judges who lost votes are feeling angry about those recommendations to the Senate for confirmation. At a private meeting with federal judges last week, Clinton promised to spend close to two dozen new names to Capitol Hill by July 4. But once they get there, they face new hurdles. Last year the Senate confirmed only 17 federal district-court judges and none for the appeals courts.

This year looks even worse, with only two confirmations thus far. The number of days from nomination to confirmation is at a record high of 183, and 24 seats have been vacant more than 18 months, qualifying them as judicial emergencies.

This slowdown in confirmations is not due to congressional lethargy. Just the opposite. With Republicans firmly in control of the Senate, many of the party’s theorists feel they have a free hand—and the Senate has used that mandate—to implement the ideals of a conservative revolution that lost its focus in recent years. So they have been not so quietly pursuing a historic change in the ambiguous “advise and consent” role the Constitution gives the Senate in the selection of federal judges. The successful assault by Democrats on Republicans in 1987 held the Senate in control of the nomination process, which in turn has dragged its feet in forwarding those recommendations to the White House, which in turn has been slow to act. The result is that nominees are being held up for months.

Some Republicans have as much as declared war on Clinton’s choices, parsing every phrase they’ve written for evidence of what they call judicial activism. That label has long been applied to judges who come up with imaginative new legal principles in their decisions rather than simply following the letter of the law or the Constitution. More than anything, the label is a political weapon that is being used to curb his New Deal, and they make up Franklin Roosevelt assailed 60 years ago for most liberal judges of his day. The president in 1937 called them the “New Dealers” when he was trying to pack the Supreme Court to counteract the effect of 12 straight years of Republican congressional control.

The slowdown could become a constitutional showdown. “In the history there has never been a situation where a newly elected president has faced this challenge to his judicial nominations,” says Sheldon Goldman, author of the upcoming book Picking Federal Judges: Lower Court Selections From Roosevelt to Reagan.

“The gauntlet has been thrown down to President Clinton and he is going to fight or if he’s going to back off.”

Last week, Chief Justice William Rehnquist, a conservative, chastised the White House and the Senate for leaving so many vacancies. “Unless the executive and the legislative branches change their ways,” he told the Federal Judges Association, “the future for judicial appointments is bleak.” He urged judges to meet with senators from their areas. One judge who recently did is Procter Hug Jr. of Reno, Nev., chief of the nation’s busiest court—the nine-Western-state 9th U.S. Circuit Court of Appeals, which has lost nine of its 28 judges to retirement. Hug asked Sen. Orrin Hatch, chairman of the Senate Judiciary Committee, for action, and Hatch replied that he would hold one judicial nomination hearing next month. “National circuit-court vacancies,” said Hug, “are a free-for-all.”

Some candidates they’re considering: Judge Jeff Neiman of New York, who freed two men who cast ballots. Not mentioned are judges like New York’s John Sprizzo, who freed two men who had blocked access to an abortion clinic because they acted on religious grounds.

So far, the Republicans see no real downside to their strategy. “Some of these rulings have in themselves been reversed,” says Robert Katzmann, a lawyer and political scientist who writes for the National Journal. “The framers of the Constitution tried to create a system in which judges would feel insulated from political pressure from the White House, which in turn has dragged its feet in forwarding those recommendations to the Senate.”

Meanwhile, nominees are left adrift. The federal bench’s poster child of the moment is California over the past decade, asking questions about the Klansmen, asking what he was doing in the voting booth. Morrow’s nomination still isn’t scheduled for a vote, and she isn’t even the longest-serving on the bench. Yet she has been slow to send up nominees, partly because the Senate has been reluctant to move

liability actions, medical-malpractice claims and so forth are being pushed to the back of the line, however urgent the complaints. Chief Judge J. Phil Gilbert of the southern district of New York has more than an entire year without hearing a single civil case, so overwhelmed was he by the criminal load in a jurisdiction down to two judges out of four. “It’s not my fault. I’m just sitting here for the delays,” says A. Leo Levin, a professor at the University of Pennsylvania Law School.

Things won’t improve any time soon. Democratic Senators have been slow in recommending names to the White House, which in turn has dragged its feet in forwarding those recommendations to the Senate for confirmation. At a private meeting with federal judges last week, Clinton promised to spend close to two dozen new names to Capitol Hill by July 4. But once they get there, they face new hurdles. Last year the Senate confirmed only 17 federal district-court judges and none for the appeals courts.

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those already pending. Clinton has nomi-
nated candidates for fewer than one third of
the vacancies. More important, he has shown
an aversion to fighting for controversial
nominees. Clinton, in prominent examples, evoked
an old friend, Georgetown University law
professor Peter Edelman. Clinton decided in
1985 not to nominate Edelman for a seat on the
appeal court in Washington, D.C. After conser-
vatives served notice they would mount a Bork-like
challenge, citing Edelman’s writings as “too liberal.”

In essence, Clinton objects to the liberal view
that he should counter the Reagan-Bush em-
phasis on conservative views. “He doesn’t
want to make a federal bench in his image,”
House Majority Leader Tom DeLay said. “What really
wants is a high-quality bench that will do
the right thing regardless of ideology.”

Other insiders say that when the White
House sees certain liberal judges as
not qualified.

Sen. Orrin Hatch, R-Utah, says, “A judicial
activist is a judge who makes a decision you
don’t like.”

As they are qualified,” the senator said. But
he also has said that judicial activists are
entitled to make nominations. “He deserves
to reshape the federal bench,” says Nan Aron
Q of the Alliance for Justice, an umbrella orga-
ization of public-interest law groups. “But
rather than hit the ground running, he has
silently tolerated an unprecedented number of
attorney general.

Republican arguments that they have no
choice but to hold up Clinton’s nominees be-
cause many are “judicial activists” far out
semble in ideology to Gerald Ford’s judges than
to those of Jimmy Car-
ter, who are considered the most liberal of
current judges.

To the extent Clinton has had a broad
agenda for the judiciary, the guiding prin-
ciple has been not philosophy but race and
gender, short term,” said William
Glazier, who teaches political science at the
University of Massachusetts—Amherst, “was the first ever in which most of a president’s
appointments went to women or minorities.”

The Clinton administration insists that it
can place Clinton choices on the court.

By way of example, the senator points out
Middlebrooks’ nomination in Sep-
tober. The southern district of
Florida, with some of the busiest dis-
tricts in the Nation, has three Federal
judicial vacancies. With our action
today, one of those vacancies is no
more, and the people of Florida’s
southern district will soon be served by
an outstanding and experienced mem-
er of both the legal and larger south Florida
community—Mr. Don
Middlebrooks.

I look forward to working with my
colleagues to fill all of the judicial va-
cancies in Florida. But today’s action
is a very positive step forward.

President Clinton’s nominees are
hearing last Congress and the Presi-
dent renominated him on the first day
of this Congress for the same vacancy
on the district court for the southern
district of Florida, which vacancy has
existed since October 1992. This is an
important judicial vacancy that we did not fill last year. It has
been vacant for more than 4½
years. He has the support of both Sen-
ator Graham and Senator Mack and was
reported by the Judiciary Com-
mitee to the Senate on April 17.

With this confirmation, the Senate
has confirmed three Federal judges this
year—the same amount of times we
have gone on vacation in 1997. At this
rate, we are falling farther and farther
behind and more and more vacancies are
continuing to mount over longer and
longer times to the detriment of
more Americans and the national cause
of prompt justice. We must do better.

Mr. President, I look forward to
working with the chairman and other
members of the Judiciary Committee
and the full Senate to move the nomi-
ations process forward so that the
Senate confirms the judges that the
Federal courts need before the
prompt administration of justice.

Mr. GRAMAN. Mr. President, I join
all those in America who are concerned
about filling judicial vacancies in
expressing gratitude to Senators HATCH
and LEAHY for bringing judicial nomi-
ations to the floor for our timely con-
sideration.

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mitee to the Senate on April 17.
Reubin Askew. He served with such distinction that Governor Askew ultimately elevated him to the post of general counsel.

Three years later, as Governor Askew’s second and final term was coming to a close, Mr. Middlebrooks left Tallahassee and joined the southern Florida offices of Steel, Hector, & Davis, one of our State’s oldest and largest law firms.

His 20 years of experience with highly complex legal issues makes him especially well-prepared for the cases that he will see as a Federal district court judge in south Florida.

But the fact that Don Middlebrooks has spent the last two decades in the private sector does not mean that he has neglected his commitment to public service.

In addition to handling numerous pro bono cases himself, Mr. Middlebrooks was chairman of Steel, Hector, & Davis’ public service committee when the firm received the American Bar Association pro bono award and the Florida Supreme Court chief justice’s law firm commendation.

He has also been a civic leader. The list of his involvements is long and distinguished. He is currently chairman of the Palm Beach County Criminal Justice Commission, president of the Florida Bar Association, member of the Florida Ethics Commission.

Perhaps Don Middlebrooks’ most important civic contribution has been his tireless commitment to the welfare of Florida’s youngest generation—its children.

In addition to being the father of 11-year-old Amanda and 9-year-old Jack, Mr. Middlebrooks has served as chairman of the Palm Beach County Children’s Services Council, chairman of the Florida Bar Commission for Children, and a member of the Florida Commission on Child Welfare.

Mr. Middlebrooks through his life, Don Middlebrooks has been respected by his peers, hailed for his outstanding service to the people of Florida, honored for his civic involvements, and praised for his skill and competence in the legal arena.

I have no doubt that this pattern of distinction and outstanding service will continue once he is invested as a Federal judge in the southern district of Florida.

Statements on the Nomination of Jeffrey T. Miller

Mr. LEAHY. Mr. President, I am delighted that the majority leader has decided to take up the nomination of Jeffrey T. Miller to be a U.S. district court judge for the southern district of California. Judge Miller is a well-qualified nominee.

The Judiciary Committee unanimously reported his nomination to the Senate more than 4 weeks ago. The southern district of California desperately needs Judge Miller to help manage its growing backlog of cases.

We first received Judge Jeffrey Miller’s nomination in July 1996. He was not accorded a hearing last Congress and the President renominated him on the first day of this Congress for the same vacancy on the district court for the southern district of California, which vacancy has existed since December 1994. This is one of the judicial emergency vacancies that we should have filled last year. This vacancy has persisted for 2½ years. He has the support of both Senators from California. He had a confirmation hearing on March 18 and his nomination was considered and reported to the Senate by the Judiciary Committee on April 17.

With this confirmation, the Senate has confirmed four Federal judges this year—the same number as the number of amendments to the Constitution that have been considered and defeated by the House of Representatives and the Senate. At this rate, we are falling farther and farther behind and more and more vacancies are continuing to mount over longer and longer times to the detriment of more Americans and the national cause of prompt justice. We must do better.

Mrs. FEINSTEIN. Mr. President, I want to thank the majority leader for calling up these judicial nominations today for the Senate, and in particular for calling up Judge Jeffrey Miller, who has been nominated to the U.S. district court for the southern district of California in San Diego.

It was my distinct pleasure to recommend Judge Jeffrey Miller to President. I feel strongly that he is extremely well qualified for the position.

Judge Miller has been serving for 10 years as a superior court judge in San Diego, having been appointed by a Republican Governor, George Deukmejian, in 1987.

Judge Miller previously spent 19 years with the State attorney general’s office.

He earned both his undergraduate and law degree from the University of California at Los Angeles in the 1960’s. He first devoted himself to public service by working in the Peace Corps for a year.

During his experience in the Los Angeles attorney general’s office from 1968 to 1974, he briefed approximately 60 cases on behalf of the people, urging affirmation of trial court convictions before the court of appeals in more than half of those cases.

Of those cases, 13 all but one affirming trial court convictions.

One of those cases involved convictions where the jury rendered convictions with full sentences.

This has prepared him extremely well for the criminal and civil caseload facing the southern district judges.

Simply put, Judge Miller is one of the most respected and trusted judicial figures in the San Diego area. He is both fair minded and thoughtful, yet remains tough and decisive.

His bipartisan support and solid judicial background make him a strong nominee for confirmation. Among those who have endorsed Judge Miller’s nomination are those who know the judge’s work best.

Presiding Judge James R. Milliken of the superior court described Judge Miller as “a superb judge” and “a fine, insightful person. He understands legal issues and problems and does an absolutely wonderful job in the courtroom.”

Judge Anthony Joseph, a colleague on the San Diego Superior Court, wrote: “His positive outlook and pragmatic approach are essential in this era.”

Judge Daniel Kremer of the U.S. court of appeals noted that Judge Miller “is particularly well known for his ability to handle complex cases efficiently and fairly.”

Retired Justice Charles Froehlich, Jr., of the court of appeals said: “He is a person of very high ethical standards. He would indeed be a credit to the local district court bench.”

Judge Judith Haller of the court of appeals wrote: “Judge Miller would be an outstanding selection and one which would be extremely well received by members of our local community. He is one of those rare individuals who receive unanimous support from all who have worked with him professionally or who know him personally.”

Judge Miller is an active member of the California Judges Association.

He has been elected to the executive committee and served on that committee as supervising judge of the north county branch of the San Diego Superior Court. He has also chaired the joint jury committee and the rules committee.

Let me conclude by saying how important it is to fill the vacancies on the southern district bench. Presiding Judge Judith Keep has provided some startling information about workload in the southern district, which I would like to submit for the RECORD.

There are currently two vacancies on the southern district bench. The six judges now serving in the southern district faced a caseload of 5,674 cases in 1986 including 5,000 cases filed in that district. The total filings in that district were 1995. That represents a 95-percent increase in the workload from 1991 to 1996 for the southern district judges.
LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to Calendar No. 60, S. 610. The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 610) to implement the obligations of the United States under the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, known as the “Chemical Weapons Convention” and opened for signature and signed by the United States on January 13, 1993 which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Chemical Weapons Convention Implementation Act of 1997.”

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act as follows:

Title I—General Provisions

Title II—PENALTIES FOR UNLAWFUL ACTIVITIES SUBJECT TO THE JURISDICTION OF THE UNITED STATES

Subtitle A—Additional Civil and Criminal Provisions

Title III—SECURITIES ACT OF 1933 AND THE FEDERAL SECURITIES LAWS

Title IV—REPORTS

Title V—ENFORCEMENT

Title VI—MISCELLANEOUS PROVISIONS

Title VII—DECLASSIFICATION

Title VIII—FINANCING OF IMPLEMENTATION ACT

Title IX—SUNSET PROVISION

SCHEDULE 1 CHEMICAL AGENT

SCHEDULE 2 CHEMICAL AGENT

Section 301. Definitions in the title.

Section 302. Specific enforcement.

Section 303. Expedited judicial review.

Section 304. Prohibition relating to low concentrations of munitions or devices specified in subparagraph (A) which would be released as a result of the employment of such munition or device.

Section 305. Any equipment specifically designed for use directly in connection with the employment of munitions or devices specified in subparagraph (B).


Section 307. Key components of a binary or multicomponent chemical system.

Section 308. Protection of constitutional rights of contractors.

Section 309. Annual report on inspections.

Section 310. United States assistance in inspections at private facilities.

Section 401. Reports required by the United States National Authority.

Section 402. Prohibition relating to low concentrations of schedule 2 and 3 chemicals.

Section 403. Prohibition relating to unscheduled discrete organic chemicals and co- incidental byproducts in waste streams.

Section 404. Confidentiality of information.

Section 405. Recordkeeping violations.

Section 501. Penalties.

Section 502. Specific enforcement.

Section 503. Expedited judicial review.

In this Act:

(1) CHEMICAL WEAPON.—The term “chemical weapon” means the following, together or separately:

(A) A toxic chemical and its precursors, except where intended for a purpose not prohibited under this Act as long as the type and quantity is consistent with such a purpose.

(B) A munition or device, specifically designed to cause death or other harm through toxic properties of those toxic chemicals specified in subparagraph (A) which would be released as a result of the employment of such munition or device.

(C) Any equipment specifically designed for use directly in connection with the employment of such munitions or devices specified in subparagraph (B).


(3) KEY COMPONENT OF A BINARY OR MULTICOMPONENT CHEMICAL SYSTEM.—The term “key component of a binary or multicomponent chemical system” means the precursor which plays the most important role in determining the toxic properties of the final product and reacts rapidly with other chemicals in the binary or multicomponent system.

(4) NATIONAL OF THE UNITED STATES.—The term “national of the United States” has the same meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).

(5) NATIONAL AUTHORITY.—The term “National Authority” means the Organization for the Prohibition of Chemical Weapons established by the Chemical Weapons Convention.

(6) PERSON.—The term “person,” except as otherwise provided, means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, any State or any political subdivision thereof, or any political entity within a State, any foreign government or nation or any agency, instrumentality or political subdivision of any such government or nation, or other entity located in the United States.

(7) PRECURSOR.—The term “precursor” means any chemical reactant which takes part at any stage in the production by whatever method of a toxic chemical.

(B) LIST OF PRECURSORS.—Precursors which have been determined by the application of verification measures under Article VI of the Convention are listed in schedules contained in the Annex on Chemicals of the Chemical Weapons Convention.

(8) PURPOSES NOT PROHIBITED BY THIS ACT.—The term “purposes not prohibited by this Act” means the following:

(A) PEACEFUL PURPOSES.—Any peaceful purpose related to an industrial, agricultural, research, medical, or pharmaceutical activity or other activity.

(B) PROTECTIVE PURPOSES.—Any purpose directly related to protection against toxic chemicals and to protection against chemical weapons.

(C) UNRELATED MILITARY PURPOSES.—Any military purpose of the United States that is not connected with the use of a chemical weapon and that is not dependent on the use of the toxic or poisonous properties of the chemical weapon to cause death or other harm.

(D) LAW ENFORCEMENT PURPOSE.—Any law enforcement purpose, including any domestic riot control purpose and including imposition of capital punishment.

(T) TECHNICAL SECRETARIAT.—The term “Technical Secretariat” means the Technical Secretariat of the Organization for the Prohibition of Chemical Weapons established by the Chemical Weapons Convention.

(SCHEDULE 1 CHEMICAL AGENT.—The term “Schedule 1 chemical agent” means any of the following, together or separately:

(A) O-Alkyl (H or C\(\text{Me}, \text{Et}, \text{n-Pr or i-Pr}\))-N,N-diisopropylphosphonothioates and corresponding alkylated or protonated salts (e.g. VX: O-Ethyl S-2-diisopropylaminoethyl methylphosphono-thiolate).

(B) O-Alkyl (H or C\(\text{Me}, \text{Et}, \text{n-Pr or i-Pr}\))-N,N-diisopropylphosphoramidycyanates (e.g. Tabun: O-Ethyl N,N-dimethylphosphoramidycyanate).

(C) O-Alkyl (H or C\(\text{Me}, \text{Et}, \text{n-Pr or i-Pr}\))-S-2-diisopropylaminoethyl alkylphosphonothioates and corresponding alkylated or protonated salts (e.g. VX: O-Ethyl S-2-diisopropylaminoethyl methylphosphono-thiolate).

(D) Sulfur mustards: 2-Chloroethylchloromethylsulfide Mustard gas: Bis(2-chloroethyl)sulfide Bis(2-chloroethylthio)methane Sesquisulfimide: 1,2-Bis(2-chloroethylthio)ethane 1,3-Bis(2-chloroethylthio)-n-propane 1,4-Bis(2-chloroethylthio)-n-butane 1,2-Bis(2-chloroethyl)-n-pentane Bis(2-chloroethylthiomethyl)ether O-Mustard: Bis(2-chloroethylthio)ether.

(E) Lewisites: Lewisite 1: 2-Chlorovinylidichlorosarin Lewisite 2: Bis(2-chlorovinyl)chlorosarin Lewisite 3: Tris(2-chlorovinyl)sarin.

(F) Nitrogen mustards: HN1: Bis(2-chloroethyl)ethylamine HN2: Bis(2-chloroethyl)methylamine HN3: Tris(2-chloroethyl)amine.

(G) Saxitoxin.

(H) Ricin.

(I) Alkyl (Me, Et, n-Pr or i-Pr) phosphonofluoridates (e.g. DFP: Methylphosphonofluoridate).

(J) O-Alkyl (H or C\(\text{Me}, \text{Et}, \text{n-Pr or i-Pr}\))-O-2-diisopropyl-aminoethyl methylphosphonite.

(K) Chlorosarin: O-Isopropyl methylphosphonochloridate.

(L) Chlorosoman: O-Methyl methylphosphonochloridate.

(SCHEDULE 2 CHEMICAL AGENT.—The term “Schedule 2 chemical agent” means any of the following, together or separately:

(A) Amiton: O,O-Diethyl S-[2-(diethylamino)ethyl]...
phosphorothioate and corresponding alkylated or protonated salts. 
(B) PFIB: 1,1,3,3,3-Pentafluoro-2-( trifluoromethyl)j- propane.
(C) 2-Chloro-1,1,1-trifluorocyclobutyl benzilate
(D) Chemicals, except for those listed in Schedule 1, containing a phosphorus atom to which is bonded one methyl, ethyl or propyl (normal or iso) group but not further carbon atoms.
(e) Methylphosphonyl dichloride Dimethyl phosphonochloridate
(N) N,N-Diisopropyl (Me, Et, n-Pr or i-Pr) phosphonothioic acid salts.
(F) Dialkyl (Me, Et, n-Pr or i-Pr), N,N-diisopropylphosphonamidates.
(G) arsine trichloride.
(H) 2,2-Diphenyl-2-hydroxyacetic acid.
(I) Quinuclidine-3-ol.
(J) N,N-Dialkyl (Me, Et, n-Pr or i-Pr) aminomethyl-2-chlorides and corresponding protonated salts.
(K) N,N-Dialkyl (Me, Et, n-Pr or i-Pr) aminomethylene-2-oxals and corresponding protonated salts.
(L) N,N,N-Dimethylaminoothanol and corresponding protonated salts.
(M) Thiodiglycol: Bis(2-hydroxyethyl)sulfide.
(N) Pinacolyl alcohol: 3,3-Dimethylbutane-2-ol.
(12) SCHEDULE 3 CHEMICAL AGENT.—The term "Schedule 3 chemical agent" means any of the following, together or separately:
(A) Phosgene: carbonyl dichloride.
(B) Cyanogen chloride.
(C) Hydrogen cyanide.
(D) Chloropirac: trichloronitromethane.
(E) Phosphorous oxycyanide.
(F) Phosphorous trichloride.
(G) Phosphorous pentachloride.
(H) Trimethylphosphite.
(I) Triethylphosphite.
(J) Dimethylphosphite.
(K) Diethylphosphite.
(L) Sulfur monochloride.
(M) Sulfur dichloride.
(N) Thionyl chloride.
(O) Ethyldithianeamine.
(P) Methyldithianeamine.
(Q) Triethaneamine.
(13) TOXIC CHEMICAL.—
(A) In general.—The term "toxic chemical" means any chemical which through its chemical action or by cause death, temporary incapacitation or permanent harm to humans or animals. The term includes all such chemicals, regardless of their origin or of their method of production, and regardless of whether they are produced in facilities, in munitions or elsewhere.
(B) List of toxic chemicals.—Toxic chemicals which have been identified for the application of verification measures under Article VI of the Convention are listed in schedules contained in the Annex on Chemicals of the Chemical Weapons Convention.
(14) UNITED STATES.—The term "United States" means the several States of the United States, the District of Columbia, and the Commonwealth, territories, possessions of the United States and includes all places under the jurisdiction or control of the United States, including:
(A) any of the places within the provisions of paragraph (41) of section 4012 of title 49, United States Code;
(B) any civil aircraft of the United States or public or Indian tribes of the United States that are armed forces of the United States.
(15) UNITED STATES DISARMED ORGANIZATIONS.—The term "United States disarmed organizations" is defined in paragraphs (17) and (37), respectively, of section 4012 of title 49, United States Code; and
(16) any vessel of the United States, as such term is defined in section 3(b) of the Maritime Drug Enforcement Act, as amended (46 U.S.C., App. sec. 1903(b)).
(17) UNITED STATES PROHIBITED DISCRETE ORGANIC CHEMICAL.—The term "unscheduled discrete organic chemical" means any chemical not listed on any schedule contained in the Annex on Chemicals of the Chemical Weapons Convention that belongs to the class of all compounds of carbon, except for its oxides, sulfides, and metal carbonates.

TITLES 1 THROUGH 9

TITLE I. DESIGNATION OF UNITED STATES NATIONAL AUTHORITY

SECTION 101. DESIGNATION OF UNITED STATES NATIONAL AUTHORITY.

(a) DESIGNATION.—Pursuant to paragraph 4 of Article II of Chemical Weapons Convention, the President shall designate the Department of State to be the United States National Authority.

(b) PURPOSES.—The United States National Authority shall—
(1) serve as the national focal point for effective liaison with the Organization for the Prohibition of Chemical Weapons and other States Parties to the Convention; and
(2) implement the provisions of this Act in coordination with an interagency group designated by the President consisting of the Secretary of Commerce, Secretary of Defense, Secretary of Energy, the Attorney General, and the heads of agencies considered necessary or advisable by the President.

(c) DIRECTOR.—The Secretary of State shall serve as the Director of the United States National Authority.

(d) POWERS.—The Director may utilize the administrative authorities otherwise available to the Secretary of State in carrying out the responsibilities of the Director set forth in this Act.

(e) IMPLEMENTATION.—The President is authorized to carry out the provisions of this Act and the Convention and shall designate through Executive order which agencies of the United States shall issue, amend, or revise the regulations in order to implement this Act and the provisions of the Convention. The Director of the United States National Authority shall report to the Congress on the regulations that have been issued, implemented, or revised pursuant to this section.

SECTION 102. NO ABRIDGEMENT OF CONSTITUTIONAL RIGHTS.

No person may be required, as a condition for entering into a contract with the United States or as a condition for receiving any benefit from the United States, to waive any right under the Constitution for any purpose related to this Act or the Convention.

SECTION 103. CIVIL LIABILITY OF THE UNITED STATES.

(a) CLAIMS FOR TAKING OF PROPERTY.—
(1) JURISDICTION OF COURTS OF THE UNITED STATES.—
(A) UNITED STATES COURT OF FEDERAL CLAIMS.—The United States Court of Federal Claims shall, subject to subparagraph (B), have jurisdiction of any civil action or claim against the United States for any taking of property without just compensation that occurs by reason of the action of any officer or employee of the Organization for the Prohibition of Chemical Weapons, including any member of an inspection team of the Technical secretariat, and to seek such redress in the courts of the United States for any liability imposed on the United States by virtue of the actions of an inspector of the Technical Secretariat who is a national of that foreign nation.
(B) BURDEN OF PROOF.—In any civil action under subparagraph (1), the plaintiff shall have the burden to establish such a prima facie case that, due to acts or omissions of any official of the Organization or any member of an inspection team of the Technical secretariat taken under the color of the Convention, proprietary information of the plaintiff has been disclosed without authorization. If the United States Court of Federal Claims finds that the plaintiff has demonstrated such a prima facie case, the burden shall shift to the United States to disprove the plaintiff’s claim. In deciding whether the plaintiff has carried its burden, the United States Court of Federal Claims shall consider, among other things—
(1) the value of proprietary information; and
(2) the extent to which the proprietary information is based on patents, trade secrets, or other protected intellectual property.
(C) ANY CLAIMS BROUGHT BY INDIVIDUALS AND BUSINESSES.—Notwithstanding any other law, the Attorney General of the United States is authorized to bring an action in the United States District Court for the District of Columbia against any foreign nation for money damages resulting from that nation’s refusal to provide verification or from verification findings of an inspector of the Technical Secretariat who is a national of that foreign nation.

(b) TORT LIABILITY.—The district courts of the United States shall have exclusive jurisdiction of civil actions for money damages for any tort committed by any officer or employee of the United States or the Organization, including any member of the inspection team of the Technical Secretariat, taken pursuant to or under color of the Convention or this Act.

(c) REPRESENTATION OF STATES.—In an action brought by an individual or a business for money damages against a foreign nation for any tort committed by any officer or employee of the United States or the Organization, including any member of the inspection team of the Technical Secretariat, taken pursuant to or under color of the Convention or this Act, the United States shall represent, to the maximum extent practicable, the interests of the States that are parties to the Convention in the United States Court of Federal Claims.

(2) NOTIFICATION.—Any person intending to bring a civil action pursuant to paragraph (1) shall notify the United States National Authority of that intent at least one year before filing such action in the United States District Court of Federal Claims. Action on any claim filed during that one-year period shall be stayed. The one-year period following the notification shall not be extended for the period within which the civil action may be commenced.
any national of the United States, or any business entity organized and operating under the laws of the United States, may bring a civil action in a United States District Court for money damages for any violation of the foreign nationals or business entity organized and operating under the laws of a foreign nation for an unauthorized or unlawful acquisition, receipt, transmission, publication, divulge, disclose, or make known in any manner or to any extent not authorized by the Convention any United States confidential business information, the President shall, within 30 days after the receipt of such information by the President or under the Convention, notify the Congress in writing of such determination and, subject to the requirements of paragraphs (4) and (5), impose the sanctions provided under subparagraph (B) for a period of not less than five years.

(B) SANCTIONS.—The United States Government shall not sell a country described in subparagraph (A) any item on the United States Munitions List, shall terminate sale of any defense articles, defense services, or design and construction services to that country under the Arms Export Control Act, and shall terminate all assistance to a country described in subparagraph (A) under the Economic Assistance Act of 1977, under any other United States law, or under any international agreement.

(v) INTERNATIONAL FINANCIAL ASSISTANCE.—The United States shall oppose any loan or financial or technical assistance by international financial institutions in accordance with section 701 of the International Financial Institutions Act to a country described in subparagraph (A).

(vi) BLOCKING OF ASSETS.—The President shall take all steps necessary to block any transactions in any property subject to the jurisdiction of the United States in which a person described in subparagraph (A) has any interest whatsoever, for the purpose of recouping funds in accordance with the policy in paragraph (1).

(v) ARMSED BANK TRANSACTIONS.—The United States shall not sell a country described in subparagraph (A) any item on the United States Munitions List, shall terminate sale of any defense articles, defense services, or design and construction services to that country under the Arms Export Control Act, and shall terminate all assistance to a country described in subparagraph (A) under the Economic Assistance Act of 1977, under any other United States law, or under any international agreement.

(3) is a corporate officer, principal, share- holder, an employee of the United States Government or of any foreign person, officer, or employee of the organization and who has been held liable under section 5(c)(1) of that Act to a person described in subparagraph (A).

(iv) EXPORT-IMPORT BANK TRANSACTIONS.—The United States shall not sell a country described in subparagraph (A) any item on the United States Munitions List, shall terminate sale of any defense articles, defense services, or design and construction services to that country under the Arms Export Control Act, and shall terminate all assistance to a country described in subparagraph (A) under the Economic Assistance Act of 1977, under any other United States law, or under any international agreement.

(2) traffics in United States confidential business information, a proven claim to which is owned by a United States national; or

(3) is a corporate officer, principal, shareholder, or employee of the United States Government or of any foreign person, officer, or employee thereof, such practice or disclosure having resulted in financial losses or damages to a United States person and for which actions or omissions the United States has been held liable pursuant to this Act.

(2) if the President has reason to believe that the conduct of an inspection on United States territory under the Convention.

a visa to, and the Attorney General shall exclude from the United States any alien who, after the date of enactment of this Act—

(ii) through the United States Government or any member of an inspection team of the Technical Secretariat, for whose actions or omissions the United States has been held liable for a tort or taking pursuant to this Act; and

(iii) any foreign person or business entity organized and operating under the laws of a foreign nation organized and operating under the laws of a foreign nation in the course of, or as a result of, an inspection conducted under paragraph (2) or (3) by any officer or employee of the Organization and who has willfully published, divulged, disclosed, or made known in any manner or to any extent not authorized by the Convention any United States confidential business information coming to him in the course of his employment or official duties, or by reason of any examination or investigation. In any such case, the President shall, or may authorize, the Secretary of the Treasury to issue a United States confidential business information, a proven claim to which is owned by a United States national; or

(2) to a United States person and for which actions or omissions the United States has been held liable pursuant to this Act.

(i) is a spouse, minor child, or agent of a person described in subparagraph (A) to publish, divulge, disclose, or make known in any manner or to any extent not authorized by the Convention any United States confidential business information.

(i) the President shall transmit written notification of his decision to the Committees on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate that such waiver is necessary to protect the national security interests of the United States, and shall set forth the reasons supporting the determination and shall take effect on the date on which the certification is received by the Congress.

(3) following new chapter:

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any national of the United States, or any business entity organized and operating under the laws of the United States, may bring a civil action in a United States District Court for money damages for any violation of the foreign nationals or business entity organized and operating under the laws of a foreign nation for an unauthorized or unlawful acquisition, receipt, transmission, publication, divulge, disclose, or make known in any manner or to any extent not authorized by the Convention any United States confidential business information, the President shall, within 30 days after the receipt of such information by the President or under the Convention, notify the Congress in writing of such determination and, subject to the requirements of paragraphs (4) and (5), impose the sanctions provided under subparagraph (B) for a period of not less than five years.

(B) SANCTIONS.—The United States Government shall not sell a country described in subparagraph (A) any item on the United States Munitions List, shall terminate sale of any defense articles, defense services, or design and construction services to that country under the Arms Export Control Act, and shall terminate all assistance to a country described in subparagraph (A).

(iv) EXPORT-IMPORT BANK TRANSACTIONS.—The United States shall not sell a country described in subparagraph (A) any item on the United States Munitions List, shall terminate sale of any defense articles, defense services, or design and construction services to that country under the Arms Export Control Act, and shall terminate all assistance to a country described in subparagraph (A).

(v) INTERNATIONAL FINANCIAL ASSISTANCE.—The United States shall oppose any loan or financial or technical assistance by international financial institutions in accordance with section 701 of the International Financial Institutions Act to a country described in subparagraph (A).

(2) traffics in United States confidential business information, a proven claim to which is owned by a United States national; or

(3) is a corporate officer, principal, shareholder, or employee of the United States Government or of any foreign person, officer, or employee thereof, such practice or disclosure having resulted in financial losses or damages to a United States person and for which actions or omissions the United States has been held liable pursuant to this Act.

(ii) through the United States Government or any member of an inspection team of the Technical Secretariat, for whose actions or omissions the United States has been held liable for a tort or taking pursuant to this Act; and

(1) is a member of an inspection team of the Technical Secretariat; or

(4) is a spouse, minor child, or agent of a person described in subparagraph (A) to publish, divulge, disclose, or make known in any manner or to any extent not authorized by the Convention any United States confidential business information.

(f) SANCTIONS FOR UNAUTHORIZED DISCLOSURE OF UNITED STATES CONFIDENTIAL BUSINESS INFORMATION.—The Secretary of State shall deny a visa to, and the Attorney General shall exclude from the United States any alien who, after the date of enactment of this Act—

(2) if the President has reason to believe that the conduct of an inspection on United States territory under the Convention.
$229A. Penalties.

$229B. Criminal forfeitures; destruction of weapons.

$229C. Individual self-defense devices.

$229D. Definitions.

$229E. Requests for military assistance to enforce prohibition in certain emergencies.

$229F. Definitions.

§229. Prohibited activities

(a) UNLAWFUL CONDUCT.—Except as provided in subsection (b), it shall be unlawful for any person knowingly:

(1) to develop, produce, otherwise acquire, transfer directly or indirectly, receive, store, pile, retain, or dispose of, or possess, use, or threaten to use, any chemical weapon; or

(2) to assist or induce, in any way, any person to violate paragraph (1), or to attempt or conspire to violate paragraph (1).

(b) EXEMPTED AGENCIES AND PERSONS.—

(1) IN GENERAL.—Subsection (a) does not apply to the retention, ownership, possession, transfer, or receipt of a chemical weapon by a department, agency, or other entity of the United States, or by a person described in paragraph (2), pending destruction of the weapon.

(2) EXEMPTED PERSONS.—A person referred to in paragraph (1) is—

(A) any person, including a member of the Armed Forces of the United States, who is authorized by law or by an appropriate officer of the United States to retain, own, possess, transfer, or receive the chemical weapon; or

(B) in an emergency situation, any otherwise nonculpable person if the person is attempting to destroy the chemical weapon.

(c) JURISDICTION.—Conduct prohibited by subsection (a) is within the jurisdiction of the United States if the conduct—

(1) takes place on the territory of the United States;

(2) takes place outside the United States and is committed by a national of the United States;

(3) is committed against a national of the United States while the national is outside the United States; or

(4) is committed against any property that is owned, leased, or used by the United States or by any department or agency of the United States, whether the property is within or outside the United States.

§229A. Penalties

(a) CRIMINAL PENALTIES.—

(1) IN GENERAL.—Any person who violates section 229 of this title shall be fined under this title, or imprisoned for any term of years, or both.

(2) DEATH PENALTY.—Any person who violates section 229 of this title and by whose action the death of another person is the result shall be punished by death or imprisoned for life, or both.

(b) CIVIL PENALTIES.—

(1) IN GENERAL.—The Attorney General may bring a civil action in the appropriate United States district court against any person who violates section 229 of this title and, upon proof of such violation by a preponderance of the evidence, shall be subject to pay a civil penalty in an amount not to exceed $100,000 for each such violation.

(2) INJUNCTIONS AND OTHER PROCEEDINGS.—The imposition of a civil penalty under this subsection does not preclude any other criminal or civil statutory, common law, or administrative remedy which the person convicted by law to the United States or any other person.

(c) REIMBURSEMENT OF COSTS.—The court shall award reimbursement of expenses incurred by the United States incident to the seizure, storage, handling, transportation, destruction or other disposition of any property that was seized in connection with an investigation of the commission of the offense by that person. A person ordered to reimburse the United States for expenses incurred under this subsection shall be jointly and severally liable for such expenses with each other person, if any, who is ordered under this subsection to reimburse the United States for the same expenses.

(d) PROPERTY SUBJECT TO CRIMINAL FORFEITURE.—Any person convicted under section 229(a) shall forfeit to the United States irrespective of any provision of State law—

(1) any property, personal, owned, possessed, or used by a person involved in the offense;

(2) any property constituting, or derived from, and proceeds the person obtained, directly or indirectly, as the result of such violation; and

(3) any of the property used in any manner or part, or material, to facilitate the commission of such violation.

The court, in imposing sentence on such person, shall order, in addition to any other sentence authorized by law or by an appropriate officer of the United States, or by a person described in paragraph (a), pending destruction of the weapon.

The court, in imposing sentence on such person, shall order, in addition to any other sentence imposed pursuant to subsection (a), that the person forfeit to the United States all property described in this subsection. In lieu of a fine otherwise authorized by section 229A(a), a defendant who derived profits or other proceeds from an offense may be fined not more than twice the gross profits or other proceeds.

(e) PROCEDURES.—

(1) GENERAL.—Property subject to forfeiture under this section, any seizure and disposition thereof, and any administrative or judicial proceeding in relation thereto, shall be governed by subsections (b) through (p) of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853), except that any reference made to a section of such title shall be deemed to be a reference to section 229A(a); and

(b) subsection (a) shall be deemed to be a reference to subsection (a) of this section.

(2) TEMPORARY FORFEITURE ORDERS.—

(A) IN GENERAL.—For the purposes of forfeiture proceedings under this section, a temporary restraining order may be entered upon the application of the department, agency, or other entity within a State, any foreign government, or any other person involved in the commission or device.

(B) A munition or device, specifically designed to cause death or other harm through the toxic properties of those toxic chemicals specified for purposes of subparagraph (A), which would be released as a result of the employment of such munition or device.

(C) Any equipment specifically designed for use directly in connection with the employment of munitions or devices specified in subparagraph (B).

(2) CHEMICAL WEAPONS CONVENTION; CONVENTION meaning the Convention on the prohibition of the development, production, Stockpiling and Use of Chemical Weapons and on their Destruction, opened for signature on January 13, 1993.

(2) KEY COMPONENT OF A BINARY OR MULTICOMPONENT CHEMICAL SYSTEM.—The term ‘key component of a binary or multicomponent chemical system’ means the precursor which plays the most important role in determining the toxic properties of the final product and reacts rapidly with other chemicals in the binary or multicomponent system.

(4) NATIONAL OF THE UNITED STATES.—The term ‘national of the United States’ means the term ‘person’ described in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).

(5) PERSON.—The term ‘person’ except as otherwise provided, means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, any State or any political subdivision thereof, or any political entity within a State, any foreign government or nation or any agency, instrumentality or political subdivision of any such government or nation, or other entity located in the United States.

(6) PRECURSOR.—

(A) IN GENERAL.—The term ‘precursor’ means any chemical reactant which takes part at any stage in the production by whatever method of any chemical. The term includes any key component of a binary or multicomponent chemical system.
Title B—Revocations of Export Privileges

Subtitle B—Revocations of Export Privileges

§ 2311. Revocations of Export Privileges

If the President determines, after notice and an opportunity for a hearing in accordance with section 554 of title 5, United States Code, that any person within the United States, or any national of the United States located outside the United States, has committed any violation of section 229F of this title, the President may issue an order for the suspension or revocation of the authority of the person to export from the United States any goods or technology (as such terms are defined in section 229 of title 18, United States Code), and for the purpose of such suspension or revocation.

Title III—Inspections

§ 301. Definitions in the Title

(a) In General—The term ‘‘chemical weapon’’ means any chemical which through its chemical action produces death or other harm to humans or animals. The term includes all such chemicals, regardless of their origin or of their method of production, and regardless of whether they are produced in facilities, in munitions or elsewhere.

(b) List of Toxic Chemicals—Toxic chemicals which have been identified for the application of verification measures under Article VI of the Convention are listed in schedules contained in the Annex on Chemicals of the Chemical Weapons Convention.

§ 302. Facility Agreements

(a) Authorization of Inspections—Inspections by the Technical Secretariat of plants, plant sites, or other facilities or locations for which the United States has a facility agreement with the Organization shall be conducted in accordance with the facility agreement. Any such facility agreement may not in any way limit the right of the owner or operator of the facility to withhold consent to an inspection request.

(b) Types of Facility Agreements—

(1) Schedule I—The United States National Authority shall ensure that facility agreements for plants, plant sites, or other facilities or locations that are subject to inspections pursuant to paragraph 4 of Article VI of the Convention are concluded unless the owner, operator, occupant, or agent in charge of the facility and the Technical Secretariat agree that such an agreement is not necessary.

(2) Schedule Three Facilities—The United States National Authority shall ensure that facility agreements are concluded for plants, plant sites, or other facilities or locations that are subject to inspections pursuant to paragraph 5 or 6 of Article VI of the Convention if so requested by the owner, operator, occupant, or agent in charge of the facility.

(c) Notification Requirements—The United States National Authority shall ensure that the owner, operator, occupant, or agent in charge of a facility or location in the United States subject to inspection teams of the Technical Secretariat or as soon as possible thereafter. Notification of the inspection from the Technical Secretariat or as soon as possible thereafter. Notification of the inspection from the Technical Secretariat or as soon as possible thereafter.

§ 303. Authority to Conduct Inspections

(a) Prohibition—No inspection of a plant, plant site, or other facility or location in the United States shall take place under the Convention without the authorization of the United States National Authority in accordance with the requirements of this title.

(b) Authority—

(1) Technical Secretariat Inspection Teams—Any duly designated member of an inspection team of the Technical Secretariat may conduct an inspection in the United States.

(2) United States Government Representatives—The United States National Authority shall coordinate the designation of employees of the Federal Government to accompany members of an inspection team of the Technical Secretariat and, in doing so, shall ensure that

(a) a special agent of the Federal Bureau of Investigation, as designated by the Federal Bureau of Investigation, accompanies each inspection team visit pursuant to paragraph (1);

(b) no employee of the Environmental Protection Agency or the Occupational Safety and Health Administration accompanies any inspection team visit pursuant to paragraph (1); and

(c) the number of duly designated representatives shall be kept to the minimum necessary.

§ 304. Procedures for Inspections

(a) Types of Inspections—Each inspection of a plant, plant site, or other facility or location in the United States conducted in accordance with this section and section 305, except where other procedures are provided in a facility agreement entered into under section 302.

(b) Notice—

(1) In General—An inspection referred to in subsection (a) may be made only upon issuance of an actual written notice by the United States National Authority to the owner and to the operator, occupant, or agent in charge of the premises to be inspected.

(2) Time of Notification—The notice for a routine inspection shall be given to the owner and to the operator, occupant, or agent in charge within six hours of receiving the notice of the inspection from the Technical Secretariat or as soon as possible thereafter. Notice for a challenge inspection shall be provided at any appropriate time determined by the United States National Authority. Notices may be given simultaneously to the plant site, or other facility or location if the United States is unable to provide actual written notice to the owner, operator, or agent in charge of the premises.

(c) Content of Notice—

(1) In General.—The notice under paragraph (1) shall include all appropriate information specified by the Technical Secretariat.

(2) Minimum Requirements—

(a) The type of inspection;
(ii) the basis for the selection of the plant, plant site, or other facility or location for the type of inspection sought; (iii) and the nature of activities carried out at the facility, and the requested inspection, when considered with previous such inspections of the facility undertaken in the current calendar year, to determine whether reasonably required based on the risk to the object and purpose of the Convention by the quantities of chemical produced, the characteristics of the facility and the nature of activities carried out at the facility, and the requested inspection, and (iv) the names and titles of the inspectors.

(b) ROUTINE INSPECTIONS.—In the case of a challenge inspection pursuant to Article IX of the Convention, the notice shall also include all appropriate evidence and information required by the requesting state party to the Convention for seeking the inspection.

(1) SEPARATE NOTICES REQUIRED.—A separate notice shall be provided for each inspection, except that a notice shall not be required for each entry made during the period covered by the inspection.

(2) OCUPATIONAL HEALTH AND SAFETY RESPONSIBILITIES.: The head of the inspection team of the Technical Secretariat and the accompanying employees of the Federal government shall hold appropriate identifying credentials to the owner, operator, occupant, or agent in charge of the premises before the inspection is commenced.

(3) TIMEFRAME FOR INSPECTIONS.—Consistent with the provisions of the Convention, each inspection shall be commenced and completed with reasonable promptness and shall be conducted at reasonable times, within reasonable limits, and in a reasonable manner.

(c) SCOPE.—(1) GENERAL.—Except as provided in a warrant issued under section 395 or a facility agreement entered into under section 392, an inspection conducted under this title may extend to all things within the premises inspected (including records, files, papers, processes, controls, structures and vehicles) related to whether the inspection conducted under this title may extend to all things within the premises inspected (including records, files, papers, processes, controls, structures and vehicles) related to whether the requirements of the Convention applicable to such premises are being complied with.

(2) EXCEPTION.—Unless required by the Convention, no inspection under this title shall extend to—

(A) financial data;
(B) sales and marketing data (other than shipment data);
(C) personnel data;
(D) research data;
(E) financial data;
(F) personnel data;
(G) data maintained for compliance with environmental or occupational health and safety regulations; or
(H) supporting vehicles entering and personnel and personal passenger vehicles exiting the facility.

(f) SAMPLING AND SAFETY.—(A) Criminal Search Warrant.—For any criminal search warrant issued under paragraph (2), the warrant shall specify the same matters required of an affidavit under that paragraph. In addition to the requirements for a warrant issued under this paragraph, each warrant shall contain, if appropriate, the names of the representatives of the Technical Secretariat conducting the inspection and the observers of the inspection and, if ascertainable, the identities of the representatives of agencies or departments of the United States accompanying those representatives.

(B) Challenge Inspections.—(1) General.—For any challenge inspection conducted on the territory of the United States pursuant to Article IX of the Convention, the United States Government shall provide to the judge of the United States a sworn statement from a judge of the United States all appropriate information available to it relating to the reasonableness of the selection of the plant, plant site, or other facility or location for the inspection, and the purpose of the inspection sought. The United States Government shall promptly issue a warrant on the basis for the selection of the plant site, or other facility or location for the type of inspection sought; (iii) the nature of activities carried out at the facility, and the requested inspection, and (iv) the names and titles of the inspectors.

(b) Routine Inspections.—In the case of a challenge inspection pursuant to Article IX of the Convention, the notice shall also include all appropriate evidence and information required by the requesting state party to the Convention for seeking the inspection.

(1) Separate Notices Required.—A separate notice shall be provided for each inspection, except that a notice shall not be required for each entry made during the period covered by the inspection.

(2) Occupational Health and Safety Responsibilities.—The head of the inspection team of the Technical Secretariat and the accompanying employees of the Federal government shall hold appropriate identifying credentials to the owner, operator, occupant, or agent in charge of the premises before the inspection is commenced.

(3) Timeframe for Inspections.—Consistent with the provisions of the Convention, each inspection shall be commenced and completed with reasonable promptness and shall be conducted at reasonable times, within reasonable limits, and in a reasonable manner.

(c) Scope.—(1) General.—Except as provided in a warrant issued under section 395 or a facility agreement entered into under section 392, an inspection conducted under this title may extend to all things within the premises inspected (including records, files, papers, processes, controls, structures and vehicles) related to whether the requirements of the Convention applicable to such premises are being complied with.

(2) Exception.—Unless required by the Convention, no inspection under this title shall extend to—

(A) financial data;
(B) sales and marketing data (other than shipment data);
(C) personnel data;
(D) research data;
(E) financial data;
(F) personnel data;
(G) data maintained for compliance with environmental or occupational health and safety regulations; or
(H) supporting vehicles entering and personnel and personal passenger vehicles exiting the facility.

(f) Sampling and Safety.—(1) General.—The Director of the United States National Authority is authorized to require the provision of samples to a member of the inspection team of the Technical Secretariat in accordance with the provisions of the Convention. The owner or the operator, occupant or agent in charge of the premises to be inspected shall determine whether the sample shall be taken. The inspection team or other individuals present. No sample collected in the United States pursuant to an inspection permitted by this Act may be transferred or examined by any laboratory outside the territory of the United States.

(2) Compliance with Regulations.—In carrying out the activities of the members of the inspection team of the Technical Secretariat and representatives of agencies or departments accompanying the inspection team shall observe safety regulations and standards relating to the premises to be inspected, including those for protection of controlled environments within a facility and for personal safety.

(3) Notification.—The appropriate representatives of the United States, as designated, if present, shall assist the owner and the operator, occupant or agent in charge of the premises for the purpose of interacting with the members of the inspection team of the Technical Secretariat.
SEC. 306. PROHIBITED ACTS RELATING TO INSPECTIONS.

It shall be unlawful for any person willfully to fail or refuse to permit entry or inspection, or to disrupt, delay, or otherwise impede an inspection, authorized by this Act.

SEC. 307. NATIONAL SECURITY EXCEPTION.

Consistent with the objective of eliminating chemical weapons, the President may deny a request to inspect any facility in the United States in cases where the President determines that the inspection may pose a threat to the national security interests of the United States.

SEC. 308. PROTECTION OF CONSTITUTIONAL RIGHTS OF CONTRACTORS.

(a) The Office of Federal Procurement Policy Act (41 U.S.C. 803 et seq.) is amended by adding at the end the following:

"SEC. 39. PROTECTION OF CONSTITUTIONAL RIGHTS OF CONTRACTORS.

"(a) Prohibition.—A contractor may not be required, as a condition for entering into a contract with the Federal Government, to waive any right under the Constitution for any purpose related to Chemical Weapons Convention Implementation Act of 1997 or the Chemical Weapons Convention (as defined in section 3 of such Act).

"(b) Construction.—Nothing in subsection (a) shall be construed to prohibit an executive agency from including in a contract a clause that requires the contractor to permit inspections for the purpose of ensuring that the contractor is performing the contract in accordance with the provisions of the contract.

(b) The table of contents in section 1(b) of such Act is amended by adding at the end the following:

"Sec. 39. Protection of constitutional rights of contractors."
under this Act or any other law, except that dis-
closure or provision in such a proceeding shall be made in such manner as to preserve confidence-
tiality to the extent practicable without impair-
ing the public interest. (c) INFORMATION DISCLOSED IN THE NATIONAL INTEREST.—
(1) AUTHORITY.—The United States Government shall, for any information reported to, or otherwise required by the United States Government under this Act or the Convention, including categories of such information, that it determines is in the national interest to disclose and may specify the form in which such information is to be disclosed.

(2) NOTICE OF DISCLOSURE.—
(A) REQUIREMENT.—If any Department or agency of the United States Government proposes pursuant to paragraph (1) to publish or disclose any information exempt from disclosure under subsection (a), the United States National Authority shall, unless contrary to national security or law enforcement needs, provide notice of intent to disclose the informa-
tion—
(i) to the person that submitted such information; and
(ii) in the case of information about a person received from another source, to the person to whom that information pertains.

The information may not be disclosed until the expiration of 30 days after notice under this paragraph has been provided.

(B) PROCEEDINGS ON OBJECTIONS.—In the event that the person to which the information pertains objects to the disclosure, the United States National Authority shall promptly review the grounds for each objec-
tion of the person and shall afford the object-
ing person a hearing for the purpose of pre-
senting the objections to the disclosure. Not later than 10 days before the scheduled or re-
scheduled date for the disclosure, the United States National Authority shall notify such per-
son reviewing whether such disclosure will occur notwithstanding the objections.

(d) CRIMINAL PENALTY FOR WRONGFUL DIS-
CLOSURE.—Any officer or employee of the United States, who by reason of such employment or official position has ob-
tained possession of, or has access to, informa-
tion the disclosure or other provision of which is prohibited by subsection (a), and who, knowing that disclosure or provision of such information is prohibited by such subsection, willfully dis-
closes or provides information, shall be fined under title 18, United States Code, imprisoned for not more than five years, or both.

e) CRIMINAL FORFEITURE.—The property of any person who violates subsection (d) shall be subject to forfeiture to the United States in the same manner and to the same extent as is pro-
vided in subsection (2) of title 18, United States Code, as added by this Act.

(f) INTERNATIONAL INSPECTORS.—The provi-
sions of this section shall also apply to employ-
ees of the Technical Secretariat.

SEC. 405. RECORDKEEPING VIOLATIONS.

It shall be unlawful for any person willfully to fail or refuse—

(A) PROHIBITED ACTS RELATING TO INSPECTION.—Any person that is determined, in accord-
ance with paragraph (2), to have violated section 406 of this Act shall be required by order of the Secretary to—

(A) pay a civil penalty not to exceed $25,000 for each such violation. For pur-
poses of this paragraph, each such a violation of section 406 continues shall constitute a separate violation. For the purpose of this section (a) for such violation, be fined under title 18, United States Code, imprisoned for not more than one year, or both.

SEC. 502. SPECIFIC ENFORCEMENT.

(A) JURISDICTION.—The district courts of the United States shall have jurisdiction over civil actions to—

(1) restrain any violation of section 406 or 405 of this Act; and

(2) compel the taking of any action required by or under this Act or the Convention.

(B) CIVIL ACTIONS.—A civil action described in subsection (a) may be brought—

(A) in the case of a civil action described in subsection (a)(1), in the United States district court for the district in which any act, omission, or transaction constituting a violation of section 406 or 405 occurred or in which the defen-
dant is found or transacts business; or

(B) in the case of a civil action described in subsection (a)(2), in the United States district court for the judicial district in which the defen-
dant is found or transacts business.

(2) NOTICE OF DISCLOSURE.—If the adminis-
trative law judge determines, upon the preponder-
ance of the evidence received, that a person or entity named in the complaint has violated section 406 or 405, the administrative law judge shall report the findings of fact and issue and order to be served on such person or entity an order described in paragraph (1).

(D) FACTORS FOR DETERMINATION OF PENALTY AMOUNTS.—In computing the amount of any civil penalty, the administrative law judge shall take into account the nature, circumstances, ext-
tent, and gravity of the violation or violations involved, with particular reference to the ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, the existence of an internal com-
pliance program, and such other matters as jus-
tice may require.

(3) ADMINISTRATIVE APPELLATE REVIEW.—The decision and order of an administrative law judge shall become the final deci-
sion and order of the head of the United States Na-
tional Authority unless, within 30 days, the heads of the United States National Authority modifies or vacates the decision and order, with or without conditions, in which case the deci-
sion and order of the head of the United States National Authority shall become a final order under this subsection.

(4) OFFSETS.—The amount of the civil penalty under a final order of the United States Na-
tional Authority may be deducted from any sums owed by the United States to the person.

(5) JUDICIAL REVIEW.—A person adversely af-
fected by a final order respecting an assessment under paragraph (3) may, within 30 days after the date of the order, file a petition in the Court of Appeals for the District of Columbia Circuit or for any other circuit in which the person resides or transacts business.

(6) ENFORCEMENT OF ORDERS.—If a person fails to comply with a final order issued under this subsection against the person or entity—

(A) after the order becomes a final order; or

(B) after the order described in paragraph (5) has entered a final judgment in favor of the United States National Authority, the Secretary of State shall file a suit to seek—

(1) to establish or maintain any record re-
quired by this Act or any regulation pre-
scribed under this Act; and

(2) to submit any report, notice, or other infor-
mation in accordance with this Act or any regulation pre-
scribed under this Act.

(3) to permit access to or copying of any record that is exempt from disclosure under this Act or any regulation prescribed under this Act.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. REPEAL.

Section 808 of the Department of Defense Appor-
tication Authorization Act, 1978 (30 U.S.C. 1520; relating to the use of human subjects for the testing of chemical or biological agents) is repealed.

SEC. 602. PROHIBITION.

(A) IN GENERAL.—Neither the Secretary of De-
fense nor any other officer or employee of the United States may, directly or indirectly—

(1) conduct any test or experiment involving the use of any chemical or biological agent on a civilian population; or

(2) use human subjects for the testing of chem-
ical or biological agents.

(b) CONSTRUCTION.—Nothing in subsection (a) may be construed to prohibit actions carried out for purposes not prohibited by this Act (as de-
defined in section 3(f)).

(c) BIOLOGICAL AGENT DEFINED.—In this sec-
tion, the term ‘‘biological agent’’ means any naturally occurring, bio-engineered or synthetic component of any microorganism, virus, or infectious substance, whatever its origin or method of pro-
duction, capable of causing—
Third, the bill protects confidential business information that, according to the treaty, must be reported to the U.S. National Authority. The bill also provides aggressive penalties for the person disclosing the information, as well as for those benefiting from the information.

In sum, the Chemical Weapons Convention Implementation Act of 1997 is a reasonable effort to protect the constitutional rights of our citizens against unlawful inspections under the treaty.

We have worked exceedingly hard with the Administration and with Members on the other side of the aisle to craft this bill. In particular, I want to thank Senators Lugar, Yeager, and Boren, as well as their staff, for their tremendous efforts in this regard, done under serious time constraints. I want to thank, in particular, David Stephens, Randy Schueneman, Marshall Billingslea, Ken Meyers, Beryl Howell, Stephen Schlesinger, Jennifer Carrico, and Paul Larkin.

Mr. BIDEN. Mr. President, I want to compliment my esteemed chairman, Senator Hatch, for forging a consensus bill that I know both of my colleagues know, I was engaged in negotiations on the Chemical Weapons convention resolution of ratification for months, and I know first hand how many deeply held views this treaty implicates and how difficult it is to bring the parties together.

But we succeeded on the treaty and now, with the help of many Senators on both sides of the aisle, have succeeded on the implementing legislation.

I supported this compromise measure in committee and will do so again now because it takes the important steps necessary to implement the Chemical Weapons Convention.

As required by the convention, this bill will enact tough criminal sanctions for possessing, stockpiling, transferring, and using chemical weapons. It will also require U.S. companies to report on their production and use of potentially dangerous chemicals and submit to inspections of their facilities.

Taking these steps will demonstrate to the rest of the world that the United States is committed to continuing its leadership role in arms control and other international affairs.

I want to make clear, however, that I do not support some of the provisions in this bill and have very serious concerns about their impact on the convention.

In particular, I do not believe we should be granting the President discretionary authority to deny a CWC inspection based on national security grounds, as would be done by section 401. By signing and ratifying this treaty, the United States—with the advice and consent of 74 Members of this body, given less than a month ago—agreed to allow certain inspections, subject to our constitutional requirements. With few exceptions, denial of a duly authorized inspection would violate the convention.

Even if the President never exercises this authority, the mere inclusion of this provision in the legislation will encourage other countries to deny information on national security grounds. If we should enact to so-called national security exception, we can be sure that the Chinese will seize upon the precedent we set and use it to undermine the effectiveness of the entire certification regime.

I have similar concerns regarding section 403, which would exempt from reporting and routine inspection requirements unscheduled discrete or- ganic chemicals that are coincidental byproducts and are not isolated or captured for use or sale. While waste streams are not, in themselves, a threat to the object and purposes of the CWC regime, monitoring of such streams does afford one of the most convenient and nonintrusive means of determining whether a facility is worthy of concern in the first place.

The drafters of this provision are concerned that CWC implementation would otherwise require paper manufacturers, for example, to monitor their waste streams, and that is an understandable concern. There is no need, however, to grant such a broad exemption as is currently contained in this section.

I am also troubled by:

The broad compensation scheme in section 103 that does not even require a plaintiff to prove its case by a preponderance of the evidence to receive taxpayer funded compensation for the loss of trade secrets; and

The limitation in sections 102 and 308 on the Government’s power to require contractors to submit to CWC inspections.

I hope to work with other Senators and the administration to ameliorate these concerns prior to enactment of this measure. Treaties are solemn obligations, and the Chemical Weapons Convention, with all its faults, is our best hope for exposing violators and mobilizing the world so as to put a stop to chemical weapons. We must resist the urge, therefore, to enact provisions that could conflict with our treaty obligations and do damage to the effectiveness of the treaty regime.

Mr. LEAHY. Mr. President, the Chemical Weapons Convention was initia
ted by President Reagan, negotiated by President Bush and ratified on behalf of the United States by President Clinton. The ratification of this convention was a major achievement that consumed a great deal of the time and attention of the Senate.

When the Senate gave its advise and consent to ratification of the Chemical Weapons Convention, the administration told us it was imperative that we act on implementing legislation as quickly as possible. The Judiciary Committee had the task of reporting back to the Senate with implementing
legislation in time for Senate consideration before our Memorial Day recess.

The implementing legislation considered by the Senate today is where the rubber meets the road. It will define precisely how the general obligations of the international treaty will affect American citizens and American chemical companies.

A significant principle of the convention is set forth in Article VII regarding "National Implementation Measures. This principle makes clear that each state party shall, in accordance with its constitutional processes, adopt the necessary measures to implement its obligations under this convention. My objective when I began work on this legislation was to make sure that it reflected our constitutional principles and sound public policy, while fulfilling our obligations under the convention.

Over the last few weeks, the Judiciary Committee held a hearing, solicited reports from both the administration and in the private sector, and worked to craft legislation we could report to the Senate in a very short time frame. I commend my colleagues on the Judiciary Committee, and especially Senator Biden, Senator Leahy, Senator Lugar, Senator Moseley-Braun, Senator Feingold and Senator Wollstone from the Department of Commerce; Eileen Gillio from the Department of Defense; and Craig Isace from the Department of Justice. These dedicated employees from the agencies and the White House spent hours, even late into the night, to share their expertise with the committee. We appreciate their hard work.

The hearing we held on May 13, 1997, regarding the administration's implementing legislation, S. 610, raised a number of issues that needed to be addressed. For example, one aspect of S.610 that required our attention was its blanket exception under the Freedom of Information Act contained in the original bill. The substitute retains protection for trade secrets and other proprietary business information provided under the act and the convention, but the agencies in implementing this act will not be cloaked in secrecy. They will be fully subject to the FOIA—as they should be.

Yet another provision in S.610, as introduced, could have been construed to penalize a person for refusing to consent to an entry or inspection required under the convention. A Justice Department witness testified at the Judiciary Committee hearing that this section is inelegant and fails to account for the process agreed to in the conditions of ratification. The implementing legislation reported by the committee clarifies this provision, and affirms the constitutional right of every American to refuse to give their consent to a search or other examination by the Government obtain a warrant.

We also heard from several witnesses about including in the implementing legislation a mechanism to compensate those companies that suffer a loss of proprietary or other information due to their compliance with the convention. The implementing legislation we reported out of the Judiciary Committee provides a compensation scheme that I sincerely hope will not become a surer bet than the lottery for a payout to companies subject to the convention. This scheme will, after the affidavit establishes a prima facie case, shift the burden to the Government to prove that any loss was not from the company's compliance with the convention. Proving a negative will be no easy task for the Government, which may legitimately decide simply to settle such claims, despite their lack of merit. We may have to revisit this scheme if the implementation of the CWC requires a legal holdup of the U.S. Treasury. Other provisions in this implementing legislation also give me pause. It does not reflect all the changes each of us would like in the exact form we would like them, but it certainly reflects good faith compromises on both sides.

Mrs. FEINSTEIN. Mr. President, I rise today to express my support for the compromise reached on S. 610, the legislation to implement the Chemical Weapons Convention. I believe it is very much in our national interests to pass this implementation legislation just as we ratified the CWC.

Let me first express my respect and appreciation for the distinguished Ranking Member of the Foreign Relations Committee, Senator BIDEN and the distinguished ranking member of the Judiciary Committee, Senator LEAHY. They and their staff have really worked diligently getting this implementing language to the floor.

I also want to express my respect for the opponents of this treaty, including the distinguished chairman of the Foreign Relations Committee and the Senator from Arizona, Senator KYL. I have worked well with Senator KYL on many issues, including, at the moment, our strong effort to pass a Crime Victims' Rights Amendment to the Constitution.

I know that in this debate these Senators are motivated by their genuine and deeply felt concern for America's national security. I respect and disagree with the view that we would be better off without this treaty, or by passing implementation language that renders the treaty meaningless.

Mr. President, the threat of chemical weapons falling into the hands of terrorists, or being used as a weapon of war by a rogue state, has increased dramatically in recent years.

One need only reflect on the dangers faced by our military by Iraq's incipient weapon of mass destruction program during the gulf war, or the tragedies our nation has suffered with the bombing of the World Trade Center, the Federal building in Oklahoma City, and the Olympic Park in Atlanta, to fully appreciate the dangers posed by the proliferation of chemical weapons. In each of these cases, the tragedy and loss of life could have been magnified significantly had chemical weapons been used.

Chemical weapons are among the most barbaric of mankind's inventions. They are so awful, that the United States, by act of Congress, has decided to eliminate our own stocks of these weapons by 2004. They are designed to kill and incapacitate by causing such effects as skin blistering, blindness, lung damage, choking, nervous system disruption, paralysis, or oxygen starvation. Because of the ease of their disposal, they are especially useful for targeting civilian populations.

The Chemical Weapons Convention is the most far-reaching attempt ever by the international community to control the spread of chemical weapons. It bans for the first time the development, production, and possession of chemical weapons and reinforces the international norm against their use. Since we are destroying our own chemical weapons program during the gulf war, we should want other nations to do so as well.

The convention requires all signatory states to declare and destroy any chemical weapons and weapons facilities used to produce them. It requires member states to submit annual reports on the production and use of certain sensitive chemicals. This information, combined with our own intelligence requirements, gives us the ability to monitor and prevent illegal transfers and uses of such chemicals. Once the CWC takes effect, it will make it much harder and more costly for proliferators and terrorists to acquire chemical weapons. An intrusive verification system will be set up to detect violations. Sanctions will be imposed against nations that refuse to
participate, making it more difficult for them to acquire precursor chemicals for poison gas and easier to monitor their efforts to do so.

The intelligence-sharing and global verification network that will result from this treaty will increase the chances that terrorist attacks involving chemical weapons can be prevented before they ever occur—a net gain in the security of our troops and our citizens.

We must start with the proposition that no arms control agreement is 100 percent verifiable. But with the CWC, we will know far more about who is trying to develop chemical weapons, where, and how than we would without the treaty. That is why the intelligence community has consistently testified that, while the treaty is not completely verifiable, they regard it as a highly desirable tool that will enhance our knowledge of chemical weapons programs and our ability to stop them.

The CWC’s verification regime requires routine inspections of all declared facilities working with significant amounts of chemicals listed by the treaty. In addition, any site, declared or not, may be subject to short-notice challenge inspections if there are suspicions that it is being used to produce or store banned chemicals.

The CWC also establishes significant trade restrictions on precursor chemicals. These restrictions will make it more difficult for nations who are not parties to the treaty to acquire these chemicals, and will provide us with a valuable set of tools that would significantly strengthen our ability to monitor and defend against the threat of chemical weapons.

I am very pleased that both sides of this debate were able to work together and come to what I feel is, overall, a good agreement. I urge my colleagues to vote for the CWC Implementation Legislation.

Thank you, Mr. President. I yield the floor.

Mr. DOMENICI. Mr. President, the Chemical Weapons Convention Implementation Act of 1997, S. 610, adequately serves to implement the obligations of the Nation under the Chemical Weapons Convention that we ratified a few weeks ago. S. 610 reinforces the concerns expressed in the ratification conditions—and I hope that Russia will lead the way among the nations that still have not ratified this convention. I was concerned with protecting the interests without cost. That's a good step for further protecting the interests of our small businesses.

With passage of S. 610, the United States will move ahead to implement the Chemical Weapons Convention in concert with the International Organization for the Prohibition of Chemical Weapons. Unfortunately, the international community involved in the CWC now does not include Russia since they failed to ratify the convention. To realize the full global benefits of the CWC, more nations need to accept the convention's conditions—and I hope that Russia will lead the way among the nations that still have not ratified this convention.

Mr. LOTT. Mr. President, I ask unanimous consent the bill be considered read a third time and passed, the title amendment be agreed to, the motion to reconsider be laid upon the table, and that statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (S. 610), as amended, was deemed read the third time and passed. The title was amended so as to read: A bill to implement the obligations of the United States under the Chemical Weapons Convention.

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, with these agreements we did pass the three judges by voice vote, the Chemical Weapons Convention implementation bill by voice vote. Therefore, there will be no further votes today.

We will therefore not have another vote before 5 p.m. on Tuesday, June 2.

I will announce the details of the first two days we are back later on this afternoon.

I yield the floor. Mr. President.

Mr. LEAHY. Will the Senator from Mississippi yield in regard to the Chemical Weapons Convention?

I yield to compliment the majority leader.

Mr. LOTT. On that basis, I would be happy to yield.

Mr. LEAHY. I want to compliment him, the Democratic leader, the chairman of the committee, Senator Biden, Senator Kyl, and their staffs, who worked with me and my staff and others throughout this week, sometimes
until 1 or 2 o’clock in the morning, to get this agreement together. I think it shows the kind of bipartisan cooperation we should have.

Mr. LOTT. I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I also would like to take this occasion to thank Senators HELMS, LUGAR, KYL, LEARY, and BIDEN for their work on the Chemical Weapons Convention. I think that went very well. We put it out through the Judiciary Committee yesterday, and we passed it here today. So I am very proud of that.

MORNING BUSINESS

Mr. LOTT. 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 10 minutes each.

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

LARRY HARRISON

Mr. LOTT. Mr. President, I want to take a few moments to recognize the dedication of a gentleman who has long been a part of the Senate. Larry Harrison, Senate Chamber attendant, is retiring after over 36 years of Federal service.

Larry began his long Government career in the U.S. Army in 1942. Those who have been around the Hill for a while may have known him in various capacities as he worked for the Architect of the Capitol and in the Senate’s Environmental Services operation.

As a Chamber attendant for the past 10 years, Larry frequently was here before we remained after we left, opening the Chamber in the morning and locking it again after the day’s business was completed. He has greeted us each day with a smile and a friendly word. We will all miss Larry around here.

Larry’s retirement will allow him to do something that makes us all a bit envious—and I’m not talking about playing golf, though I’m sure he’ll be doing plenty of that, too. He will be spending more time with his wife, Jean, and sons, Michael Henry, Albert Philips, and Kevin Harrison. I want to express my personal appreciation to Larry and his family, and I’m certain my colleagues share my sentiments. Our best thoughts and wishes are with him.

LARRY HARRISON: THREE DECADES OF OUTSTANDING SERVICE

Mr. DASCHLE. Mr. President, at the end of this month one of the Senate’s finest employees, Larry Harrison, will retire. He will be sorely missed. Larry has served his Nation for most of his life and worked in the Capitol for over 36 years—longer than most of my colleagues and I have been in Washington. He served in the U.S. Army during World War II, participating in the D-day invasion at Normandy, and following the war worked for the Architect of the Capitol for 5 years. Larry returned to the Capitol to work for the Sergeant at Arms for 10 years, and has been here at the Capitol since 1967, and has been a part of the Senate for over 40 years. Throughout his long years of service, his dedication to his work has been extraordinary.

One of the great joys of working in the Capitol is the magnificent beauty of the building itself, and the pride we owe a large debt to Larry. It is his job to maintain the President’s Room, the Cloakroom, and the Senate Chamber, and the pride he takes in this work is well evident. Thanks to his careful attention to detail, these historic rooms are kept in pristine condition. In addition, he operates a shoe shine station in the Senators’ bathroom. As my colleagues will attest, he never fails to have a kind word and a smile for everyone.

Larry is known and loved by staff and Senators alike for his good humor. Indeed, his friendly nature has been contagious. An avid golfer, he is single-handedly responsible for the creation of the Cloakroom Invitational—an annual golf tournament involving the Cloakroom staff of both parties. More than just a day to relax on the golf course, it is an opportunity for staff from both sides of the aisle to get to know each other. It is said to say that thanks to Larry Harrison, the Senate runs with a greater deal of friendship, respect and trust than would otherwise be the case. All this from a man whose first game of golf took place in a cornfield with a branch as a club and a crumpled ball of tape as a golf ball.

I wish Larry all the best as he begins his retirement, and thank him for his years of service. As he leaves, our thoughts and prayers go with him. I hope he will enjoy the best of health, runs with a greater deal of friendship, respect and trust than would otherwise be the case. All this from a man whose first game of golf took place in a cornfield with a branch as a club and a crumpled ball of tape as a golf ball.

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Mr. WARNER. Mr. President, this past Wednesday, May 21, I met with the Deputy Attorney General, Seth Waxman, and the Deputy Director of the FBI, William Esposito, and later spoke by telephone with the Director, Louis Freeh. The Deputy Attorney General has advised me this morning that our request for FBI investigators has been approved.

The arrangements between the Rules Committee and the Department of Justice parallel those between the Justice Department and the Governmental Affairs Committee. As details, the FBI investigators will report jointly, through Committee staff, to myself and the ranking member.

In addition, two accounting specialists, including a Certified Public Accountant, will be detailed to the Committee from the General Accounting Office to assist in the review and assessment of a considerable volume of election documents. This important phase of the investigation will begin next week.

Finally, Senator Ford and I have agreed on the issuance of the first round of subpoenas to State officials for numerous election documents. I consider this sequential report to the Senate with the same two statements I have made in the past. First, there has been no allegation, thus far, in this case of any illegal actions on the part of Senator LANDRIEU.

Second, the goal of this investigation is to fulfill the Senate’s duty under the U.S. Constitution, article I, section 5. Pursuant to this duty the Senate Committee on Rules and Administration authorized this investigation to: determine the existence or absence of a body of fact that would justify the Senate in making the determination that fraud, irregularities, or other errors, in the aggregate, affected the outcome of the election for U.S. Senator in the State of Louisiana in 1996.

As developments occur, of such significance as to inform Senators, I will promptly speak on the floor.

CAMPAIGN FINANCE HEARINGS

Mr. WARNER. Mr. President, I am pleased to announce today that the Committee on Rules and Administration will be holding two additional hearings on the issue of campaign finance reform after the short recess.

On June 18, we will be honored to have as witnesses two of our former colleagues, Vice-President Walter Mondale and Senator Nancy Kassemabaker. They will be speaking on their work as cochairs of a committee formed by President Clinton to generate reform ideas for campaign finance reform. We anticipate that the other witnesses will concentrate on the difficult legal and policy issues involved with regulation of issue advocacy and independent expenditures. These two phenomena grew sharply in importance in 1996 and deserve a thorough review by the Committee.

The other hearing, scheduled for June 25, will address the issue of whether certain campaign contributions are indeed voluntary. I plan to focus on union dues and Senator Nickles’ Paycheck Protection Act, which would require a union member to affirmatively give the union permission to use his or her dues’ money for political purposes, and would make sure that no person is compelled to contribute to a campaign without their consent.

It is my understanding that Senator Ford, the ranking minority member, will invite witnesses to discuss political activity by corporations and tax-exempt organizations, and the effect of such activity on the shareholders and donors to these organizations.

VIRGINIA CHAMBER OF COMMERCE BI-ANNUAL DINNER

Mr. WARNER. Mr. President, the Congress, being an integral part of the greater metropolitan Washington area, will soon enact legislation impacting this area, from law enforcement to economic growth. Through my years in the Senate I have worked with community leaders from Virginia as well as Maryland and the District of Columbia. In the John Warner office I have a long personal friendship—as did our fathers, both medical doctors.

But transcending friendship, we have had our full measure of agreements, and disagreements, on issues affecting this area.

This month the State of Virginia Chamber of Commerce honored “Champ” Hazel by inviting him to give his report on the State of the Union of this greater metropolitan area. I want to say to the audience received with great respect his strong, outspoken, message.

Since it bears on our present and future responsibility as an integral part, and voice, of this area, I ask unanimous consent that his statement be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY JOHN T. HAZEL, JR., VIRGINIA CHAMBER OF COMMERCE CONGRESSIONAL DINNER, MAY 8, 1997

It is a personal privilege and great honor to address this distinguished gathering of political and business leaders and, particularly, to share with you observations and concerns regarding Virginia’s position in the national and international economy as we hurdle toward the 21st century.

Virginians are a proud people, we have a wonderful geographic location, and a history and tradition of commitment to our leadership commitment to our citizens. However, that tradition cannot allow complacency which is at times the excuse for lack of vision and often the enemy of progress.

My focus today is upon the future of Virginia and what we must do to assure a high level of prosperity in a knowledge driven economy. Change, at times experiencing it, challenges us all with deciding what to keep and what to discard. We face great opportunities if we choose wisely and great hazards if we do not.

Reference to history and tradition is for the purpose of perspective. We cannot prognosticate in the past. It is the future to which we must look. No day is complete without reference in print or electronic media of economic competition on a global scale. Recent observations of this competition assure us that economic competition is fierce.

Despite vigorous efforts by Governor Allen and development agencies for growth in the first six years of the 90s has been only half of net job growth in the 80s. Projections regarding the future do not suggest a return to the robust job growth of the 80s without vigorous new efforts. Indeed, if the technology sector largely based in Northern Virginia is removed from the data, job growth in Virginia thus far in the 90s is zero or perhaps negative.

The lack of robust job growth is particularly troubling since the population of Virginia has increased by more than one million people since 1980 measured against the national average, Virginia is no better than average in job growth and, indeed, for the past several years has been below the national average—ranking 33rd in the nation. Personal income growth has tracked job growth closely and is one of the average Virginia family to be only approximately equal to the national average with personal income growth ranking only 28th in the nation.

EDS, a major national corporation with heavy employment in Virginia, represents that lack of skilled workers has affected its employment base and economic wealth. There are many other similar examples.

Eighteen thousand technology-based jobs are unfilled in Virginia while employment in absolute terms is only at or below the national average.

Virginia no longer competes for job growth simply with its sister states. A recent conversation with the CEO of a concern with global operations suggests that Ph.D.s in Pacific Rim countries can be found for a lifetime training cost of $100,000 in the United States, and engineers can be hired who do very satisfactory work which is then exported to the United States from Bangladesh at 20% of the cost of the engineer in the United States.

Certainly, as Virginia’s leaders and must adapt to be the best. We are abundantly clear that we are barely average in the critical areas of job growth and individual income. We, as business and political leaders, cannot fall to lead our citizens to achieve the very best.

Where must we look to correct this mediocrity or less than mediocre performance? The answer is investment in essential infrastructure. Education, transportation and our financial base.
Education today is best described as K–L. L does not refer to law school but to K thru Life. To compete successfully at the national and international level, education must never be slower improving and retraining. The keys to our economic future. With 18,000 technology jobs in Virginia unfilled because of lack of trained employees, the problem is immediate and compelling.

But when we review the commitment of Virginia to education, we find that legislative studies have identified a $5.4 billion immediate need to enhance local schools. A need without suggested solution. Virginia ranks only 43rd in higher education support, and even Southern states average will require a commitment of an additional $200 million per year indefinitely for operating requirements only. Virginia had achieved slow and steady pace toward a modest level of quality and funding in its institutions of higher education. Unfortunately, the depression of the early 90s and the requirements of a balanced budget caused the political system to withdraw in excess of $50 million per year from higher education with an invitation to the individual universities to increase tuition in lieu of an increase in state taxes. This was done and the budget successfully balanced from the pockets and their students without an increase in taxes. The predictable result in Virginia public tuition is among the very highest in the nation.

As the economic crisis ended, funding for higher education in Virginia continued to be restricted. The average investment per thousand dollars of individual income dropped from $20 to 75 in 1995 to $35 today—a drop of 44% in funding. This decrease means that Virginia’s record for financial support for higher education is one of the worst in the nation. The result in every direction. The belt tightening of the universities, despite serious restructuring efforts, has reached harmful proportions.

The president of one of Virginia’s leading institutions recently testified that in offering faculty positions to sustain excellence in a core discipline, 11 offers were rejected on the basis of inadequate compensation. The same is not true with priorities elsewhere. Indeed, we seem to have no limit to what we pay for athletic excellence, to media at the price of inadequate spending for academic excellence is demeaned and ignored.

Technology is much talked about and little funded.

The community college system—a cornerstone of work force training and retraining—has been allowed to萎缩 and increase tuition for programs which are fundamental to preparation for skilled jobs.

In recent years, capital improvements have been paid for largely by debt. Now debt increases are frozen to sustain Virginia’s bond rating and no provision made for critical capital improvements.

In Virginia, a state with a proud heritage from the days of the Founding Fathers, support of higher education now ranks at the low end. The Virginia Higher Education Act of 1976 as amended believed that higher education should be available “within a day’s ride of all Virginians” and founded a university of which we are all proud. Of a university, by 1979 the Southern Regional Study Committee reported that several billion dollars each if their commerce is to continue to move freely.

Northern Virginia shares with the Washington region national recognition as the second worst gridlock in the nation. There are clearly demonstrated multi-billion dollar requirements. The total of state transportation improvements over the next twenty years is an absolute minimum of $35 billion and could range upward to over $50 billion by Virginia Department of Highway estimates. Despite these requirements, the Department can only identify $12 billion of likely available funds and that number is seriously suspect as maintenance requirements erode construction projects.

Traffic gridlock is frequently equated only by political gridlock in resolving problems. Among a few miles of this bridge, we endure an infamous example of political gridlock. In 1945, the US Army Corps of Engineers constructed a dozen bridges across the River. But have no fear, further down the River even the downsized Army Corps of Engineers at Ft. Belvoir should be able to erect a pontoon bridge to save us from the fruits of political gridlock. Finally, in reviewing the infrastructure in Virginia, we must look to the fiscal situation, and here too, unfortunately, Virginia was a few short years ago a no debt state—one of the few in the nation. How different today. The fastest growing item in the Virginia budget is debt service. During the 90s to balance the budget, a series of emergency measures were utilized. There was a pledge to citizens who voted for the lottery, who voted for tax increases for educational and fiscal needs which are the fundamentals, if other areas of the infrastructure are not enhanced the capability of Virginia to compete is further weakened.

Without targeted and reinvestment, we cannot expect to be competitive as we enter the next century. No business leader can fail to invest in the future. Why should our great state invest in Virginia? We cannot allow Virginia to be weakened at this time of intense global competition by denial of problems and refusal to face the difficulties. The situation may be painful but uncomfortable. Virginia has the capacity for investment. We lack the political will.

The citizens of Virginia are entitled to be informed and to decide whether we should settle for mediocrity in job growth, in education, in transportation and in our financial base. We cannot accept a political leadership which denies Virginians the tools necessary for future prosperity.

Our goals must be a system of higher education, transportation, and fiscal needs which are the fundamentals. The investment in higher education is the key to individual prosperity and a desire to have a transportation system that functions. Yet we are, at the political level, unwilling to make it clear what the needs are and how they will be paid for. Business has failed to demand political accountability and politicians have failed to improve the standard of living. Virginia has a serious structural deficit in state finances. General fund revenues do not cover expenses. It is politically convenient to ignore the deficit, and it is policy apparently on a non-partisan basis to continue to promise no tax increases and talk tax cuts forever. We simply refuse to pay the commitment, expenditures, income and investment in our future.

Where is Virginia as we look forward to the next century—a future which will depend upon optimism, enthusiasm and strength? The people of Virginia are intelligent, committed, and have high level of work ethic an integrity. Mr. Jefferson, as did other founding Virginians, believed that an informed public was fundamental to prosperity, health and enjoyment in the democratic system.

Unfortunately, the world today’s world is in assuring an informed public. Virginians have indicated in overwhelming numbers that levels of awareness that higher education is the key to individual prosperity and a desire to have a transportation system that functions. Yet we are, at the political level, unwilling to make it clear what the needs are and how they will be paid for. Business has failed to demand political accountability and politicians have failed to improve the standard of living. The infrastructure is deteriorating because the political system cannot provide the resources necessary to support a balanced budget. The results are evident in every direction. Life. To compete successfully at the national level, Virginia must look to the fiscal situation, and here too, unfortunately, Virginia’s record for financial support for higher education is one of the worst in the nation. The result in every direction. The belt tightening of the universities, despite serious restructuring efforts, has reached harmful proportions.

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learning and successful participation in the workplace, a first class system of transporta-
tion, and a financial structure with bi-partisan support that addresses with political
homogeneous representations.

Virginia must create a competitive posi-
tion in global markets in the new century
with an unrestricted commitment to excel-
ence in providing our citizens with the tools
of prosperity in a world of intense competi-
tion.

JUDICIARY VACANCIES

Mr. HATCH. Mr. President, I wish to
take just a few minutes on judges, be-
cause I want to make two basically im-
portant points on judges.

At the outset, first, the current va-
cancy levels are not the product of
some alleged Republican stall on
judges.

Second, the Senate's constitutional
advise-and-consent responsibility
should not be reduced to a mere num-
bers game.

At the end of the last session, we had
65 judge vacancies. Last year, we had 21
judges nominated. We put through 17.
We would have put through four more
except for Democratic objections to their
nominees. We put them forward, but to
putting them forward, because one
Democrat was not getting the judges
that he wanted.

Let me just elaborate for a minute or
two on those two points.

Mr. President, this is not a numbers
game. Let me make an important
point, which is this. Federal judges
should not be confirmed as part of a
numbers game or to reduce the va-
cancy rate to a particular level.

While I plan to oversee a fair and
principled confirmation process, as I
always have, I want to emphasize that
the primary criteria in this process is
not how many vacancies need to be
filled, but whether President Clinton’s,
or what the President is, whether
their nominees are qualified to serve
on the bench and will not, upon receiv-
ing their judicial commission, spend a
lifetime, a career, rendering politically
motivated activist decisions.

The Senate has an obligation to the
American people to thoroughly review
the records of all nominees it receives
to ensure that they are capable and
qualified to serve as Federal judges.
These are lifetime appointments with
lifetime full benefits after they retire. I
have seen the record of activism dem-
strated by so many of the Clinton
judges and nominees calls for more vig-
ilance in reviewing these nominees.

The current vacancies are not the re-
sult of a Republican stall. I think that
is another point that has been widely
distorted in recent weeks. The argu-
ment is that the Republicans are some-
how stalling these judges. The facts
show rather clearly that the current
vacancies are not the result of Repub-
lican stall tactics.

First, at the end of the last
Congress there were 65 vacancies.
Today there are 100, 74 of which have
ever been nominated.

I have been here a long time, but I have
never heard we had to confirm people
who were not even nominated.

There are 26; and we now have put
through 5. We have four more that we
put out of the committee yesterday,
who I hope get them quite
soon. And we will have another markup
of judges perhaps a week after we get
back.

Let me just make this point so that
we can resolve some of these problems.
These vacancies were caused by
record level of resignations in the pastmomths.

During President Clinton's first 4
years, we confirmed 202 judges. That is
a near record high and nearly one-quar-
ter of the entire Federal bench.

By the close of last Congress, there
were only 65 vacancies. This is vir-
tually identical to the number of va-
cancies under the Democratic chair-
man in the previous Congress. The De-
partment of Justice itself stated that
this level of vacancies represents vir-
tual full employment in the Federal
courts. So last Congress we were more
than fair to President Clinton in his ju-
dicial nominees. We reduced the va-
cancy level to the level which the Jus-
tice Department itself considers vir-
tual full employment.

But since the election last fall, 35
judges have either resigned or taken
senior status. That is a dramatic num-er in such a short period, which has
led to the current level of 100 vacan-
cies.

Now, current vacancy rates are not
an unprecedented crisis. Let me just
point that out by saying there has only
been a 5 percent increase in the va-
cancy rate. Keep in mind that 63 vacan-
cies, a vacancy rate just over 7 percent,
is considered virtual full employment,
and 100 vacancies is a vacancy rate just
over 12 percent. How can a 5 percent
rise in the vacancy rate convert "full
employment" into a "crisis.''

The Democratic Senate left a much
higher vacancy rate under President
Bush. But compare today’s 100 vacan-
cies to that under a Democratic Senate
during President Bush’s Presidency.

In May 1991—the same time we are at
right now—there were 148 vacancies.
That is during President Bush’s tenure.
In May of 1992, again in President
Bush’s tenure, there were 117 vacan-
cies. So that 148 and 117, respectively,
is more than we have now.

Now, I find it interesting that at that
time I do not recall reading a single ar-
ticle or watching a single interview on
judicial vacancies. So, in short, I think
it is quite unfair and, frankly, inac-
curate to report that the Republican
Congress had created a vacancy crisis
in the courts.

Now, I might add that judicial emer-
gencies simply mean that the seat has
been unfilled for a certain period of
time. In reality, though, many of them
are not from emergencies. Indeed, of the
24 alleged judicial emergencies, the
administration has not even put up a
nominee for 11 of those seats. How do
you blame the Congress for that? As
for the others, I think you will find a
number of the relevant districts do not,
in fact, have an overburdened case-
load, and, in fact, some of the senior
judges are suggesting that we reexam-
ine the number of judges in their area
and reduce them because they do not
need them. It costs at least $1 million
a year for every judge in this country,
and there are well over 800.

Let me stress, however, that many of
the remaining 18 nominees who have
not yet had committee action are in
one way or another problematic and
controversial. All but a few of them
were carried over from the previous
Congress, and I can assure you that there is
a reason why the Senate confirmed 202
other nominees but not them. If and
when the administration sends us
qualified, noncontroversial nominees,
then we certainly would move forward.

I am trying to process these
controversial nominees to the ex-
tent that we can and certainly am try-
ing to do so fairly and promptly.

Take Mr. Alan Gold from Florida, for
example. He was nominated. Of these
26, 8 have already had hearings and are
either on the Senate floor or about to
be reported out of committee. So we
are moving on nominees, and we will
continue to move.

The problem, however, is that many of
the remaining 18 nominees have who
have not yet had committee action are in
one way or another problematic and
controversial. All but a few of them
were carried over from the previous
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I am trying to process these
controversial nominees to the ex-
tent that we can and certainly am try-
ing to do so fairly and promptly.

Mr. President, I wish to
inform the Senator from Florida
that the President has
not.

The White House has not yet
sent up any new nominees
who I believe will go through quite
soon. And we will have another markup
who I believe.

When the administration sends us
nominees, we will move on them
promptly, and I am trying to process
these controversial nominees to the ex-
tent that we can and certainly am try-
ing to do so fairly and promptly.

Mr. President, I wish to
advise-and-consent function
should not be reduced to a mere num-
bers game. The confirmation of an in-
dividual to serve for life as a Federal
judge is a very serious matter and it
should be treated as such.

Now, we have had a lot of com-
plaining and yelling and screaming
about this, but to be honest with you,
we are much better than a number of
prior Congresses where Democrats had
control of the Judiciary Committee
and when they had control of the floor as
well. President Clinton has not been mistreated. He has not been treated unfairly, and his nominees have not been mistreated or treated unfairly. In fact, we have yet to have a nominee who has been rejected on the floor during the Clinton administration, although I expect at least two of them should have been.

Mr. LEAHY. Mr. President, I hope the distinguished chairman of the Senate Judiciary Committee can stay on the floor just for a moment because I intend to refer to some of the things he has said.

To begin with, the distinguished chairman is a close personal friend of mine, not the least of which I find that, as a Grateful Dead fan of long standing, I enjoy his gospel music. So we do have some areas that join us.

I must take exception to some of the remarks he has made about Federal judges. He mentioned that none had been rejected on the floor. Well, of course, they have had more at least of a one a month. At this rate, with 100 vacancies, it is zero population growth in the Federal judiciary. President Clinton will not be in office long enough nor will the next two Presidents have their vacancies filled—no if you do one a month.

When he says none have been rejected on the floor, that is because these are extraordinarily well-qualified people and they are going to be voted for on the floor. In fact, even Merrick Garland they held up for so long. When Judge Garland came here, some people—for whatever reasons, ideological or whatever—voted against him, but not one person suggested he was not extraordinarily well qualified; in fact, one of the best qualified judges we have seen in years. In fact, even some who voted against him commended his qualifications. So it became just a political, partisan thing.

I suggest that the 27 judges that are being held in limbo or in the prison of the Senate Judiciary Committee, if they had a fair vote on this floor, would all be confirmed overwhelmingly because Senators would not have to have to go back to their State and try to explain to people why, other than for purely partisan motives, they voted against some of these judges.

So, how do you defeat the judges? You make sure they never come forward in this floor. In fact, even Merrick Garland they held up for so long. When Judge Garland came here, some people—for whatever reasons, ideological or whatever—voted against him, but not one person suggested he was not extraordinarily well qualified; in fact, one of the best qualified judges we have seen in years. In fact, even some who voted against him commended his qualifications. So it became just a political, partisan thing.

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White House. At an average of 618 days for each vacancy President Clinton has taken to fill, according to my calculations—I could be wrong—but it would take more than 125 years to fill all 74 vacancies.

So, you can play this numbers game. All I am saying is I dedicate myself to try to do the best I can to get these judges through. I appreciate the help my colleagues gives me in that regard. I think, as we get more of these nominees up here, we will get more of them to the floor.

But I appreciate his remarks. I just do not quite agree with them, that is all.

With that, I yield the floor.

Mr. LEAHY. Mr. President, I will continue to work with my good friend from Utah. In the meantime, I will send him my Grateful Dead tapes, and I will listen to his music and we will both be in a better mood.

Thank you.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I ask unanimous consent to proceed for 10 minutes as if in morning business.

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

TRUSTING AMERICANS SUBJECT TO EMERGING SECURITIES FRAUD

Ms. COLLINS. Mr. President, as the chairman of the Permanent Subcommittee on Investigations, I want to take this opportunity to highlight a growing problem with securities fraud in this country—a problem which affects the savings of American families who are now investing their hard earned savings in a booming stock market. The problem involves the fraudulent manipulation of the stocks of small companies in scams which can literally wipe out investors who place their trust in unscrupulous brokers and stock promoters.

Fraud in the sale of small company stocks has been increasing at an alarming rate. In the typical case, unscrupulous brokerage firms, often operating through intermediaries, purchase large positions in a company which is worthless or of very limited value and then drive its price higher through manipulation. They do this by aggressively cold calling thousands of unsuspecting individuals, often inexperienced in investing, and persuading them to purchase the company’s stock by greatly exaggerating its financial prospects. The inevitable effect of this massive sales campaign is to push the price higher, at which point the brokerage firm dumps its shares, leaving the public holding investments which rapidly become worthless.

According to published reports and court proceedings, these schemes often utilize other illegal or unethical practices, such as dissemination of false information on which investors rely, the employment by brokerage firms of persons with criminal records, as well as the use of unlicensed individuals whose only activity is ostensibly to prospect for customers but who often participate in making sales for which they are paid under the table; and the bribing of brokers to assist in the manipulation by recommending the stock to their fellow brokers.

These securities fraud schemes have been uncovered in recent prosecutions and criminal investigations. At least four grand juries around the country are investigating small-stock manipulation—what may be the financial crime of the 1990’s, just as insider trading was the financial crime of the 1980’s. Indeed, according to published articles, a Federal grand jury in Los Angeles has even investigated a Federal prosecutor suspected of engaging in securities fraud. And last year, an FBI sting operation in New York City resulted in the arrest of 46 individuals for this type of activity.

In recent years, the soaring stock market has attracted millions of new investors, many of them hard working families trying to save for the future or elderly Americans trying to expand their retirement savings. It is understandable that these individuals, confronted with astronomical tuition bills for their children or escalating medical costs for themselves, fall prey to sales pitches promising high returns in what are supposed to be the glamour companies of the future.

Overall, it is estimated that one in three American households have some of their assets invested in the stock market. Most do not have the time or the resources to carefully scrutinize stock offerings to determine which ones are fraudulent, instead putting their faith in brokers, who, because they are licensed by the Government, the public believes it has reason to trust.

Mr. President, some years ago I served as the State of Maine’s Commissioner of the Department of Professional and Financial Regulation, and one of the responsibilities of my department was the protection of investors in my State. While that experience taught me that America has the most dynamic and healthiest capital markets in the world, it also taught me that there is no shortage of con artists and fraudulent schemes. What was true then unfortunately appears to be true today, and regrettably, there is evidence that the problem may be more widespread.

While the vast majority of those who work in our securities industry are honest, we must be continually vigilant in safeguarding the integrity of our markets. We must remain committed to combating what appears to be a new wave of securities fraud, involving the intense marketing and subsequent manipulation of the stock offerings of companies with high-tech sounding names. These offerings—when pushed by overly aggressive and fraudulent marketing pitches to average American families and the elderly—present a ripe opportunity to lull the investing public into believing the stock is about to take off. Too often, these stocks do not soar to the heavens but rather fall to the ground.

This fraud must be fought on a variety of fronts. We must continue to enforce existing regulations and to watch for illegal activity. The public must be more careful in investing in the stock market. And the Congress must—and will—closely investigate this growing problem of securities fraud.

As chairman of the Senate Permanent Subcommittee on Investigations, Mr. President. I am concerned about this fraud in the micro-capital markets—about this manipulation of small company stocks by Wall Street bandits. The subcommittee has a long and proud tradition of investigating schemes which rip off innocent consumers and taint the reputations of those who play by the rules. This investigative tradition will continue under my leadership. With more and more Americans entering the stock market each year, the Permanent Subcommittee on Investigations will be looking closely at these matters, investigating how these stock manipulation schemes victimize American investors and how we can arrest this emerging securities fraud.

I look forward to working with my colleagues on the Governmental Affairs Committee and in the Senate to protect the public from unscrupulous operators who would prey on hard working Americans seeking to participate in the American Dream through investment in the stock market. The expanding economic opportunities presented by a booming stock market should not benefit just the most wealthy Americans, but should benefit average American families as well.

As the chairman of the Permanent Subcommittee on Investigations, I promise you that we will vigorously investigate those who abuse the trust of their fellow citizens seeking to invest their hard earned savings. I further pledge that we will be especially relentless in our efforts to expose schemes which exploit the elderly. During my tenure, the subcommittee will use its investigative authority to shine the light of truth on those who operate in the shadowy fringes of America’s capital markets.

I thank the Senate for its attention. I yield the floor.

Mr. ENZI addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Thank you, Chair.

The remarks of Mr. ENZI pertaining to the introduction of S. 802 are located in today’s RECORD under “Statements on Introduced Bills and Joint Resolutions.”

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Thank you, Mr. President.
Mr. ROBB. Mr. President, earlier today I supported and the Senate passed a budget resolution negotiated primarily by the leadership of the legislative and executive branches of our Government.

I supported this budget resolution, notwithstanding some major disappointments with both the process and the result.

I qualify my support for the final agreement because I believe it fails well short of the goals that we should have for a responsible fiscal policy to guide our Nation over the next 5 years and beyond.

But in the end, I recognize that this is probably the best product the congressional leadership and this administration could agree on, and that we're much better off doing something than doing nothing.

And reaching this general consensus will free the Congress to get on with many of the important matters that continuing gridlock would have postponed.

The commitment to reach a balanced budget early in the next century can trace its roots to the hard work done by the President in 1993 and the insistence last Congress, by the new congressional majority, that we set 2002 as a "date certain" to actually reach balance.

And I think its fair to add that I doubt this agreement would have been possible without the bipartisan groundwork laid by the Centrist Coalition, a group of 22 Senators evenly divided between both sides of the aisle.

Our budget was the only balanced budget plan introduced last year which received bipartisan support.

Since passing the administration's deficit reduction package in 1993, we have brought the deficit down from $290 billion to what most forecasters expect will be a $67 billion deficit this year.

With the aid of lower deficits, low interest rates, and low inflation, the economy continues to expand, bringing unemployment down to 4.9 percent and filling the Federal Treasury with unexpected receipts.

These fundamentals, which I believe were set in motion with the passage of the 1993 plan, have now put a balanced budget within our grasp, even if we're relying on some optimistic assumptions about revenues on future Congresses making tougher decisions than we are making in this budget, and on the Social Security surplus to reach that future balance.

This is not an insignificant event.

The last time the Federal Government submitted a balanced budget was in 1968—for fiscal year 1969—and the surplus that year was only $3.2 billion.

As one who came to the Senate in January 1969 pledging to do all I could to eliminate persistent budget deficits, the prospect of actually reaching our goal, even 5 years down the road, is certainly a welcome milestone.

As I have already noted, however, this agreement is not all I had hoped it would be.

First, I'm very concerned about the assumptions which underlie the plan.

Less than 3 weeks ago, negotiators were putting the finishing touches on this same basic budget outline, with a deficit of approximately $50 billion in 2002.

It was only after the Congressional Budget Office revised its revenue forecasts that the calculations were able to claim a balanced budget.

To fully understand the impact of the CBO revision, the deficit projections for the next 5 years are now a total of $250 billion less than what CBO projected in January.

If we want to increase the likelihood that we will actually achieve balance, it seems to me that we would want to use the most conservative economic forecast that we have.

But even if the more optimistic assumptions come true and we do balance the unified budget in 2002, this plan does little to address the long-term fiscal challenges we face, and in some ways may exacerbate them.

While the budget calls for some modest steps to restrain the growth of entitlement spending, in the areas of Medicare and Medicaid, these modest steps do not prevent entitlement spending from taking a larger share of the budget.

Mandatory spending in the form of entitlements and interest on the debt will consume over 70 percent of the budget by 2002.

This represents a complete reversal from 30 years ago when 70 percent of the budget went for defense and other discretionary investments.

And as mandatory spending takes up a greater share of the budget, that leaves less room for investments in human and physical capital that enhance future productivity and economic growth.

Not only does this budget not call for significant entitlement reform, the inclusion of tax cuts with large out-year costs also exacerbates our long-term fiscal problems.

As all of us know, we face a demographic wave, called the baby boom generation, that will double the number of people eligible for Social Security, Medicare, between now and 2030.

By not addressing the long-term costs of Medicare and Social Security, and by failing to adopt an accurate measure of cost-of-living changes, entitlements will continue to grow at an unsustainable pace. That is at the same time, the tax cuts in this budget plan will take away the revenue needed to finance this growth.

The most likely result of this scenario is the continued cutbacks on defense and other discretionary priorities in the future or even larger budget deficits than what we have faced in the past.

As a result, I view this budget as more of a missed opportunity to address our long-term fiscal challenges rather than the budget balancing achievement that many are celebrating.

Notwithstanding my reservations about this agreement, however, and my disappointment in some of its elements, I applaud the President and the congressional leadership for their efforts to end the gridlock and reach a compromise that both sides could live with, even though the deal closers were spending to satisfy Democrats and more tax cuts to satisfy Republicans—tax cuts I might add that are made with borrowed money. Less of each would have eased the debt burden we are passing on to future generations, and I will work with my colleagues to make it a more fiscally responsible plan along the way.

With that, Mr. President, I yield the floor.

The PRESIDING OFFICER. Mr. Brownback.

Mr. ABRAHAM. Mr. President, in order to accommodate several Senators who wish to speak, I may ask unanimous consent that the following Senators be recognized to speak in the morning period in the order in which they are listed: Senator Abraham for 15 minutes, Senator Byrd, and then Senator Grams.

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

The Senator from Michigan is recognized.

Mr. ABRAHAM. Thank you, Mr. Chairman.

The remarks of Mr. Abraham pertaining to the introduction of S. 810 are located today's RECORD under "Statements on Introduced Bills and Joint Resolutions."

Mr. ABRAHAM. I thank the Chair and other Members for their courtesy today. With that, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I have been asked by Mr. Dorgan to ask unanimous consent that following the order recognizing Mr. Grams, which has already been entered, that he, Mr. Dorgan, be recognized for not to exceed 20 minutes.

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

Mr. BYRD. Mr. President, I have been asked to also ask unanimous consent that following Mr. Dorgan, Mr. Gorton be recognized for not to exceed 10 minutes.

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

RELATIONS BETWEEN THE SEXES IN THE MILITARY

Mr. BYRD. Mr. President, the case of Air Force 1st Lt. Kelly Flinn has highlighted the need for an independent review of gender relations in the services.
First, I think the publicity about this case has served as an understandable impetus for all of us to speak our minds on this issue. That is, I think, useful, in that relations among the sexes in the military obviously need a thorough, independent review in light of the scandals that have emerged in recent months.

It is imperative though, that as we review the rules regarding gender relations in the military, we keep our eye on the ball. The ball is that the goal should always be the most effective, combat-ready, disciplined, tough fighting force that the Nation can field. Effectiveness, discipline, unit cohesion and morale cannot ever take a second place to any other value, since the premier responsibility of the military is the national security of our Nation. If gender relations must take a back seat to that goal, that is as it should be.

In the case of Lieutenant Flinn, the military system has tried to do its work, in spite of all the comment and publicity attendant to this case. There is a question about whether the Secretary of the Air Force should have granted Lieutenant Flinn a general discharge without a court-martial. The Secretary, as I am sure, has opinions about that. Personally, I feel that the charges of lying and disobeying the order of a superior officer, never mind the charge of adultery, which, of course, no one condones, merit a disciplinary disposition, and that the Secretary should not have granted her a general discharge in light of those charges. That is my opinion. Other Senators may have other views. However, I believe that the larger issue and perhaps the root of the problem is really the most serious issue—whether the widespread publicased in the military system are consistent with the rules of fraternization. When it is permissible for members of the opposite sex to socialize, live together, or otherwise fraternize, varies considerably among the different services. The standards are seriously inconsistent. I have indicated that I intend to offer an amendment to the fiscal year 1998 Defense authorization measure which would, if enacted, establish an independent outside review commission to review the question of the appropriateness of gender integrated recruit training in the services. I think such a commission could potentially improve the rules, and let the system work in the best way that it can until an opportunity has been had to systematically review the rules regarding gender relations and conduct in all of the services.

FALLEN HEROES

Mr. BYRD. Mr. President, as the traditional start of the summer outdoor season approaches, advertisers are busily reminding us that we have only three days to ready our big yards for summer, or that hooray, we have an extra day to spend on outdoor chores—using their newest tools, gadgets, and products, of course. Well, Mr. President, most of us will enjoy an extra day this weekend. That is cause for celebration. However, the purpose is to celebrate our fallen heroes, not to celebrate another opportunity to spend money.

Memorial Day is set aside to remember the final sacrifice made by many brave men and women in the defense of our Nation and our ideals of liberty and justice. Though in many cases, years have passed since they laid down their lives for us, the memory of these fallen heroes still haunts our hearts, drowned out by the din of advertising or buried beneath a tide of sales circulars. I urge my colleagues, and the American public, to pause for a moment this weekend, that they fathom the cost of these acts of America's bravest. To ask, in their dirt-covered gloves, to brush the grass clippings from their pants legs, and to sit for a moment in the sun-dappled shade of an ancient tree, and thank these men and women who have—to paraphrase the preamble to our mighty Constitution—provided for the common defense, promoted the general welfare, and secured the blessings of liberty to ourselves and our posterity.

In the United States, our fallen soldiers and personal suffering are remembered on Memorial Day since the time of the Civil War. That tragic conflict spawned so many spontaneous gestures of remembrance in our country that the location and the date of the first Memorial Day or Decoration Day—Decoration Day, as it was called—Ceremony is disputed.

One of the most moving and famous of the early Memorial Day tributes occurred in Columbus, Mississippi. On April 26, 1866, the women of Columbus gathered to decorate the graves of their husbands, brothers, lovers and friends who had been buried four years earlier after the Battle of Shiloh in a plot now known as Friendship Cemetery. The plot contained the remains of 1500 slain soldiers, but it also was the final resting place for 100 fallen federal troops.

The time was reconstruction. In 1866, much of the South was under military occupation and was impoverished. Reconstruction coincided with on both sides of the Mason Dixon line.

But, to these war-weary women, the time for hostilities was over. After scattering flowers on the graves of their own men, they decorated the graves of the union men with magnolia blossoms.

But, like so many of our religious and secular days of remembrance, the origin and purpose of Memorial Day has sometimes at least partially obscured by the more immediate pleasures of a day off, the flash and danger of a car race or the anticipation of good food at a picnic.

Let me quote from a book, The Good War, an oral history of World War II by Studs Terkel. In 1982, a woman of thirty told Terkel: "I can't relate to World War II. It's in schoolbook texts, that's all. Battles that were won, battles that were lost. Or costume dramas you see on TV. It's just a story in the past. It's so distant, so abstract. I don't get myself up in a bunch about it." Without a continued awareness of the real significance of this national day of remembrance, we may eventually also let the forget the invaluable lessons of the human cost and the ultimate tragedy of all warfare. Particularly today, when armed conflicts such as Desert Storm may seem glamorous, even entertaining and almost normal in their impact on our lives, we must not forget as a nation that war always means death, destruction, broken homes, broken families, twisted and maimed bodies and devastation.

This Memorial Day, all Americans will take a few moments to remember the brave men and women who have fought and died to preserve this great nation and its principles of liberty and freedom. The personal suffering we endure by our fallen soldiers and their families for the sake of our country must not go without a measure of recognition by each of us on this most solemn of days. These were real people, not just statistics in a history book or names chiseled on stone. These were young men and women with sisters, brothers, mothers, fathers, hopes, dreams, aspirations and fears just like the rest of us. At some future time, God forbid, the names of our own sons, daughters and grandsons could very well be among those that are read at a ceremony honoring our fallen soldiers.

Nothing confronts us with our common humanity—what our shared responsibilities as citizens and with a renewed appreciation for the worth of our sacred and fragile freedoms like a contemplation of our national conflicts, and the sorrow, heroism, death and sacrifice that has accompanied each of them.

This weekend thousands of American families will visit cemeteries around the nation to remember husbands,
wives, sons, daughters, grandfathers, great-grandfathers and friends who paid the ultimate price in this nation's conflict. All of us need to take time to show our solidarity with their grief and their sacrifice; to fly the flags at our homes, schools, cemeteries and public places; to talk to the young about the sacrifice of our fellow citizens who dished for us; to visit the local veterans' cemeteries; to take some flowers on the tomb of a fallen soldier; spend a quiet moment at the monuments to our honored war dead; take our children by the hand and teach them about all the brave young men and women who have paid so dearly in the past so that future generations can be free; and through that conscious effort and those small individual acts put a very human face on Memorial Day. Remember, spontaneous acts of remembrance such as these were what spawned Memorial Day in the first place. And they will always be the most meaningful tributes of all.

In Flanders fields the poppies blow
Between the crosses, row on row,
That mark our place; and in the sky
The larks, still bravely singing, fly
Scarce heard amid the guns below.
We shall not sleep, though poppies grow
In Flanders fields.

In Flanders fields the poppies blow
Beneath another heaven;\nBetween the crosses, row on row,
Lest we forget.

In Flanders fields the poppies blow
A song of praise and glory now.

We are the Dead. Short days ago
We lived, felt dawn, saw sunset glow,
Loved and were loved, and now we lie
In Flanders fields.

In Flanders fields the poppies blow
Between the crosses, row on row,
That mark our place; and in the sky
The larks, still bravely singing, fly
Scarce heard amid the guns below.
We shall not sleep, though poppies grow
In Flanders fields.

We cannot lose sight of the overall goal of shrinking the size of the Washington bureaucracy and sending those dollars back to the taxpayers. Yet, this budget plan does just the opposite. It increases the size of Government by giving President Clinton even more money for pet projects than he originally requested—$74 billion more than he requested in his budget just last year, and $5 billion more than the budget he put forward in February of this year.

Mr. President, instead of eliminating wasteful programs to reduce the Federal deficit, this budget plan actually creates new entitlement programs that will cost billions of the taxpayers hard-earned dollars. Now, if some of these new programs have merit, they should be authorized and appropriated through open hearings and through normal committee process. Total spending in this budget plan for all programs is $18 billion higher than President Clinton's budget request for the next 5 years. So where is that in shrinking the size of Government? It is increasing the size of Government by $18 billion more than what the President had requested back in February.
spending will rise sharply in fiscal year 1998—that’s the year that starts on October 1, 1997, and the only budget year that has any real significance.

Why? Because “all the other numbers for all the other years are sheer fantasy. As anyone who runs a business knows, the only figure you can possibly control is next year’s spending.”

Let me say when the budget deal was struck here in 1996 that raised taxes, part of the deal was we would put at a higher level a cap on future spending. We will not spend over this limit. In 1993, a new tax increase came into being, and along with that new tax increase came the removal of those old caps, and new caps on spending were put at a higher level. They said, all right, we will not spend over this level if you give us these tax increases now.

Now, in 1997, for the 1998 budget year, the fiscal year that has to be done in this budget, we have to bust those spending caps again because this budget can’t live within those promises, and it extends the level even higher.

What does that mean? Where does the “$1 trillion” come from? It is taken from the taxpayers and the hard workers of this country. Budget proponents are claiming to balance the budget by immediately increasing the deficit by at least $23 billion, or an increase of 34 percent, and then finding the savings to eliminate the deficit in the preceding years for the following years.

If this does not make sense to the American taxpayers, that is because it does not make sense at all. It is just another example of the budget tomfoolery that is going around in Washington. A budget plan must also be based on real numbers and not the inflated budget estimates that have been used in the past to justify more spending and higher taxes. Somehow the new revenues, the increased dollars that come to Washington, can never be put into the category of reducing the deficit or returning some of it in tax relief. It always goes on the other side of more spending.

This budget agreement fails on that score as well as by continuing to use the inflated budget estimates of the past to mask the spending increases it contains. I cannot support a budget that uses such gimmicks simply to make the numbers add up on paper.

There are two other weaknesses of the agreement I would like to point out. For quite some time we have been told repeatedly by the CBO that we needed at least $500 billion in spending cuts to achieve a balanced budget. It will take hard choices to accomplish that. However, the need to make some of these choices surprisingly vanished recently when we were told that we can spend more while balancing the budget at the same time because somehow the CBO discovered $225 billion in extra money. This cannot be true. It contradicts the CBO’s own recently released study that demonstrated the potential impact of a recession on budget projections and the goal of a balanced budget by the year 2002.

In this study, the CBO examined two possible recessions, one possibly in 1998, another in the year 2000, and it concluded in both cases GDP would fall 3.7 percent below potential and would add about $100 billion to the deficit. That would make the goal of achieving a balanced budget in the year 2002 very difficult.

Again, if the $225 billion in “extra money” is indeed real, it did not fall from the sky. It is money that belongs first and foremost to the American taxpayers, and it should be put to proper use. The right way would be to return it to the taxpayers as tax relief and/or designated for deficit reduction. The wrong way is to spend all that. Unfortunately, this budget resolution takes the wrong way.

Now, there are some who said on the floor today only $30 billion of that $225 billion was spent. If that is true, where is the rest of it? Where did it go? If it is still there, let’s put it to tax relief. But the secret is that it has been put into spending.

I introduced an amendment earlier today that would have required that we use the $225 billion of the CBO revenue windfall as assumed under this budget for tax relief and deficit reduction, and to keep nondefense discretionary spending at the current freeze baseline level. My amendment called for giving back half of the $225 billion windfall to the taxpayers and then devoting the other half for deficit reduction. Again, the question is, where did that money go?

Another element of my amendment called for keeping nondefense spending at a freeze baseline level. Now, baseline budgeting has been the subject of great debates, many debates, and I will not repeat the arguments today, but let me tell you briefly why this is so important. For years, Republicans criticized the use of inflated baseline budgeting because it did not reflect the actual spending levels in terms of an increase or decrease in funding. By that, they always project next year’s spending to already be higher so they set a new baseline. So if we were going to spend $100 this year, the new baseline next year would be $105, so that is what they work off. If we only spend $104, the claim would be we cut the budget by $1, when actually we spent $4 more.

Now, there are claims in this budget that we will save $1 trillion in spending over the next 10 years. That would make the goal of achieving a balanced budget in the year 2002 very difficult.

Rhetorically, everyone from colleagues in Congress and the President has joined me in calling for such tax relief. One of the main reasons is that there is such an important measure such as the $500-per-child tax credit.

During the past 2 years we have been telling the American people we would guarantee an honest accounting of our Federal budget by implementing zero-baseline budgeting. In other words, be honest. This is what we spend this year. This is what we intend to spend next year, not the baseline that we could have spent, but we are not going to spend quite that much, so we will save you money. That is like going to a sale and saying I am going to spend $100 to save $4.

We adopted zero-baseline budgeting, and Congress has produced two balanced budgets by using the freeze baseline. But the fiscal year 1998 budget resolution abandoned this policy that we had used over the last 2 years of honest accounting by reverting to inflated baseline budgeting. In my view, this is a shift, again, in the wrong direction.

Mr. President, my amendment, as you know, was defeated by the Senate this morning. But this issue is not one that is going to go away. We must be honest with the American people, and we must, again, use zero-baseline budgeting as we promised, so we can rebuild the American people’s confidence in the Government and make Congress accountable to the taxpayers.

No. 3, meaningful broad-based tax relief for working families. I have been the Senate’s leading advocate of what we call meaningful broad-based tax relief for working families. One of the main reasons is that there is such an important measure such as the $500-per-child tax credit.
as with all things in Washington, there is more, or, in this case, there is less than meets the eye.

For example, when they say there is $35 billion available for tax relief, they are ignoring the fact that $50 billion is this pool. You can bet that someone that will not be Uncle Sam.

Also consider the fact that $35 billion has already been promised away to the President for his narrowly targeted college education tax plan.

Now, as the Senate author of the broad-based tax relief for working families represented by the $500-per-child tax credit, I am deeply troubled that this Washington budget agreement dedicates too much money for narrowly targeted tax relief at the expense of broad-based tax relief. The debate over targeted versus broad-based tax relief raises the single most important question for us today, and that is the question of who decides. Targeted tax relief means that the President will decide who is going to get a tax break, how they are going to get it, and what they have to do to get that tax break. If you, as a taxpayer, want to cut, you have to do what Washington tells you to do, whereas broad tax relief means that taxpayers can decide. If you want to use your tax cut for higher education, go ahead, for housing, go ahead, for health care, go ahead, but tax relief should not be narrowly tailored to fit the priorities set by Washington or used as a tool for social engineering.

Tax relief should be as broad based as possible leaving the decisionmaking on how best to use that to the taxpayer themselves. Every household is different. Washington cannot decide.

Now, while all of us support the use of tax relief for higher education expenses, we must recognize that there are many other needs faced by working families every day that can be best met by a tax cut, and it should not be up to Congress how best to use that to the taxpayer. The medical profession is guided by the doctrine of “First, do no harm.” The American people should demand the same of their Government as it establishes the Nation’s spending and tax priorities through the budget process. A budget that fails to meet even the most basic tests of honesty and common sense—and that may actually leave the Nation in a fiscal situation more perilous than the one we face today—is a budget the American taxpayers will not support, Congress and the President can, and must, do better.

In closing, let me add a final thought about this so-called balanced budget resolution. As I have said here in this Chamber, on a day when I should be proud telling the taxpayers of Minnesota that Congress has finally heard their pleas and produced an honest budget that reduces the size of government and offers meaningful tax relief, I am saddened and angry that I cannot.

The budget resolution passed by the Senate today is not the budget I was promised, it would be $104 billion. If you are going to get tax gains, tax reduction, it would be $24 billion; estate tax, $18 billion; IRA's, about $11 billion. What we have is about $170 billion of tax cuts promised that somehow we are going to pay for out of a pool of $50 billion. So, in other words, somebody is going to get something, but it will be a shadow. While all these ideas have merit, the competition for this ever-shrinking pool means more bad news for those of us who care about getting tax relief.

Again, we have promised working families a $500-per-child tax credit, but once you factor in all the tax hikes, special interest tax cuts, and deals that have been made as a part of the budget agreement, it is easy to see that this $500-per-child tax credit could end up being nothing more than a token gesture, a promise of meaningful broad-based tax relief for working families without the dollars to back it up.

In other words, working families will be squeezed out again, a broken promise, and that is something that I cannot support.

Contrary to the claims of its proponents, this Washington budget deal is a retreat from the promises we made to the taxpayers for meaningful tax relief. As I have argued, the figures set aside for tax relief are wholly inadequate. We made a promise to take it from Washington and give back to the taxpayers—a fatal flaw in this budget agreement and another brush-off to the working families we are supposed to represent.

In its analysis of the budget, the Heritage Foundation concluded that “a credible plan to balance the Federal budget must result in a smaller Government that costs less and leaves much more money in the pockets of working Americans. The current budget deal not only fails these important tests, but in many cases would implement policies that are worse than taking no action at all.”

The medical profession is guided by the doctrine of “First, do no harm.” The American people should demand the same of their Government as it establishes the Nation’s spending and tax priorities through the budget process. A budget that fails to meet even the most basic tests of honesty and common sense—and that may actually leave the Nation in a fiscal situation more perilous than the one we face today—is a budget the American taxpayers will not support, Congress and the President can, and must, do better.

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The budget resolution passed by the Senate today is not the budget I was elected to carry out. It is not the budget a great many of my colleagues were elected to carry out. It is a budget built of concession, not of compromise, of illusion, not of reality, of whispers, not of boldness. It is a budget built like a house of cards, without a foundation, based on piecemeal and statistickish assumptions. This may be a so-called agreement between the Republicans and Democrats in Washington, but it is not the budget agreement we promised the taxpayers. It is a budget Congress hopes America will like. As you see more of the details, it will be one they don’t. For this reason, it is a budget I deeply regret I cannot in good conscience support.

**TRIBUTE TO JONNA LYNNE CULLEN**

Mr. LOTT. Mr. President, this has been an extremely busy week for the Senate and a historic week, capped off by our work on the landmark budget resolution.

Before we finish today, and before Memorial Day, I want to join my colleagues, Senator Cochran, from Mississippi, and others who are interested in paying special tribute to a special lady. I thank my colleagues that do have time reserved to speak for giving us these few minutes to say to our good friend, and, in my case, a former colleague when I was a staff member, Jonna Lynne Cullen, and thank her for a lot of great memories and for a lot of great work and for all that she has done for our country.

I think it is appropriate that we do this at the end of this week when we have done something good for this country by passing a budget resolution that will, at last, ensure a balanced budget for the American people. It is appropriate because most of Jonna Lynne Cullen’s life has been devoted to good things for her country.

She first came to Capitol Hill as a young woman, I got to know her in 1969 as a college freshman at the University of Mississippi. We were friends then. A few years later, then, in 1967, when she came to Capitol Hill, she went to work for the Rules Committee and we all affectionately call her and that relationship grew as we worked on bills together and we spent time in the presence of Chairman Colmer and as she worked in the Reagan administration. Through the years, our relationship and friendship has continued to grow. She is very much a southern woman:
Gracious even in the face of rudeness, generous to a fault, ready to make others feel at ease and at home, tolerant of other’s opinions but quite sure of her own, soft of heart and tough of spirit.

Last week, many Members of the House relatives took to the floor of the House to recount their own memories of J.L. And the recurrent theme of their recollections was how much she had helped them, in one way or another.

I remember when she worked on the Rules Committee staff. She would come back to the rail, and they would have a rule up, and she would not only watch the rule, but she worked with many of us who had various and sundry problems to try to help us get through a legislative problem or to deal with a family problem. She was sort of the mother hen in the House back in those days in the early 1970’s, Senator COCHRAN and I enjoyed her friendship so much.

I can’t think of a better tribute to any person than to be known by how much she helped others. And certainly that is true with J.L.

The reason she could help so many is because she was really so able. She is a master of the rules. She not only knows every in and out of the legislative process, but she knows the people involved as well to help you get the results you are looking for. She has always had their trust, and her word was good. She has been a part of the deplorable side of Washington that thrives on leaks or negative information or self-promotion. It is just not her style. Indeed, she represents an older tradition—maybe one she learned from Chairman Colmer in the behind-the-scenes service in which the good of the Congress and the good of the country that it leads to by its actions must come before any personal considerations, which helps to explain why she has crossed the partisan aisle, too. She worked both sides of the aisle. She can fight someone on policy and yet respect them on principle. She has always been a winner who understands how to win the right way.

It was little wonder, then, that in January 1981 when President Ronald Reagan came into office, Jonna Lynne was asked to take charge of the Congressional Affairs Office at the Office of Management and Budget to work with the head of OMB, David Stockman, a Congressman from Michigan at that time.

That has always been an important job. But it was at a particularly critical juncture at that time, which was an extraordinary period of active legislative change by the President. The changes in a number of laws, major tax cuts, some restraint on the budget—that really made a difference.

The President-elect and his inner circle knew they were facing a national crisis. At that time we had a stagnating economy with worse ahead, raging inflation, regulatory strangulation, the Iranian hostage situation, a hollow military force, Soviet proxy aggression on three continents, and on Capitol Hill, deeply entrenched majorities from the other party with a minority in the House and the Senate—or in the House at least—of the President’s party.

Today, I tend to forget just how bad things really were then or just how gloomy the future might have appeared to us at that time. The President-elect and most of his key aides were strangers to Capitol Hill. But OMB was to be the vanguard, the spearhead actually, of what we accomplished. We had Jonna Lynne Cullen working at OMB, working with the Congress that she knew so well.

So to OMB she went working around the clock to help forge a governing coalition in the House.

In those days we couldn’t get a majority on any vote if we didn’t get around 50 Democrats. We had 180 or so Republicans—I think there were about 186—and in some instances every one of the Republicans had to get something over 50 Democrats to be able to win any votes. Time after time after time we won by one vote, two votes, six votes. It was scary. It was tedious. But Jonna Lynne was there helping us work both sides of the aisle to get both the Republicans and the Democrats to do the right thing. She was the ultimate in credit.

But Jonna Lynne is not that type. She continued to be the ultimate insider, shy of the news media but bold in her commitment to what will forever more be known as the Reagan revolution.

Even after she left the administration, she was always on call for a good cause. She handled congressional relations for a hundred and fifty commission on Central America—an interesting commission. Henry Kissinger was involved in that, Jack Kemp, and I think even Alan Greenspan—quite a group—Jonna Lynne, and Democrats and Republicans. They went to Central America and did a great job.

She helped develop a policy consensus that turned the tide against the Soviet and Cuban meddling in this hemisphere.

Devoted as she has always been in public service, J.L. has still a remarkable private life. Professionally, she has not only been a lobbyist but, as businesswoman, very successful with culinary skills that have led to the Pesto Plus line of food products.

Somehow she found time to paint to help celebrate a great event. Her botanical water colors outshine her style. Indeed, she represents an older tradition—maybe one she learned from Chairman Colmer in the behind-the-scenes service in which the good of the Congress and the good of the country that it leads to by its actions must come before any personal considerations, which helps to explain why she has crossed the partisan aisle, too. She worked both sides of the aisle. She can fight someone on policy and yet respect them on principle. She has always been a winner who understands how to win the right way.

When illness struck J.L. several years ago, she turned even that into an opportunity for service. She gave her time and energy to fighting against cancer while waging her own individual battle in that regard. According to Senate procedure, we are not supposed to address individuals here on the Senate floor but, Mr. President, if Jonna Lynne were here with us, I would tell her what all of us must, friends are trying to tell her in many different ways, and that is simply this: Thank you, J.L., for all that you have done for us and for our country. And though you are not with us in the Capitol, you will always be in our hearts.

God bless you and thank you.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I congratulate and commend my friend and colleague from Mississippi for his wonderful eloquent statement, and for taking the time today, today, to a very special friend. Twenty-five years ago, Jonna Lynne Cullen came to my office in Jackson, MS, to congratulate me on my election to the Congress. She and my wife, Rose, along with my distinguished colleague, majority leader, were classmates at the University of Mississippi just 13 years before that. She told me, when she came to the office, all about the process of organizing the House of Representatives and offered to assist me and my staff as I transitioned. She was a distinguished public servant. She was the first woman member of the U.S. Congress from the Fourth Congressional District of Mississippi. Her advice and counsel to me were very helpful, and I
Ms. SNOWE. Mr. President, I rise to join with the majority leader in paying tribute to an extraordinary woman, J.L. Cullen. It would be accurate to say that J.L. worked for the House Rules Committee, but that wouldn't begin to capture the spirit of this wonderful person. Yes, she was an outstanding and dedicated staffer, but for those of us who have served in the House—especially women—she was so much more. She was our friend. From my first days in the House I was privileged to know J.L. and our relationship grew from there. Her wonderful sense of humor, her warmth and her intellect made an impression on all of us, as our distinguished majority leader can attest from his days in the House.

As an unofficial morale officer, J.L. brought together women of the House of Representatives, on a number of occasions hosting my female colleagues and me for dinner at her home. I will always fondly remember dinners with J.L., Nanci Gifford, and Lynda Bird Johnson. J.L. knew her way around a kitchen as well as she knew her way around House procedure, and in fact ultimately opened up her own business selling pesto.

No matter what she did, J.L. was always gracious, always hospitable. And in the House, she quietly but effectively fostered unity and camaraderie among any of its finest elected officials, which are collected and appreciated throughout the National Capital area and in the houses of her friends and admirers all across the country. And that is a lot of houses, because she has many friends and admirers.

All of her friends, and I am so pleased and privileged to have been one of her close friends for the past 25 years, wish we could see a modern miracle make her well because nobody could be a better or more unselfish friend than Jonna Lynne Cullen.

With our good wishes we also send to J.L. at a reception recently, despite her illness, the warmth with her usual good cheer and humor. She is truly a remarkable person and the way in which she has handled her illness with strength and dignity is inspirational to me. J.L. is one of those rare people who lend perspective to what we do here in Washington and brings into sharp focus the things that are truly important in life.

I hope J.L. is watching us today, to see and hear our comments, Mr. President. Because I want her to know how deeply she has touched the lives of those with whom she worked. J.L. may not be a Member of Congress, but she is as much a credit to this institution as any of its finest elected officials. And she is as much a part of this Congress as any one of us who are Members.

So often, one hears of the unelected staff. For so many, they are the nameless faceless people who work in the shadows. The glare of public attention usually reserved for those elected to the House or Senate. J.L. Cullen is among the finest of those people. Uninterested in the spotlight, she measures her contributions solely by the lives she touches or the results she achieves.

But today, I want the public to know her name. I want them to know that is a person without whom the people’s business of this institution, indeed the work of this Nation—would not have been done. And I want America to know that she has been a public servant in the very finest sense of the word.

J.L., if you’re watching, please know that you are in my heart and in my prayers. You helped make this native-born Mainer feel at home in Washington, you helped me to do my job better, and you helped me to laugh along the way. Too, I will forever cherish your caring and friendship, and remember your exemplary service to Congress and the Nation.

THE DISASTER IN NORTH DAKOTA

Mr. DORGAN. Mr. President, I want to speak just for a moment about what is happening in my home State, the disaster that occurred there and my disappointment, my profound disappointment that it appears that Congress will leave for the Memorial Day recess without having addressed that issue.

First, a number of us think there are important things we do from time to time. Today was important for a couple of reasons. My daughter Haley, age 7, last evening, when I arrived home at 10 o’clock, because the Congress is going late every day, asked me if I was going to be able to come to her second grade puppet show this morning. And I said of course, I wouldn't miss her second grade puppet show, because she has been talking about it for a month. So I made the first votes this morning to go to my daughter's puppet show. While I regret I missed votes, I think I did what was most important.

Some of these choices that we make about what we must do to meet certain obligations sometimes are difficult—that is not a difficult one—because the schedule here in the Senate is kind of a difficult schedule. As the presiding officer knows, the difficulty in balancing our obligations sometimes presents significant obstacles for us. Almost every night this week we have worked very late. I have been a conferee on the supplemental appropriations bill as a Member of the Senate Appropriations Committee. We have been working late, after the votes. I am sure other colleagues describe Jonna Lynne Cullen, and while I did not and do not know her, the description given by my two colleagues makes me, and I hope every other colleague here in the Congress, wish we knew her. She is undoubtedly like friends that all of us have around this country, who represent the very small part of our population that gets involved and makes things happen, and truly demonstrate what good citizenship is all about.

So, while I don’t know Jonna Lynne Cullen, I commend my two colleagues from Mississippi. I also wish her well because she represents what is best of America.
that. In 1993 I cast a vote for a budget agreement that was a tough vote. It only prevailed by one vote; one vote. The Vice President had to come to this Chamber and cast the tie-breaking vote, the deciding vote. It cut spending, increased some taxes, and people said, you know what, you are right; you are right; you are right; you are right; you are right.

We are making strides to do what is necessary to get this Federal deficit under control, and if the medicine is tough medicine, so be it. We are willing to support it. I voted for it and I am glad I did.

Since that time, since 1993, we have had steady economic growth. We had lower inflation—down, down, and down for 4 years; unemployment has dropped, down, down, and down for 4 years. We have an economy that is in good shape—low unemployment, low inflation, good economic growth, and the Federal deficits have come down 75-percent since 1993. There has been a 75-percent reduction in the Federal deficit because, in 1993, we did what was the right thing to do.

My party paid an awful price for that, as a matter of fact. Some of my colleagues who were willing to vote for that are not in this Chamber any longer. But it was the right thing to do. And now the Congress takes the second step. This one, I am pleased to say, is bipartisan. The previous one, we did not get any votes from that side of the aisle—not one. And we prevailed by one vote. Today, I am pleased to say—and I hope the American people feel some comfort—that it is a bipartisan effort. The second step is bipartisan and that makes a great deal more sense in our country, for us to be working together. Instead of trying to figure out how do you get the worst of each, maybe we ought to spend time trying to figure out how do you get the best of each—some things for you, some things for the other. That is what the second step is.

Let me also, if I might, describe something that causes me enormous heartache today. I have worked for weeks with colleagues here in the Senate on a disaster appropriations bill. My colleagues in the Senate, from Senator STEVENS, the chairman of that committee, to Senator BYRD, the ranking member of the committee, and so many others on the Senate Appropriations Committee that hammered out a bipartisan job, a wonderful job of creating a disaster bill that says to the people who suffer in our region of the country: We want to help you. You are not alone.

We worked day and night and one would have hoped that a bill providing disaster relief would have been enacted before the Congress takes a recess for Memorial Day. But, guess what? Last evening we were told that the other body would not provide a disaster relief bill. All of the provisions of the disaster relief in the supplemental appropriations bill are largely agreed to. They are not in controversy. There is no disagreement. So the House of Representatives, the other body, says it just will not do it.

Let me tell you why this is important and why I think it is an enormous setback for the people who are out there, waiting for disaster aid. If some do not now know, and I expect all Americans do, having watched television, about what my constituents have faced, and the constituents in your state have faced, let me describe it again briefly: 3 years worth of snow in 3 months in North Dakota, seven to eight major blizzards closing down virtually all of the roads in the State. The last blizzard put nearly 2 feet of snow across the State of North Dakota; tens of thousands, over 100,000 head of livestock dead, 1.7 million acres of farmland inundated by water; a river not 100 yards wide becomes a lake 150 miles by 20 and 30 miles.

As that water is channeled through our cities, it reaches Grand Forks, ND, and East Grand Forks, MN, and it reaches a record level never before reached on the Red River in those two cities. And then the dike breaks in the middle of the night and the dike begins failing all across the town and the residents of East Grand Forks, MN, and Grand Forks, ND, had to flee for their lives. Many of them rushed downtown that day. They left their cars, with only the clothes on their back, having left everything behind in their homes. They have left their vehicles. They have left all their personal goods, and they get on a truck, or some other vehicle, and they head for the community. In East Grand Forks, MN, 9,000 people were evacuated. The entire town was evacuated. In Grand Forks, ND, 50,000 population, 90 percent of the town evacuated.

When you tour the town next, a day or two after the dike broke, you tour it with a Coast Guard boat and the cars that were on Main Street could not be seen because the water was well above the level of those automobiles. There was flooding of bodies in town of a town of 50,000 people or a town of 9,000 people—totally evacuated.

Then a fire starts and destroys parts of several downtown blocks. One entire block is devastated. 11 major buildings in the historic downtown Grand Forks are destroyed and firefighters, fighting a fire chest-deep in ice cold water, suffering hypothermia, were fighting a fire in a flood, trying to get in front of a fire that destroyed the downtown that day. Meanwhile, 4,000 people are out in an aircraft hangar at the Grand Forks Air Force Base leaving their homes now to sleep on a cot.

So we went to the Air Force base. Vice President GORE came to North Dakota. President Clinton came to North Dakota. And you see men and women and families, children out in these airplane hangars sleeping on cots, living in hangars because there was nowhere to go. Tonight, they will go to bed in a strange place. Tonight, they will go to bed in a strange place, and what of Members of Congress? They recessed for Memorial Day. It was time to go home. Oh, they had some unfinished business. One piece of unfinished business was to pass a bill—on a bipartisan basis—that provides disaster relief in Grand Forks and East Grand Forks and people in South Dakota and Minnesota that ‘‘you are not alone; here is a helping hand.’’ We just passed a disaster bill, but the people in the other body didn’t have time for that. Do you know why they didn’t have time for it? They said to us yesterday, ‘‘If we had taken the disaster portions out of the supplemental appropriations bill and passed them alone, we would have lost our leverage.’’

The kind of leverage is it that they are talking about, do you think? The leverage to pass an amendment that they have stuck on that bill which has
nothing to do with the disaster. It has to do with Government shutdowns—very controversial amendment—and has no relationship to a disaster bill. But they stuck it on there knowing they could hold hostage thousands of victims of these floods, and that is exactly what they did.

We have come to the end of this week, and the other body decided it doesn’t have time; they were unwilling to pass a disaster bill.

I have raised this issue now for some long while, first in the House of Representatives and now in the Senate. There is not a precedent for this. Nowhere that I know of is there a precedent for a disaster bill, when people have suffered in a region of this country, for someone else to say, “Oh, by the way, I know this is a disaster, so I am going to stick this on my agenda, and either you pass it that way or it doesn’t get passed.” At no time that I know of has someone in Congress said to those who suffered earthquakes in California or floods along the Mississippi in 1993 or tornadoes or fires, never have I heard the Congress say, “And, by the way, yes, we’re in the business of disaster relief, but we want to see extra amendments on it which are controversial, and we are willing to play with the threat of a veto by a President because we’re not so concerned about the victims of a disaster.”

We have said, “Well, it’s not urgent; it can wait a couple of weeks.” Let me describe for my colleagues why it is urgent and why what the House has done, if it continues to do it—and it looks like it will—why it is significant to the people of our region.

The money in this bill, $500 million for Community Development Block Grants, which is the most flexible money available to help rebuild and recover, cannot be made available, cannot be lifted out, cannot be committed by these cities to say to those folks who lost everything, and lost their homes especially, that “here is our new floodplain, here is where we are going to buy out the homes, here is a commitment we will buy out your home, and now you can start building anew.” This delays that. It delays recovery. It delays rebuilding. It delays repair. And delay is critical in our part of the country.

We had our very short construction season. This 2-week delay, 4-week delay, or 6-week delay, whatever it turns out to be, is a devastating delay to people who are not in their homes and who are awaiting answers from local officials about what will happen to the home that is already destroyed. So, Mr. President, there is no excuse for what has happened. I want to make it clear that the Senate Appropriations Committee created a disaster portion of this bill that is a wonderful, wonderful piece of work, to the people of our region.

I commend Senator STEVENS and Senator BYRD and all of the people who worked together to do that. That is not where the problem is. They are to be complimented. The problem exists because we had some folks on the other side of the Capitol who said, “We don’t care. We’re leaving. We’ve got a plane ticket and a ride out of town.” I ask them now on their way, if they have the time in the next week when the Congress is on recess, to stop by Grand Forks, ND. I just finished talking to the mayor. There is a line of people outside the civic center, and every committee is asking, “What is happening to the funding? Do you have the ability to commit so we know if there is going to be a buyout of our house? Do you have some commitment to rebuild?” Every one of them is asking, “When will we know?”

To those who believe it is important to go on recess and ignore the needs of people in a disaster, I say, “Stop by Grand Forks and explain to those folks why that was their priority.” This disaster bill is a good portion of the bill. The Senator from Washington is here. He serves on the Senate Appropriations Committee with me. All of it with respect to disaster is now agreed to—all of it. I compliment every member of that committee because they have done a wonderful job. It simply could have been lifted out and passed so at least the disaster portion is available, because we did it and did it right. Republicans and Democrats working together did it right.

But what happened was, last evening, some folks on the other side said, “We’re sorry, we’re just not going to do that, we’re going home.” And if I sound a little angry—I guess that is probably an appropriate word to describe it. I don’t think that I ought to stand here and say, “Well, that’s the way the system works.” I represent thousands of people who don’t have a home, thousands of people who don’t have much hope, who are asking for help. And I think it is unacceptable that anyone on that side of the Capitol believes it is appropriate to leave those people high and dry without an answer, without hope, and without help.

Oh, yes, it is going to come, and when it comes, I am going to be thankful that it is there. But, between now and then, it is delayed—delay of recovery, delay of rebuilding and delay of our job, yes, our job as North Dakota taxpayer to help them. “We want to help you.”

The same is true of every region of the country that has suffered disaster. It is important for us to reach out and do it now when we need help for the rest of the country to do that. The Senate Appropriations Committee was prepared to do it and had written a piece to do it. Regrettably, it is Friday afternoon, and it now looks like there will be a recess without disaster aid going to people who will not be sleeping in their bed—not a hundred of them, not a thousand of them, but thousands and thousands—who the mayors of these cities say await word of when this help is coming.

I don’t know if there is going to be other news today on this subject, but I hope some way is found and that this will not be the last message as this Congress leaves for the Memorial Day recess. If it is, I pledge to be on the floor the first time this Congress reconvenes to say to my colleagues that now is the time to at least pass the disaster portion of this bill.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. LEVIN. I wonder if the Senator from Washington will yield for an inquiry to how long he would like to be.

Mr. GORTON. The Senator from Washington will take somewhere between 10 and 15 minutes.

Mr. LEVIN. I thank the Senator.

BUDGET RESOLUTION

Mr. GORTON. Mr. President, the budget resolution which has just been adopted by this body is a remarkable achievement. It is a remarkable achievement partly because, for the first time in decades, it was adopted by a large bipartisan majority rather than as a simple partisan document. It is a remarkable achievement as well, I believe, because each of the 78 Members of this body who voted for it did so with serious reservations about substantial portions of that budget resolution. Yes, it meets the primary objective of the President and of the vast majority of Members in Congress in that it provides the framework which the budget will, in fact, come into balance shortly after the turn of the century.

Yes, it does, in fact, limit spending and the growth of Government to a slower rate at least than would take place were we on automatic pilot.

Yes, it meets some but by no means all of the President’s priorities as he outlined them in his State of the Union Address.

And, yes, it provides very real tax relief for the American people, most particularly for working American parents and their children. But those of us for whom tax relief was a major goal are unhappy because it is insufficient and because there are too many new spending programs, and those relatively indifferent to tax relief but in favor of all of the President’s priorities, and more, are unhappy because there is not enough spending included in this resolution.

In the long run, however, Mr. President, I believe that it represents a triumph, or rather the culmination of a set of conflicting ideas which somehow
or another have joined together to make a real success.

In 1993, along with every one of my colleagues on this side of the aisle, I opposed President Clinton’s first budget in the firm belief that it would result in harm to our economy. Yet in a very real sense we were wrong. For a group of reasons, the budget deficit did, indeed, decline and economic opportunity did, indeed, increase.

In 1995, as a part of a majority, we proposed a change in direction, a real balanced budget for the first time, genuine tax relief for the first time and major reforms in entitlement programs designed not only to help the taxpayers’ pocket, but to save the future of Medicaid and of Medicare.

That resolution never became law because of the President’s veto, but it did have one tremendously positive impact. For the first time, the President and a majority of his party dedicated themselves actually to balancing the budget. During the entire year during which that 1995 budget was debated, interest rates declined, it became easier and easier for the people of the United States to purchase homes, purchase automobiles, start new businesses, provide jobs. Only yesterday, some law that would have increased the money today while sending the bills to our children and to our grandchildren.

I am convinced, in spite of my own disagreement with some of the policies in this proposal, that it will have noth-
Mr. DASCHLE. Mr. President, I was not able to come to the floor as the Senator from North Dakota was expressing himself with regard to the disaster, and I know that the Presiding Officer, the Senator from Minnesota, [Mr. GRAMS], has worked long and hard to work with all of us as we have made the effort to address the extraordinary concerns, the extraordinary difficulties, and the extraordinary pain that people in Minnesota and the Dakotas have faced now for the better part of 6 months. First, the harsh winter months, cold and snow and ice in many cases precluded farmers from feeding their livestock, and in many cases caused the death of hundreds of thousands of animals. Only to be followed by floods and other spring disasters that have left many thousands of people homeless in all three States.

After visits which the President, the Vice President, the Speaker, the House majority leader, and others, they have made a national commitment to address this problem and to find ways in which to help these people as quickly as we possibly could. There were editorials written about the great bipartisan effort that has been made in order to do all we could to address the matter in an expedient and comprehensive manner.

I am very saddened by what has happened in the last 48 hours. I am troubled by the fact that there are those who still wish to use the effort to provide this assistance to people who need it so badly as the vehicle for an agenda that has nothing to do with the disaster, as a vehicle to address other needs, other concerns that may or may not be legitimate but have absolutely no reason for being associated with this bill, have absolutely no reason for being attached to this legislation.

I am troubled that anybody would use the kind of cynical approach to hinder our efforts to find ways with which to address this problem as quickly and as seriously as we possibly could. We have no business leaving the Senate and leaving the House under these circumstances.

I go back to the majority leader as he comes to the floor, because I do believe he made every effort to try to address this problem as successfully as he could. I know he has attempted to find ways in which to extract those problematic provisions from the bill. I know of his efforts yesterday. I am very disappointed that even with his efforts we failed. I also applaud the distinguished chairman of the Appropriations Committee. Senator STEVENS has done great work in attempting to find ways with which to address this problem.

So I must say, Mr. President, on a bipartisan basis I believe our body has done a great deal in attempting to avert the extraordinary calamitous circumstances that we are facing right now. It is going to be very difficult to go home, as I will, to speak to the people of Watertown, SD, not only on Memorial Day but at their high school commencement this year and explain what happened, explain why this Congress has left town without completing its work on this very important matter.

Mr. President, there are no words to describe how badly some of us feel, how frustrated, exasperated, and angered we are at these circumstances. We can only hope that upon our return, these political games and these ploys that have nothing to do with this legislation can be averted and we can deal with them far more effectively and address it in a comprehensive way. At that time, we will still, as late as it will be, give people hope that we understand their pain, that we understand their concern, and we will respond as best we know how to do it. It is only that hope that allows me with a very heavy heart to leave this town with our work incomplete.

Mr. President, I hope all of us will redouble our efforts as we return. Let us get the job done. Let us do it right. Let us do it understanding completely how difficult a circumstance people in our States and States around the country must now face.

I yield the floor.

Mr. LOTT. Mr. President, I do have some unanimous-consent requests to make and an Executive Calendar list. First I want to say to the distinguished Democratic leader I understand his concern for children's health. The net effect of this amendment would have been to raise taxes by $30 billion and spending by $20 billion, period. I have several reasons for opposing an amendment of this sort.

First, I am not opposed to taxing cigarettes in order to raise the tax. I think taxes elsewhere or fund important programs, and this vote should not be interpreted as such. The net effect of this amendment, however, would be to reduce the net tax cut contained within this resolution—tax cuts targeted at families, education, and pro-growth policies—by $30 billion. The tax cut contained in this resolution is already less than 1 percent of the total Federal tax burden over the next 5 years, barely adequate to provided badly needed tax relief to families and small businesses. I believe that level is already too low, and I certainly do not support making it smaller.

Furthermore, nothing prevents Senator HATCH, as a member of the Finance Committee, from offering his proposal as part of the reconciliation process. An amendment offered in the Finance Committee to increase tobacco taxes in order to provide additional Medicaid funding for children's health insurance would be in order. I might support it. The amendment considered by the Senate Wednesday, however, does nothing to further the prospects of such an effort.

On the other hand, this amendment does expand the reconciliation instructions of the Labor Committee, where Senator KENNEDY is the ranking member. This amendment would provide the Finance Committee an additional $2 billion and the Committee on Labor a whopping $18 billion. Notwithstanding the debate over taxes or children's health, there is no disagreement that both these issues belong in the Finance Committee—not Labor. The construction of this amendment appears motivated more by the jurisdictional concerns of Senator Kennedy than a concern for children's health.

Finally, Mr. President, this amendment ignores the $16 billion already
provided by the resolution for children’s health insurance. Neither Senator KENNEDY nor Senator HATCH advocated targeting health insurance. Neither Senator MOYNIHAN nor Senator HATCH advocated this issue, and it endangers the $16 billion already provided for children’s health.

I would also take this opportunity to speak about the Gramm amendment to reduce discretionary spending by $76 billion and increase the net tax cut in the resolution by a like amount. Mr. President, the federal deficit this year will now be $70 billion for the first time in almost 20 years, largely because Congress over the past 2 years held the line on Government spending and taxation. We resisted efforts to raise spending above reasonable levels and we opposed efforts to raise the already record tax burden on American families. And while I intend to support this resolution because I believe, on balance, that it will result in a smaller, more efficient Government, I am concerned that the spending proposed by this agreement is too high, and that it plants the seeds for ever-expanding Government down the road.

How much spending does this resolution contain? For discretionary spending, this resolution spends $221 billion more than the 1995 budget resolution, $189 billion more than last year’s budget resolution, $75 billion more than the moderate group’s budget alternative last year, and just $16 billion less than the President’s budget this year—without the triggered cuts he proposed to ensure his budget gets to balance. With regard to the Gramm amendment, the underlying resolution spends $76 billion more than the President proposed just last year. The Gramm amendment to reduce overall spending levels by $76 billion and to target that savings toward tax reduction.

Mr. President, last Congress I collaborated with a group of Senators and Representatives to make the Federal Government more efficient by eliminating wasteful programs and consolidating duplicative agencies. In our work, we proposed to eliminate three Cabinet-level agencies—HUD, Commerce, and Energy. Moreover, we advocated targeting both spending and tax cuts to provide unwarranted benefits to corporations, so-called corporate welfare. The point of this effort, Mr. President, was to make the Federal bureaucracy more rational and efficient and to reduce the burden of government on Americans. Mr. President, I believe the Gramm amendment is in line with our on-going efforts to streamline the Government and make it more responsive to American citizens. This level of spending is less than 1 percent of the total Federal tax burden over the next 5 years. It is barely sufficient to provide families with a pared-down $500-per-child tax credit, a reduction on the capital gains tax rate, estate tax reform, and an expansion of IRA’s.

Mr. President, the tax burden is at its highest level in American history, with the typical American family paying almost 40 percent of their income to State and Federal governments—more than they spend on food, clothing, and housing combined. With the Gramm amendment, the tax relief contained in this resolution would still be modest—less than 2 percent of the total tax burden—but it would allow us to fully fund the $500-per-child tax credit, cut the capital gains rate in half, provide relief from the onerous estate tax, and expand eligibility for IRA’s. These are important reforms that I have been working on for my entire tenure in the Senate and I will continue to work to provide meaningful tax relief to American families beyond the tax cuts included in this resolution.

I yield the floor.

CONCURRENT RESOLUTION ON THE BUDGET

Mr. MOYNIHAN. Mr. President, as we were voting on various matters this morning, leading to passage of the concurrent resolution on the budget for the fiscal year 1998, which I voted against. I found myself musing of the very different time just 4 years ago when a starkly divided Senate passed a balanced budget balanced more than that before us today. In an interval between votes, I wrote to the members of the Finance Committee of that time:

As we close out this embarrassing budget season, cutting taxes, increasing some spending, providing benefits in the net in the first century, it might indeed be taking from the rich.

How do we know this? Because the unexpectedly high revenue inflows have come from taxes other than those withheld by employers. These “non-withheld” taxes are mainly paid by wealthier taxpayers, who owe taxes on other income such as stock options, bonuses, and interest. According to the Monthly Treasury Statement, the Treasury took in $110.8 billion in non-withheld revenues, almost twice
what it received in 1992, before enactment of the 1993 legislation.

It fell to the Finance Committee to assemble the package of spending cuts and, yes, tax increases that would pass the Senate. It was not easy. In the end, we put it through without a single Republican vote. One Republican Senator declared on this floor:

"We are buying a one way ticket to a recession. * * * When all is said and done, people will pay more taxes, the economy will create fewer jobs. Government will spend more money, and the American people will be worse off.

It was not pleasant. But we were clear. On June 23, 1993, as the Senate debate on the bill was coming to a close, I put it this way:

"Why do we have to do it, Mr. President? Because after 12 years of mounting deficits and devastatingly increased debt, we are sending a message to the financial markets of the United States and of the world, which now have as much effect on our affairs in a manner never before known because of the debt we have incurred, that we are going to stop it.

We made the tough choices in 1993, and they have paid off handsomely in economic and fiscal dividends.

Now compare 1993 with what we are doing now. We are failing to address the overstatement of the cost of living by the Consumer Price Index, this budget misses a historic opportunity. An accurate cost-of-living index, as recommended by the Advisory Commission to Study the Consumer Price Index appointed by the Finance Committee—the Boskin Commission—would have saved $1 trillion in 12 years, freeing us from the protracted fiscal crisis of the last two decades. Had we seized the opportunity, we could now be taking on big issues, such as the future of Medicare and Social Security. Instead, the all-consuming quest to reach balance—if only for a moment in the year 2002 has reduced this to a series of small debates over often derisory sums.

This budget also fails to address the demographic problems facing our two biggest Federal entitlement programs, Social Security and Medicare. These are the serious issues in Federal budgeting, yet this resolution postpones the day when Congress must, inevitably, confront them. Even so, it should be recorded that a correction of 1.1 percentage points in the measurement of the cost of living would in an instant have kept Social Security in actuarial balance until the year 2052.

This resolution unwisely calls for net tax cuts of $250 billion over 10 years. Coupled with this budget’s failure to address long-term entitlement spending, these tax cuts will lead us right back to giant deficits in the outyears. Preliminary estimates, which are just beginning to come in, indicate that in the second 10 years, 2008-2017, the proposed tax cuts could lose in excess of half a trillion and more in 2017.

Even if one believes, as some do in good faith, that tax cuts are necessary and appropriate at this point, the particular tax cuts agreed to by the White House and the Republican leadership will make for poor tax policy. It is beyond any serious dispute that the proposed reductions in the rate of tax on capital gains will disproportionately go to very high-income taxpayers. Likewise, the estate tax relief called for in this budget will benefit a tiny fraction—less than 1.5 percent—of estates. And the proposed tax cuts for education, most thoughtful observers agree, could be better spent in ways that would help students and their families, such as making permanent the provisions for employer-provided educational assistance.

Nor does this budget follow the spirit of the 1993 legislation in the area of deficit reduction. The provisions of the 1993 act were initially estimated to reduce the deficit by $500 billion over 5 years; in fact it reduced the deficit by nearly twice that amount. The deficit reduction in the budget before us is questionable; its balance in the year 2002 will be momentary at best. And it makes only feeble, shortsighted choices in tax and entitlement policy.

In sum, Mr. President, I voted “no” because this budget is an unworthy precursor to the Balanced Budget and Budget Reconciliation Act of 1993, which was perhaps the most consequential legislation of this decade. I ask unanimous consent that the article from the Wall Street Journal of May 22, 1997, be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**CONGRESSIONAL RECORD — SENATE**

**S5099**

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**THE BIG DEBT PAYMENT**

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**By Michael M. Phillips**

**WASHINGTON**—President Clinton sold the 1993 income-tax increase as a way to shrink the budget deficit at the expense of the rich. Republican advisers predicted it wouldn’t generate much revenue because the rich would work less and take bigger deductions: Now there’s growing, if still tentative, evidence that Mr. Clinton may have been right after all.

The recent flood of revenue pouring into Treasury coffers—enough to push the federal budget to a record $35.94 billion for the month of April—appears to have come mostly from the nation’s biggest earners, indicating that the controversial tax increase may indeed be taking from the rich. “The available data suggest the surge in tax collections has come from the taxpayers with high incomes, who were the only ones affected by the 1993 changes,” says Deputy Treasury Secretary Lawrence Summers.

Corporate taxes, which were increased modestly under the 1993 law, also have brought in more revenue, but at about the level the Treasury had been predicting.

Treasury officials had expected healthy revenue growth from the tax changes all along. After all, the economy has been expanding at a solid pace, unemployment stands at 4.9% of the work force, meaning more people are taking home paychecks, making money on stock options, raking in bonuses—and therefore paying in taxes.

**SURPRISING AMOUNTS**

But the dimensions of the inflows caught officials by surprise. Individual income-tax liabilities rose about 11% in the fiscal year ended Sept. 30, 1995, and a further 12% in fiscal 1996. Data aren’t yet available to prove whether those sudden increases came from the poor, the rich or the middle. Treasury officials see convincing signs, however, that upper-income Americans are behind the revenue surge: Middle-income workers usually have their taxes withheld by their employers. Upper-income taxpayers are much more likely to receive yearly bonuses or income from exercising stock options, so they are also more likely to have to send in checks with their returns.

The payroll tax increases from those non-withheld taxes are running many billions of dollars above the Treasury’s expectations. In April, when individual returns were due, the Treasury took in $1 billion in nonwithheld tax revenues, up from $99 billion in April 1996 and nearly twice the $57 billion it received in April 1992, before the tax increase took effect.

“IT turned out we got more revenues than we anticipated and also more revenues than could be explained by the growth of the economy,” says Erich J. Toder, an economic consultant and Mr. Clinton’s former deputy assistant secretary of the Treasury for tax analysis.

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**BIG DEBT PAYMENT**

Some of the revenue growth could be coming from individuals who are cashing in stock options. And some companies are no longer deducting the cost of their own taxes. But, on balance, the government is taking in billions more than it had expected, and much of that is in the form of non withheld individual income taxes. In fact, revenues have been running so high even conservative budget watchers have reduced their deficit projections.

And last month, the Treasury announced the government would pay off $65 billion of the federal debt—the largest such payback ever. And $50 billion more than officials had planned just a few months earlier.

The inflow provides persuasive, if not conclusive, evidence in the continuing debate over the economic impact of the 1993 tax increases, which raised marginal income-tax rates to 39% from 31% on taxable incomes between $140,000 and $250,000 and 36% on incomes above $250,000. The law also effectively boosted Medicare taxes on high-income individuals and implemented other changes.

The package, part of the 1993 budget agreement, drew harsh criticism from the right. Texas GOP Rep. Dick Armey, who is now the House majority leader, predicted dire results. “Who can blame many second-earner families for deciding that the sacrifice of a second job is no longer worth it?” he wrote.

And Texas Sen. Robert Packwood, an Oregon Republican and chairman of the Senate Finance Committee, made this forecast: “I will make you this bet. I am willing to risk the money on it. . . . The deficit will be up; unemployment will be up: in my judgment, inflation will be up.”

**ARMSY PRAISES CONGRESS**

Mr. Packwood later acknowledged that his prediction was wrong. A spokesman for Mr. Armey credits the Republican-dominated Congress, not the tax increase, for sparking economic growth and higher tax revenues.

Other doom-sayers, in the face of a booming economy, have softened their predictions. Both Sens. Phil Gramm and David B. Akaka, Democrat and chairman of President Reagan’s Council of Economic Advisers, took a more academic approach to analyzing the tax increase he labeled “a bad mistake.”

In a 1995 study, Prof. Feldstein, who counts Mr. Summers among his former students,
and co-author Daniel Feenberg argued the increase had produced disappointingly little revenue—just $9 billion in 1993—while encouraging the rich to work less, deduct more and give other behavior to pay more money to the government. In particular, couples with joint incomes of $140,000 to $180,000 were more inclined to seek larger income tax benefits from the time off instead of working extra hours or otherwise reduce the amount of income they would have to report as taxable, Prof. Feldstein says.

Even now, with the Treasury flush, Prof. Feldstein contends that the tax increase has proved to be an unjustified drain on the U.S. economy. The unexpected revenue surge could in fact have harmed the spectacular performance of the stock market—and executives’ stock options—in recent years, he says. Besides, he adds, the budget situation would have been even better without the tax boost.

That what-if question is a thorny one. Hard data aren’t yet available to show whether in fact the tax increase led high-income Americans to reduce their taxable income in 1995 and 1996.

But present and former Treasury officials say that the tax increase doesn’t resolve the debate against Prof. Feldstein and indicates that taxes are probably raising large sums from the wealthy.

The basic fact is that people looked at the 1993 budget agreement and said there’d be a recession, the deficit would go way up and that tax collections would go way down, says a Treasury official. That has happened; there has been a boom, the deficit has gone way down and tax collections have gone way up.”

FISCAL YEAR 1998 BUDGET RESOLUTION

Mr. MCCAIN. Mr. President, today I voted with the majority of my colleagues in supporting the bipartisan budget agreement embodied in the Fiscal Year 1998 Budget Resolution. While I have serious concerns about several aspects of this agreement, I am hopeful that time will prove me wrong and the American people will actually realize the benefits of permanent tax relief and deficit reduction that are promised in this agreement.

First, I want to thank my colleague, Senator DOMENICI, for his hard work and excellent management of this difficult bill. In particular, I am grateful for his cooperation and support for my amendment regarding concerns about overly optimistic estimates of revenue from the future auction of broadcast spectrum. I am committed to enacting legislation to mandate these auctions over the next 5 years, but I am very concerned that this budget assumes much greater revenues from spectrum sales than can reasonably be anticipated at this time.

Both Senator DOMENICI and I agree that spectrum auctions will raise a considerable amount of revenue for the Treasury. However, we also share the common concern that auctions depend on supply and demand, and therefore, the revenue received will undoubtedly fluctuate during today’s estimates.

The amendment that Senator HOLINGS and I offered simply states, that if the revenue from future sales falls short of the estimates in the resolution, deficit reduction targets will not be met. In that event, my amendment would require the Senate to find other savings or revenue to ensure that we stay on track in eliminating annual budget deficits by 2002. Senator DOMENICI’s amendment was critical to its adoption by a vote of 84 to 15. I am counting on him to work with Senator HOLINGS and me to identify spending cuts in the event spectrum sales fall short of the revenue estimates in the bill.

Mr. President, I have listened carefully to my colleagues who have discussed problems with the economic estimates underlying this plan. I, too, was disturbed when the Congressional Budget Office released a new estimate of future tax revenue just hours before the President and the Congressional negotiators on this balanced budget deal announced a final deal. While time may validate CBO’s more optimistic estimates, the sudden announcement of an additional $225 billion in taxes was disconcerting, to say the least. While our economy’s performance in recent months could very well justify a near-term revenue increase, I am concerned that the high rates of economic growth forecast into the next century might be too optimistic. More importantly, this tax windfall could hamper efforts in the near term to reduce both discretionary and mandatory Federal spending.

Mr. President, under the plan in this resolution, we will continue to carry an annual deficit for the next 4 years. Our Nation’s burden of debt will increase to $6.5 trillion by the year 2002. Annual appropriations spending will continue to increase under the plan in this resolution. I hope the Congress will resist the temptation to spend up to the limits in this resolution, and will instead work to advance the date when our budget is in balance and we begin to whittle away at the national debt.

The most important and promising aspect of this resolution is its promise of permanent tax relief for Americans. The resolution sets up a procedure for swift enactment of a bill to provide tax relief that will create jobs and provide the fuel for even greater economic growth in our Nation.

The $500-per-child tax credit will give immediate and permanent relief to middle- and low-income families. Capital gains and estate tax relief will spur investment in new enterprises and reinvestment in family and small businesses. Until this agreement, the President had been implacably opposed to these profoundly and pro-small-business tax reforms. Early enactment of these tax relief measures should be the first order of business for the Congress under this agreement.

Mr. President, in the 15 years I have spent in the Congress, I have seen many plans and proposals to balance the budget. Yet, today, our Nation bears the financial burden of a $5.3 trillion debt. Yet, I voted for this plan because I remain hopeful that the Congress and the President are committed to both the letter and the spirit of the agreement reached just a few weeks ago. I look forward to working with my colleagues to enact the much-needed tax reform promised in this resolution and to ensure we carry out the terms of this agreement to achieve a balanced budget by the year 2002.

LOIS PALAGI

Mr. BAUCUS. Mr. President, I rise today to commend Mrs. Lois Palagi, a third grade teacher at West Elementary School in Butte. I want to recognize Lois because she has distinguished herself as one of the best and most beloved teachers in the community of Butte.

In Montana we pride ourselves on providing our children with a top notch education. And we do a great job. But there are many teachers who have grown up under her watchful eyes to become responsible, hard-working adults because she led by example. And now she leaves behind a legacy of dedication, caring and love for teaching. She has brought great honor to her noble profession.

At the end of this school year, Lois will begin a new undertaking—retirement. She will be able to spend more time with her husband Larry, son Mark, and daughter-in-law Linda. And devote more of her time to her three grandchildren: Bob, Jessica, and little Andie Elizabeth. She will be dearly missed at West Elementary School. But I’m certain she will be heartily appreciated as she spends more time with her family.

Mr. President, it is impossible to count the number of lives that one person touches during his or her life. But I do know that in 35 years of teaching, that number is sure to be a mighty sum. I would just like to add my voice to all the others and say “Thank you, Lois.”

And good luck in your retirement.

DISASTER ASSISTANCE APPROPRIATIONS

Mr. BYRD. Mr. President, I deeply regret that the other body has chosen to stand in recess for the Memorial Day break without having passed disaster assistance appropriations for the hundreds of thousands of victims of natural disasters in 33 states throughout the country. As all members are aware, yesterday afternoon the House
of Representatives, by a vote of 278–67, rejected an adjournment resolution. Immediately following that vote, according to press accounts, the distinguished chairman of the Appropriations Committee, Mr. LIVINSON, sought recognition for the purpose of attempting to bring up a clean disaster assistance supplemental appropriation bill intended to provide sufficient and necessary assistance for a number of programs to ensure that there will be no delay in getting assistance to the victims of these natural disasters. As I understand it, the total amount of that proposal was approximately $1 billion. Had the House taken it up and passed this interim disaster assistance bill, I am certain the Senate could have done the same and the President had indicated that he would have signed it.

The larger disaster assistance supplemental bill that is in conference contains some very controversial and difficult issues which have nothing to do with providing the necessary funds for disaster victims, or with the nearly $2 billion contained in the bill for aid to our men and women in uniform around the world—particularly Bosnia—engaged in peacekeeping operations—or with the $750 million in funding for veterans compensation and pension. The conferees are in agreement, to a large extent, with the funding issues in the bill. But, these contentious, extraneous issues hold up the progression of the conference despite the skillful and patient manner with which the distinguished chairman of the conference, Mr. LIVINSON, has conducted each meeting of the conferees. He has shown the ability to proceed as expeditiously as possible, while at the same time protecting all Members' rights to fully air their views on each matter before the conference. I have nothing but high praise for his leadership, as well as that of the distinguished ranking member, Mr. STEVENS, as well as for all of the chairmen and ranking members of this conference who have worked many hours to resolve most of the differences in the bill. I would have preferred, as am sure all of the conferees would have preferred, to be able to stand here today urging the Senate to adopt a completed conference agreement on H.R. 1469, the emergency disaster assistance supplemental appropriation bill.

Since, for the reasons I have stated, that was not possible, I express to the American people and particularly to the hundreds of thousands of disaster victims throughout the country, my deep regret that their elected representatives in Congress have chosen to recess for the Memorial Day holiday without having taken any action to address their desperate need for Federal assistance. At the same time, I urge them not to despair and pledge my efforts to do what I can to work with the distinguished chairman of the committee, Mr. STEVENS, and the distinguished chairman and ranking member of the House Appropriations Committee, Mr. OBEY, to complete final action on H.R. 1469 as quickly as is humanly possible when the conference next convenes, hopefully during the first week of June.

NATIONAL EMERGENCY MEDICAL SERVICES WEEK

Mr. BYRD. Mr. President, this week is National Emergency Medical Services Week. The people who work and volunteer in the emergency medical services field provide an invaluable service for all American citizens—they provide us with a safety net. This is necessary because regardless of how careful we try to be, we are all subject to the whims of fate. Common sense and practicality are often not enough to prevent accidents caused by the carelessness of ourselves or others. In these times of need, we rely on dedicated emergency medical services personnel. They are those of us when we cannot take care of ourselves. I want to take this time to recognize the special disposition that a person must have to be an emergency medical service worker. These people all share common characteristics such as the desire to help, as well as the ability to feel empathy for, the people they assist. Of course, kindness and willingness to help alone are not enough. These workers must also possess the skills needed to do the job and to do it well. These skills can only be acquired through hard work and dedication. The working lives of emergency medical service workers are characterized by a lack of predictability in both content and scheduling. They have no routine to rely on. They truly must be ready for any thing at any time.

Although emergency medical service workers across the country have many things in common, they also face many different challenges every day. There are some who must fight traffic, some who fight long distances and bad roads, and some who are forced to face the fear and possibility of losing their lives in order to try and save ours. Despite all of the challenges and dangers faced by these dedicated workers, they continue to be efficient, to be dependable, and to be effective in saving lives day after day.

In a world which is fraught with peril, it comforts me to know that there are people that we can count on to rely on. They truly must be ready for anything at any time. Although emergency medical service workers across the country have many things in common, they also face many different challenges every day. There are some who must fight traffic, some who fight long distances and bad roads, and some who are forced to face the fear and possibility of losing their lives in order to try and save ours. Despite all of the challenges and dangers faced by these dedicated workers, they continue to be efficient, to be dependable, and to be effective in saving lives day after day.

In a world which is fraught with peril, it comforts me to know that there are people that we can count on in our hour of need. And so, Mr. President, I am proud to recognize this week as National Emergency Medical Services Week to acknowledge the important work and strong character of the dedicated emergency medical services personnel. We are fortunate to have this opportunity to show our appreciation for all of their tireless work on our behalf.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, May 22, 1997, the Federal debt stood at $5,344,819,275,286.24. (Five trillion, three hundred forty-four billion, four hundred eighty-six billion, two hundred eighty-six dollars and twenty-four cents)

One year ago, May 22, 1996, the Federal debt stood at $5,117,440,000,000. (Five trillion, one hundred seventeen billion, four hundred forty million)

Five years ago, May 22, 1992, the Federal debt stood at $3,796,000,000,000. (Three trillion, nine hundred twenty-six billion, two hundred eighty-eight million)

Ten years ago, May 22, 1987, the Federal debt stood at $2,389,817,000,000. (Two trillion, two hundred eighty-nine billion, eight hundred seventeen million)

Twenty-five years ago, May 22, 1972, the Federal debt stood at $428,608,000,000. (Four hundred twenty-eight billion, six hundred eight million) which reflects a debt of $9,206 billion.

One hundred eleven million, two hundred twenty-one trillion, two hundred twenty-six billion, two hundred twenty-five million, two hundred eighty-six dollars and twenty-four cents) during the past 25 years.

HONORING ASTRONAUT JERRY LINENGER

Mr. LEVIN. Mr. President, tomorrow we will welcome home a true American hero, Eastpointe, MI native, astronaut Jerry Linenger. Jerry is returning to Earth this weekend aboard the space shuttle Atlantis after a 5 month mission on the Russian space station, Mir.

I am sure that Jerry expected his 5 months in space to provide him with innumerable opportunities and challenges, but the challenges he and his crewmates faced were way beyond expectations. They had to fix antifreeze fume leaks which threatened the space shuttle Atlantis. They also had to repair generating systems malfunctioning, forcing the crew to activate three backup oxygen canisters each day to provide them with the oxygen they needed to breathe. And, Jerry and his Russian fellow scientists had to extinguish the worst fire ever aboard an orbiting human spacecraft, an ordeal which captured the attention of millions of people in the United States, Russia and around the world. It seemed from this week's TV coverage on the Russian space station, Mir, that we were watching a movie, not a real story.

Jerry Linenger's professionalism came through. He was a true American hero, Eastpointe, MI native, astronaut Jerry Linenger. Jerry is returning to Earth this weekend aboard the space shuttle Atlantis after a 5 month mission on the Russian space station, Mir. His professionalism came through. He was a true American hero, Eastpointe, MI native, astronaut Jerry Linenger. Jerry is returning to Earth this weekend aboard the space shuttle Atlantis after a 5 month mission on the Russian space station, Mir.

While the drama played out in space, Jerry Linenger's professionalism came to the fore. He continued his work on the Russian space station, Mir, that we were watching a movie, not a real story. Jerry Linenger's professionalism came through. He was a true American hero, Eastpointe, MI native, astronaut Jerry Linenger. Jerry is returning to Earth this weekend aboard the space shuttle Atlantis after a 5 month mission on the Russian space station, Mir. His professionalism came through. He was a true American hero, Eastpointe, MI native, astronaut Jerry Linenger. Jerry is returning to Earth this weekend aboard the space shuttle Atlantis after a 5 month mission on the Russian space station, Mir.

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the scientific experiments he was scheduled to complete, including experiments on materials which may be used in future spacecraft, and tests on how living in space affected his immune system. He also brought his experiences home to Earth by writing letters to his son, John, on NASA’s World Wide Web page, as well as by participating in the Mir international amateur Radio experiment. Using this new technology, Jerry linked up with a fifth grade class in Charlevoix, MI. In one of the messages to his son, John, explained one facet of life in space: “When running on the treadmill, we sweat. From our skin, the moisture evaporates in order to cool our bodies (By the way—those doggies you are so fascinated with use their tongues, panting, to ‘sweat’ and regulate their temperature). The sweat evaporates into the air. This water, along with all the other humidity in the air is condensed on cold coils (just like the outside of your cold bottle getting wet on a hot day) and collected. Biocide is added, the condensate boiled, and we use it to drink or rehydrate our freeze-dried foods. Delicious.

We have all felt the joy which comes with returning home from a long trip, but there are few people alive who truly know the feeling Jerry Linenger will have after returning from 5 months orbiting the Earth. Jerry’s wife, Kathryn, and young son, John, eagerly anticipate his return for many reasons, not the least of which is the fact that Kathryn is due to give birth to their second child in early June. It appears that Jerry will make it home in time.

I would like to express my deepest admiration for the accomplishments of Jerry Linenger. We can all benefit from his example of courage, perseverance, and professionalism. Jerry has said that upon his return to Earth, he hopes to spend time with his family and one true love that brought him home: Michigan and finding an old timer that knows how to fish and doesn’t like talking a lot . . . just sitting down by the stream and breathing fresh air in and the fresh water.” I, for one, hope he gets that chance. I know my colleagues join me in welcoming Jerry Linenger back to Earth, and in congratulating him on a mission heroically accomplished.

REGARDING THE DEDICATION OF THE JACK SWIGERT MEMORIAL

Mr. CAMPBELL. Mr. President, today I take this opportunity to call my colleagues’ attention to a historic event which occurred today in Statuary Hall, just down the hall from this chamber—the unveiling of Colorado’s statue of Jack Swigert. I commend and applaud the efforts of all those Coloradans who helped to bring the Jack Swigert statue to Washington and Statuary Hall.

The inclusion of this statue would not be possible without the efforts of many Coloradans, who I would like to thank for their tireless efforts.

Among the individuals who worked on this project, the members of the Jack Swigert Memorial Commission should be mentioned for their dedication. Holly Cooper, Main Fish, Don Friedian, Jim Gallagher, Virginia Swigert, and Carl Williams all worked tirelessly under the chairmanship of Hal Shroyer. Has has spent 10 years on this project, and I am happy that he can see his goal achieved today.

The one who will be honored by the Republican Men’s Club also stands out for its large contribution. Members lobbed the State legislature and donated substantial amounts of time and money in an effort to commission the statue.

Of equal importance to the effort was Veterans of Foreign Wars Chapter 11229. It was commissioned solely for the purpose of persuading the State legislature to create the statue of Mr. Swigert and put the initiative on the ballot. Mr. Swigert was a lifelong member of VFW Post No. 1, which is the oldest VFW in the Nation founded after the Spanish-American War.

Due to the dedicated efforts of these individuals and the many others involved in this project, Jack Swigert will be remembered and honored as a true American hero with this statue we dedicate to him today. And, its statue will represent Colorado with honor and distinction here in the U.S. Capitol for generations to come.

I thank the Chair and I yield the floor.

OUTSTANDING NM SMALL BUSINESSES

Mr. BINGAMAN. Mr. President, I rise to honor New Mexico’s outstanding small businesses and business advocates as selected by the U.S. Small Business Administration. I will not be able to attend the awards luncheon but I do want to recognize the significant accomplishments of these New Mexican entrepreneurs.

NEW MEXICO SMALL BUSINESS PERSONS OF THE YEAR

The top SBA award this year goes to Mary Jean and Andrew Christensen, owners of Elite Laundry Co. in Gallup, NM, who were selected as New Mexico’s Small Business Persons of the Year. The Christensens are among the 53 top small businesses owners in the Nation who will be honored by the SBA in Washington, DC, later this year.

The Christensens have created more than 70 jobs in a region of New Mexico that has one of the highest poverty rates in the nation. This family owned small business is also providing profit-sharing and retirement benefits, in a state where 71 percent of private sector employees have no pensions.

NEW MEXICO SMALL BUSINESS EMPLOYER

New Mexico recently received word from the Commerce Department that it has seen a 112 percent growth in exports, including a remarkable 256-percent increase in trade with Asia. These achievements would not have been possible without the hard work and savvy of business-owners such as Kimberly de Castro, the 1997 New Mexico Exporter of the Year.

Ms. de Castro is the owner of Wildflower International Ltd., in Santa Fe, which provides brokering services to foreign buyers. Based on buyers’ initial inquiries, Wildflower International researches the marketplace and provides buyers with options that meet their requirements. The company currently exports to China, Israel, Italy and Egypt and is actively negotiating sales in Taiwan and several other Asian countries.

1997 ADVOCATE AWARD WINNERS

Small business owners and entrepreneurs need champions who believe in what they’re doing and give them advice, encouragement and assistance. Michael G. Murphy, the assistant business editor for the Albuquerque Journal, is the 1997 New Mexico Media Advocate of the Year and also the 1997 Region VI Media Advocate of the Year. Previously the editor of the Albuquerque Business Times, Mr. Murphy has reported on issues and initiatives that have been informative and useful to the small business community as well as governmental officials.

The New Mexico Women in Business Advocate of the Year is Jennifer A. Craig, regional manager of the Women’s Economic Self Sufficiency Team Office in Las Cruces. WESST Corp. is a nonprofit business and technical assistance organization that focuses on women and minority entrepreneurs. Since the Las Cruces office opened in 1995, more than 250 women have received assistance and more than 50 have started or developed their own businesses.

Teresa O. Molina, a vice president of 1st New Mexico Bank in Deming, has been selected as the New Mexico Financial Services Advocate. Ms. Molina is active in SBA lending and through her efforts, 1st New Mexico Bank awarded the first SBA 504 loan in my home State.

The 1997 New Mexico Minority Small Business Advocate is Anna Muller, the owner of NEDA Business Consultants in Albuquerque. Ms. Muller was a national leader in the effort to preserve and improve the SBA 8(a) Minority Enterprise Development program.

1997 SUBCONTRACTOR AND CONTRACTOR OF THE YEAR

Dennis A. Reasner, president of Albuquerque’s Darco Products, Inc., is the 1997 New Mexico Prime Contractor of the Year. Armando De La Paz, president and CEO of Vista Technologies, Inc., in Albuquerque is the 1997 Region VI Prime Contractor of the Year.

Small businesses are the engine of New Mexico’s—and the Nation’s—economic growth. I commend these small business owners and advocates for their desire and commitment to create new jobs and new economic opportunities in
New Mexico. We must raise the standard of living in my State and one concrete way to accomplish this is by fostering the development of small businesses that provide good wages and good benefits for their employees.

ARLINGTON

Mr. BYRD. Mr. President, in early March of this year I received a letter from Charles R. Mariott, of Louisville, Tennessee, in which he enclosed a stirring poem, written by his wife Ruth and dedicated to Arlington Cemetery. The poem shows great talent and I want to bring it to the attention of my colleagues and to the audience of listeners throughout the country as we approach the Memorial Day weekend. It is a poem that exudes a spirit of patriotism which, I believe, will inspire all freedom loving Americans everywhere.

(Edited by Ruth Mariott)

FIRST CANTO

I saw his name engraved in granite
In the shadow of the ivy covered oak—
A long time tenant in that sacred grove.
The wind moves now and then through barren branches
A bird alights sometimes, as if by chance,
It chirps—and then flies on
All else is mute . . .

The marble tomb nearby where night and day
the sentries stand with steadfast vigilance
it bears no name.

During the changing of the guards—at preset daytime hours—
on command the sentries spring to life and to action.

They walk with slow, precisely measured steps
clicking their heels at certain intervals
toeing the line invisible
and to action.

They speak in muffled tones, shuffling their feet before they exit slowly through the Outer Arch.

THIRD CANTO

I saw his name engraved in granite
Engraved there, where it can be seen—
Through all the years since you left
I plucked a sprig of living ivy
And took it home with me
Planted in a pot of earth
Upon my window sill
The climbing vine has taken root and it is greening still
Your body may be buried
You may be long since gone
But cherished memories of you
And your name live on.

I stepped out of my cabin door
And looked up at the sky
I saw a golden eagle soar
I heard the eagle cry

The eagle soared into the sun and soon was lost from view
The spirit of the Unknown One and you.

FOURTH CANTO

Down through the corridor of Time
The eagle sounds its piercing cry
Keening over all the fields
The fallen warriors lie.

Their tattered uniforms and bones
Where the fallen warriors lie.

Their tattered uniforms and bones
They fought chaotic battles
So young—and all so brave.

Here now the winds of night will blow
The eagle cries with regret
ItM, the update fiscal year 1994-95 base year for aliens.

The act would meet the reclassification criteria to be exempt RRC’s from the statewide rural wage index threshold for geographic reclassification. Finally, the bill would allow rural hospitals that meet the reclassification criteria to be reclassified as urban hospitals for purposes of disproportionate share hospital (DSH) payment adjustments.

This bill would help ensure that rural Americans maintain access to these essential care centers. I ask my colleagues on both sides of the aisle to join me in support of this measure.

MEASURE RETURNED TO CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that Senate Concurrent Resolution 27 be placed back on the calendar.

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

AUTHORIZING PRINTING OF PUBLICATION

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 90 submitted earlier today by Senators BYRD, COVERDELL and CLELAND.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows.
A resolution (S. Res. 90) authorizing the printing of the publication entitled “Dedication and Unveiling of the Statue of Richard Brevard Russell, Jr.”

Mr. LOTT. I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 90) was agreed to, as follows:

S. Res. 90

Resolved, SECTION 1. PRINTING OF THE PUBLICATION ENTITLED “DEDICATION AND UNVEILING OF THE STATUE OF RICHARD BREVARD RUSSELL, JR.”

(a) In general.—There shall be printed as a Senate document the publication entitled “Dedication and Unveiling of the Statue of Richard Brevard Russell, Jr.”, prepared by the office of Senate Curator under the supervision of the Secretary of the Senate, with the concurrence of the United States Senate Commission on Art.

(b) Specifications.—The Senate document described in subsection (a) shall include illustrations and shall be in the style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

(c) Number of copies.—In addition to the usual number of copies, there shall be printed with suitable binding the lesser of—

(1) 1,000 copies for the use of the Senate, to be allocated as determined by the Secretary of the Senate; or

(2) a number of copies that does not have a total production and printing cost of more than $1,200.

RELIEF FOR THE MEILI FAMILY

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 768 which was reported by the Judiciary Committee.

The PRESIDING OFFICER. The assistant legislative clerk will report the resolution.

The assistant legislative clerk read as follows:

A bill (S. 768) for the relief of Michel Christopher Melli, Giuseppina Melli, Mirjam Naomi Melli, and Davide Melli.

Mr. LOTT. I ask unanimous consent that the bill be considered read a third time and passed, 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 bill (S. 768) was passed, as follows:

S. 768

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress makes the following findings:

(1) The actions of Swiss banks and their relations with Nazi Germany before and during World War II and the banks’ actions after the war concerning former Nazi loot and heirless assets placed in the banks before the war have been the subject of an extensive and ongoing inquiry by the Committee on Banking, Housing and Urban Affairs of the Senate and a study by a United States interagency group.

(2) On January 8, 1997, Michel Christopher Melli, while performing his duties as a security guard at the Union Bank of Switzerland in Zurich, Switzerland, discovered that bank employees were destroying important Holocaust-era documents.

(3) Mr. Melli was able to save some of the documents from destruction and then turned them over to a Swiss community in Zurich and to the Swiss police.

(4) Following Mr. Melli’s disclosure of the destruction of the Holocaust-era documents, Mr. Melli was suspended and then terminated from his job. He was also interrogated by the local Swiss authorities who tried to intimidate him by threatening prosecution for his heroic actions.

(5) Since this disclosure, Mr. Melli and his family have been threatened and harassed, and have received many death threats. Mr. Melli also received a hand-delivered note threatening the kidnapping of his children in return for the “Jewish money” he would receive for his actions, and urging him to emigrate to the United States or be killed.

(6) Because of his courageous actions, Mr. Melli and his family have suffered economic hardship, mental anguish, and have been forced to live in hiding.

SEC. 2. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1153(a)), the Secretary of the Treasury shall instruct the proper officer to receive for his actions, and urging him to emigrate to the United States or be killed.

C. HEROIC ACTIONS.

After Mr. Melli’s disclosure of the destruction of the Holocaust-era documents, Mr. Melli was suspended and then terminated from his job. He was also interrogated by the local Swiss authorities who tried to intimidate him by threatening prosecution for his heroic actions.

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(6) Because of his courageous actions, Mr. Melli and his family have suffered economic hardship, mental anguish, and have been forced to live in hiding.

SEC. 3. REDUCTION OF NUMBER OF AVAILABLE VISAS.

On the granting of permanent residence to Michel Christopher Melli, Giuseppina Melli, Mirjam Naomi Melli, and Davide Melli, the Secretary of the Treasury shall instruct the proper officer to reduce by the appropriate number during the current fiscal year the total number of immigrant visas available to natives of the country of the aliens’ birth under section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)).

COMMEMORATION OF THE BICENTENNIAL OF THE LEWIS AND CLARK EXPEDITION

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 61, Senate Resolution 57.

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

A resolution (S. Res. 57) to support the commemoration of the bicentennial of Lewis and Clark Expedition.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Energy and Natural Resources, with amendments; as follows:

(The parts of the resolution intended to be stricken are shown in boldface brackets and intended to be inserted are shown in italic.)

S. Res. 57

Whereas the Expedition commanded by Meriwether Lewis and William Clark, which came to be called “The Corps of Discovery”, was one of the most remarkable and productive scientific and military exploring expeditions in all American history;

Whereas President Jefferson gave Lewis and Clark the mission to “... explore the Missouri River & such principal stream of it, as, by its course and communication with the waters of the Pacific Ocean, whether the Columbia, Oregon, Colorado or any other river may offer the most direct & practicable water communication across this continent for the purposes of commerce...”;

Whereas the Expedition, in response to President Jefferson’s directive, greatly advanced our geographical knowledge of the western continent and prepared the extension of the American fur trade with Indian tribes throughout the area;

Whereas President Jefferson directed the explorers to take note of and carefully record the natural resources of the newly acquired territory known as Louisiana, as well as diligently report on the native inhabitants of the land;

Whereas Lewis and Clark and their companions began their historic journey to explore uncharted wilderness west of the Mississippi River at Wood River, Illinois on May 14, 1804, and followed the Missouri River westward from its mouth on the Mississippi to the headwaters in the Rocky Mountains;

Whereas the Expedition spent its first winter at Fort Mandan, North Dakota, crossed the Rocky Mountains by horseback in August, 1805, reached the Pacific Ocean at the mouth of the Columbia river in mid-November of that year, and wintered at Fort Clatsop, near the present city of Astoria, Oregon;

Whereas the Expedition returned to St. Louis, Missouri, on September 23, 1806, after a 28-month journey covering 8,000 miles during which it traversed the 11 major river systems of Illinois, Missouri, Kansas, Nebraska, Iowa, North Dakota, South Dakota, Montana, Idaho, Washington, and Oregon;

Whereas the explorers faithfully followed the President’s directives and dutifully recorded their observations in their detailed journals;

Whereas these journals describe many plant and animal species, some completely unknown to the world of science or never before encountered in the Americas;

Whereas the journals of Lewis and Clark documented diverse American Indian languages, customs, religious beliefs, and ceremonies; as Lewis and Clark are important figures in American history, so too are Black Buffalo, Cameahwait, Sacagawea, Sheheke and Watkueis;

Whereas these journals describe many plant and animal species, some completely unknown to the world of science or never before encountered in the Americas;

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Whereas the journals of Lewis and Clark documented diverse American Indian languages, customs, religious beliefs, and ceremonies; as Lewis and Clark are important figures in American history, so too are Black Buffalo, Cameahwait, Sacagawea, Sheheke and Watkueis;
Whereas the President and the Congress have previously recognized the importance of the Expedition by establishing a 5-year commission in 1984 to study its history and the routes it traveled and again in 1998 by designating the route as the Lewis and Clark National Historic Trail administered by the Secretary of the Interior through the National Park Service.

Whereas the National Park Service, along with other Federal, State, and local agencies and nongovernmental interested groups are preparing commemorative activities to celebrate the bicentennial of the Expedition beginning in 2003; Now, therefore, be it

Resolved by the Senate—

(1) expresses its support for the work of the Lewis and Clark Trail Heritage Foundation, the National Lewis and Clark Bicentennial Council and all the Federal, State, and local entities as well as other interested groups that are preparing bicentennial activities to celebrate the 200th anniversary of the Expedition.

(2) expresses its support for the events to be held in observance of the Expedition at St. Louis, Missouri in 2004 and Bismarck, North Dakota in 2005, and many other cities during the bicentennial observance; and

(3) calls upon the President, the Secretary of the Interior, the Director of the National Park Service, American Indian tribes, other public officials, and the citizens of the United States to support, promote, and participate in the many bicentennial activities being planned to commemorate the Expedition.

Mr. DORGAN. Mr. President, today we are considering Senate Resolution 57, a resolution commemorating the bicentennial of the Lewis and Clark Expedition.

The resolution asks public officials and other citizens to support, promote, and participate in the many bicentennial activities celebrating the Lewis and Clark Expedition. The resolution also expresses its support for the events to be held in observance of the Expedition at St. Louis, Missouri, in 2004, at Bismarck, North Dakota, in 2005, in Hohenwald, TN, at the Meriwether Lewis National Monument, and in many cities during the bicentennial celebration. It further commends the work of the National Lewis and Clark Bicentennial Council, Lewis and Clark Trail Heritage Foundation, public and private groups, and individuals that are preparing bicentennial activities to celebrate the 200th anniversary of the Lewis and Clark Expedition during the years 2004 through 2006.

Senate Resolution 57 notes that the Lewis and Clark Expedition was one of the most remarkable and productive scientific and military expeditions in American history. President Thomas Jefferson directed that scientific, biological, geographic, and ethnographic information about the territory west of the Mississippi be gathered and reported to the Secretary of War. Stephen E. Ambrose wrote that President Jefferson directed that the first purpose of the expedition was "to find the shortest & most convenient route of communication between the U.S. and the Pacific Ocean, within the temperate latitudes."

After months of preparing for the journey into unknown territory, including learning celestial navigation, gathering equipment, and choosing men for the expedition, Meriwether Lewis and his co-captain William Clark began their journey west of the Mississippi at Wood River, Illinois, on May 14, 1804. The 40-person expedition which left Fort Mandan, ND, reached Fort Clatsop on the Pacific Ocean near present day Astoria, OR, and returned to St. Louis, MO, on September 23, 1806. Their 28-month journey covered 8,000 miles and traversed 11 future states: Illinois, Missouri, Kansas, Nebraska, Iowa, North Dakota, South Dakota, Montana, Idaho, Washington, and Oregon.

The maps prepared on the expedition and the journals kept by Meriwether Lewis and William Clark carefully documented their discoveries. The Lewis and Clark Expedition encountered and documented diverse American Indian peoples, languages, customs, religious beliefs, and ceremonies. The native American Indian tribes of the Northern Plains and the Pacific Northwest played an essential role in the survival and success of the Lewis and Clark Expedition.

On their safe return to St. Louis, Lewis and Clark reported to Jefferson: "In obedience to your orders we have penetrated the Continent of North America to the Pacific Ocean, and sufficiently explored the interior of the country to affirm with confidence that no other practicable rout (sic) which does exist across the continent by means of the navigable branches of the Missouri and Columbia Rivers."

The National Park Service (NPS) also observes that: "The Lewis and Clark Expedition was one of the most dramatic and significant episodes in the history of the United States. It stands, incomparably, as our Nation’s epic in documented exploration of the American West. During 1804-06, it carried the destiny, as well as the flag, of our young Nation westward from the Mississippi River to its headwaters in the Rocky Mountains; explored the uncharted wilderness west of the Mississippi River & such principal stream as the Columbia, Oregon, Colorado or any other river may offer the most direct & practicable water communication across this continent and prepared the way for the extension of the American trade with Indian tribes throughout the area."

Whereas President Thomas Jefferson gave Lewis and Clark the mission to "... explore the Missouri River & such principal stream of it, as, by its course and communication with the waters of the Pacific ocean, whether the Columbia, Oregon, Colorado or any other river may offer the most direct & practicable water communication across this continent for the purposes of commerce ..."; and

Whereas the Expedition, in response to President Jefferson’s directive, greatly advanced our geographical knowledge of the continent and prepared the way for the extension of the American trade with Indian tribes throughout the area; whereas President Jefferson directed the explorers to take note of and carefully record the natural resources of the newly acquired territory known as Louisiana, as well as diligently report on the native inhabitants of the land; whereas Lewis and Clark and their companions began their historic journey to explore the uncharted wilderness west of the Mississippi River at Wood River, Illinois on May 14, 1804, and followed the Missouri River westward from its mouth on the Mississippi to its headwaters in the Rocky Mountains; whereas the Expedition reached Fort Mandan, North Dakota, crossed the Rocky Mountains by horseback in August 1805, reached the Pacific Ocean at the mouth of the Columbia River in November of that year, and wintered at Fort Clatsop, near the present city of Astoria, Oregon.

Whereas the Expedition returned to St. Louis, Missouri, on September 23, 1806, after a 28-month journey covering 8,000 miles during which it traversed 11 future States: Illinois, Missouri, Kansas, Nebraska, Iowa, North Dakota, South Dakota, Montana, Idaho, Washington, and Oregon;
WHEREAS thousands of American men and women have selflessly given their lives in service as peacemakers and peacekeepers;
WHEREAS greater strides should be made to demonstrate the appreciation and gratitude these loyal Americans deserve and to commemorate the ultimate sacrifice they made:

WHEREAS Memorial Day is the day of the year for the Nation to appropriately remember American heroes by inviting the citizens of this Nation to respectfully honor them at a designated time;

WHEREAS the playing of "Taps" symbolizes the solemn and patriotic recognition of those Americans who died in service to our Country; Now, therefore, be it

RESOLVED, That the Senate requests that—

1) a nationwide moment of remembrance be observed on Memorial Day, May 28, 1997, by the simultaneous pausing of all citizens to acknowledge the playing of "Taps" at 3:00 p.m. (Eastern Standard Time) in honor of the Americans that gave their lives in the pursuit of freedom and peace; and

2) the President issue a proclamation calling upon the departments and agencies of the United States and interested organizations, groups, and individuals to participate in and promote this nationwide tribute to the dedicated American men and women who died in the pursuit of freedom and peace.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed immediately to executive session to consider the following nominations on the Executive Calendar.

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

Mr. LOTT. Calendar 43 through 48, 50, 51, 55, 624: through 103, 105, 106, 107, 109, 110, 111, 116 through 120, and 125; and all nominations placed on the Secretary's desk in the Air Force, Army, Foreign Service, Navy, and Public Health Service. I further ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, any statements relating to the nominations appear at this point in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE
Donna Holt Cunningham, of Maryland, to be Chief Financial Officer, Corporation for National and Community Service, (New Position), to which position she was appointed during the last recess of the Senate.

NATIONAL COUNCIL ON DISABILITY
Dave Nolan Brown, of Washington, to be a Member of the National Council on Disability for a term expiring September 17, 1998.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES
Arthur I. Blaustein, of California, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.
Lorraine Weiss Frank, of Arizona, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.
Susan Ford Wiltshire, of Tennessee, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.
Nathan Leventhal, of New York, to be a Member of the National Council on the Arts for a term expiring September 3, 2002.

NATIONAL INSTITUTE FOR LITERACY
Jon Deveaux, of New York, to be a Member of the National Institute for Literacy Advisory Board for a term expiring October 12, 1998.

NATIONAL MEDIATION BOARD
Magdalena G. Jacobsen, of Oregon, to be a Member of the National Mediation Board for a term expiring July 1, 1999.

NATIONAL VOLUNTEER SERVICE
D. Michael Rappoport, of Arizona, to be a Member of the Board of Trustees of the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation for a term expiring October 6, 2002.
Judith M. Espinosa, of New Mexico, to be a Member of the Board of Trustees of the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation for a term of 4 years.

FARM CREDIT ADMINISTRATION
Ann Jorgenson, of Iowa, to be a Member of the Farm Credit Administration Board, for a term expiring May 21, 2002.
Lowell Lee Junkins, of Iowa, to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation.

DEPARTMENT OF COMMERCE
Andrew J. Pincus, of New York, to be General Counsel of the Department of Commerce.

DEPARTMENT OF TRANSPORTATION
Triruvurur R. Lakshmanan, of New Hampshire, to be Director of the Bureau of Transportation Statistics, Department of Transportation, for the term of 4 years.

EXECUTIVE OFFICE OF THE PRESIDENT
Jerry M. Mellilo, of Massachusetts, to be an Associate Director of the Office of Science and Technology Policy.
Kerri-Ann Jones, of Maryland, to be an Associate Director of the Office of Science and Technology Policy.

DEPARTMENT OF EDUCATION
Donald Rappaport, of the District of Columbia, to be Chief Financial Officer, Department of Education.

BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION
Hans M. Mark, of Texas, to be a Member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring April 17, 2002.

NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD
Anthony R. Sarmiento, of Maryland, to be a Member of the National Institute for Literacy Advisory Board for a term expiring September 22, 1998.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES
Susan E. Trees, of Massachusetts, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.

Marsha Mason, of New Mexico, to be a Member of the National Council on the Arts for a term expiring September 3, 2002.

DEPARTMENT OF STATE
Gerald N. Tirozzi, of Connecticut, to be Assistant Secretary for Elementary and Secondary Education, Department of Education.

DEPARTMENT OF THE INTERIOR
Stuart E. Eizenstat, of Maryland, to be an Under Secretary of State.

DEPARTMENT OF THE NAVY

DEPARTMENT OF TRANSPORTATION
Karen Shepherd, of Utah, to be United States Director of the European Bank for Reconstruction and Development.

DEPARTMENT OF STATE
Letitia Chambers, of the District of Columbia, to be a Representative of the United States of America to the Fifty-first Session of the General Assembly of the United Nations.
James Catherwood Hormel, of California, to be an Alternate Representative of the United States of America to the Fifty-first Session of the General Assembly of the United Nations.

DEPARTMENT OF TRANSPORTATION
Kenneth M. Mead, of Virginia, to be Inspector General, Department of Transportation.

IN THE AIR FORCE
The following-named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general
Maj. Gen. John W. Handy, 0000

IN THE ARMY
The following-named officers for appointment in the Reserve of the Army to the grade indicated under title 10, United States Code, section 624:

To be major general
Brig. Gen. James W. Darden, 0000
Brig. Gen. Michael E. Dunlavy, 0000
Brig. Gen. Michael T. Gav, 0000
Brig. Gen. George O. Hillard, III, 0000

To be brigadier general
Col. Richard W. Hammond, 0000
Col. John R. Tindall, Jr., 0000
Col. Gary C. Wattzen, 0000

IN THE MARINE CORPS
The following-named officer for appointment in the United States Marine Corps to the grade indicated under title 10, United States Code, section 624:

To be brigadier general
Col. Terry L. Paul, 0000

IN THE NAVY
The following-named officers for appointment in the United States Navy to the grade indicated under title 10, United States Code, section 624:

To be rear admiral
Rear Adm. (ih) Joan M. Engel, 0000
Rear Adm. (ih) Jerry K. Johnson, 0000

GENERAL SERVICES ADMINISTRATION
David J. Barram, of California, to be Administrator of General Services.

IN THE AIR FORCE, ARMY, FOREIGN SERVICE, NAVY PUBLIC HEALTH SERVICE
Air Force nominations beginning Neal A. Andren, and ending Randall C. Zernach, which nominations were received by the Senate, and appeared in the Congressional Record of January 28, 1997.
Army nominations beginning James A. Adkins, and ending Abraham P. Zimmelman, which nominations were received by the Senate, and appeared in the Congressional Record of April 25, 1997.
Foreign Service nominations beginning Kathleen Therese Austin, and ending Ronda S. Zander, which nominations were received by the Senate and appeared in the Congressional Record of January 13, 1997.

Foreign Service nominations beginning Kenton W. Keith, and ending Terrence W. Sullivan, which nominations were received by the Senate and appeared in the Congressional Record of February 13, 1997.

Foreign Service nominations beginning Daniel B. Conable, and ending Francis J. Tarranz, which nominations were received by the Senate and appeared in the Congressional Record of February 13, 1997.

Foreign Service nominations beginning Kenneth P. Moorefield, and ending James Wilson, which nominations were received by the Senate and appeared in the Congressional Record of February 13, 1997.

Foreign Service nominations beginning JUNKINS were able to work out the difficulties. I am glad we confirmed this afternoon. I am pleased that after that long vacancy we were able to work out the difficulties. Mr. JUNKINS has served as a recess appointee to the Farmer Mac Board of Directors since April 1995. Mr. JUNKINS was also spoken highly of by the distinguished ranking member of the Agriculture Committee, Senator HARKIN, Senator GRASSLEY, and Congressman BOSWELL.

Legislative Session

MEssages FROM the PReSIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were received:

- farmer Mac in farm real estate loans. The Farm Credit System Reform Act of 1996 provided Farmer Mac with additional authorities to develop a successful secondary market. The future of Farmer Mac will be determined in the next 2 years. It is important that qualified individuals serve on the board to help move Farmer Mac toward a successful secondary market for agricultural loans.

Mr. JUNKINS has served as a recess appointee to the Farmer Mac Board of Directors since April 1995. Mr. JUNKINS was also spoken highly of by the distinguished ranking member of the Agriculture Committee, Senator HARKIN, Senator GRASSLEY, and Congressman BOSWELL.

Jorgensen and Lowell JUNKINS are well qualified and should be confirmed by the Senate to the Farm Credit Administration Board and the Farmer Mac Board respectively. I urge my colleagues to vote for their nomination.

Legislative Session

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were received:

- Mr. LUGAR. Mr. President, I support the nomination of Mr. Jorgensen to the Farm Credit Administration Board of Directors and Mr. JUNKINS to the Farmer Mac Board of Directors. Both nominees appeared before the Agriculture Committee on April 10 and both were favorably reported out of committee on April 15 by unanimous vote.

The Farm Credit System is an important source of agricultural credit for rural America. The system is regulated by the Farm Credit Administration, which has had a vacancy on its three-member Board since March 31, 1995. I am pleased that after that long vacancy we have a qualified nominee to complete the board. Mr. Jorgensen has a distinguished career in farming, entrepreneurship, and public service and will serve ably as an FCA board member.

Farmer Mac was created by Congress in 1988 to promote a secondary market in farm real estate loans. The Farm Credit System Reform Act of 1996 provided Farmer Mac with additional authorities to develop a successful secondary market. The future of Farmer Mac will be determined in the next 2 years. It is important that qualified individuals serve on the board to help move Farmer Mac toward a successful secondary market for agricultural loans.

Mr. JUNKINS has served as a recess appointee to the Farmer Mac Board of Directors since April 1995. Mr. JUNKINS was also spoken highly of by the distinguished ranking member of the Agriculture Committee, Senator HARKIN, Senator GRASSLEY, and Congressman BOSWELL.

Jorgensen and Lowell JUNKINS are well qualified and should be confirmed by the Senate to the Farm Credit Administration Board and the Farmer Mac Board respectively. I urge my colleagues to vote for their nomination.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

- By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs, with an amendment in the nature of a substitute: S. 462. A bill to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes (Rept. No. 105-21).

- By Mr. Hatch, from the Committee on the Judiciary, with an amendment in the nature of a substitute: S. 507. A bill to establish the United States Patent and Trademark Organization as a Government corporation, to amend the provisions of title 35, United States Code, relating to procedures for patent applications, commercial use of patents, reexamination reform, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

- By Mr. Thomas (for himself and Mr. Enzi): S. 799. A bill to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wyoming, certain land comprising the Steffens family property; to the Committee on Energy and Natural Resources.

- By Mr. Abraham (for himself, Mr. Kyl, Mr. Brownback, Mr. Sessions, Mr. Hutchinson, Mr. F  , and Mr. Allard): S. 800. A bill to create a tax cut reserve fund to protect revenues generated by economic growth; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of April 4, 1997, as modified by an order of April 11, 1997, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

- By Mr. HATCH: S. 801. A bill to amend title 38, United States Code, to provide for improved and expedited procedures for appeals of unlawful employment discrimination arising within the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans Affairs.

- By Mr. Enzi (for himself and Mr. Thomas): S. 802. A bill to provide for the retention of the name of the mountain at the Devils Tower National Monument in Wyoming known as “Devils’ Tower”, and for other purposes; to the Committee on Energy and Natural Resources.

- By Mr. Thurmond (for himself and Mr. Murkowski): S. 883. A bill to permit the transportation of passengers between ports by certain foreign-flag vessels and to encourage United States-flag vessels to participate in agreements.
such transportation; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG (for himself, Mr. LEAHY, Mr. LUGAR, Mrs. Fren- secky, and Mr. MENENDEZ); Mr. LIEBERMAN, Mr. D’AMATO, and Mr. MOYNIHAN:

S. 806. A bill to restrict foreign assistance for countries providing sanctuary to indicted war criminals who are sought for prosecution before the International Criminal Tribunal for the former Yugoslavia; to the Committee on Foreign Relations.

By Mr. LUGAR (for himself and Mr. HARKIN):

S. 807. A bill to modernize the information technology systems of the Department of Agriculture, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MCCAIN (for himself and Mr. CAMPBELL):

S. 808. A bill to amend the Internal Revenue Code of 1986 to provide tax credits for Indian investment and employment, and for other purposes; to the Committee on Finance.

S. 807. A bill to amend the Internal Revenue Code of 1986 to provide for unemployment compensation for Indian tribal governments the same as State or local units of government or as nonprofit organizations; to the Committee on Finance.

S. 808. A bill to amend the Internal Revenue Code of 1986 to provide for the issuance of tax-exempt bonds by Indian tribal governments. In lieu of the fiscal year 1990 and 1991 costs; to the Committee on Finance.

S. 809. A bill to amend the Internal Revenue Code of 1986 to exempt from income taxation income derived from natural resources activities by a member of an Indian tribe directly or through a qualified Indian entity; to the Committee on Finance.

By Mr. NAGAMAH (for himself and Mr. DEWINE):

S. 810. A bill to impose certain sanctions on the People’s Republic of China, and for other purposes; to the Committee on Foreign Relations.

By Mr. FORD:

S. 811. A bill for the relief of David Robert Zetter, Sabina Emily Seitz, and their son, Daniel Robert Zetter; to the Committee on the Judiciary.

By Mr. KOHL:

S. 812. A bill to establish an independent commission to recommend reforms in the laws governing a tribe’s law enforcement activities and to permit sole community hospitals to rebase Medicare payments based upon fiscal years 1990 and 1996 costs; to the Committee on Finance.

By Mr. THURMOND (for himself and Mr. MCCAIN):

S. 813. A bill to amend chapter 91 of title 18, United States Code, to provide criminal penalties for theft and willful vandalism at national cemeteries; to the Committee on Veterans Affairs.

By Mr. ENZI (for himself and Mr. THOMAS):

S. 814. A bill to direct the Secretary of the Interior to transfer to John R. and Margaret J. Lowe of Big Horn County, Wyoming, certain lands that the Bureau of Land Management (BLM) is required to transfer to a local government or tribe as owner of this land; to the Committee on Energy and Natural Resources.

By Mr. BAUCUS (for himself, Mr. GORTON, and Mrs. MURRAY):

S. 815. A bill to amend the Internal Revenue Code of 1986 to provide tax treatment for foreign investment through a United States regulated investment company comparable to the tax treatment for direct foreign investment and investment through a foreign mutual fund; to the Committee on Finance.

By Mr. CRAIG:

S. 816. A bill to amend title 18, United States Code, to provide a national standard in accordance with which nonresidents of a State may carry certain concealed firearms in the State, and to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns; to the Committee on the Judiciary.

By Mr. GRASSLEY:

S. 817. A bill to amend title XVIII of the Social Security Act to permit classification of certain hospitals as rural referral centers, to permit requalifying certain hospitals for disproportionate share payments, and to permit sole community hospitals to rebase Medicare payments based upon fiscal years 1990 and 1996 costs; to the Committee on Finance.

By Mr. CAMPBELL (for himself and Mr. INOUYE):

S. 818. A bill to improve the economic conditions and supply of housing in Native American communities by creating the Native American Financial Services Organization, and for other purposes; to the Committee on Indian Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. COX (for himself, Mr. COVER- DELL, and Mr. CLELAND):

S. Res. 90. A resolution authorizing the printing of the publication entitled “Dedication and Unveiling of the Statue of Richard Brevard Russell, Jr.”; considered and agreed to.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 91. A resolution to authorize the production of records by the Select Committee on Intelligence; considered and agreed to.

By Mr. LAUTENBERG:


By Mr. GRASSLEY:

S. Res. 93. A resolution designating the week beginning November 23, 1997, and the week beginning on November 22, 1998, as “National Family Week”, and for other purposes; to the Committee on the Judiciary.

By Mr. WARNER:

S. Res. 94. A resolution commending the American Medical Association on its 150th anniversary, its 150 years of caring for the United States, and its continuing effort to uphold the principles upon which Nathan Davis, M.D. and his colleagues founded the American Medical Association to “promote the science and art of medicine and the betterment of public health”; to the Committee on the Judiciary.

By Mr. Gorton:

S. Con. Res. 29. A concurrent resolution recognizing the integration of Estonia, Latvia, and Lithuania into the North Atlantic Treaty Organization; to the Committee on Foreign Relations.

State laws prohibiting the carrying of concealed weapons in the State of Wyoming, Wisconsin, and the District of Columbia, and for other purposes; to the Committee on the Judiciary.

By Mr. HELMS (for himself and Mr. LIEBERMAN):

S. Con. Res. 30. A concurrent resolution expressing the sense of the Congress that the Republic of China should be admitted to the United Nations on a basis of one China; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THOMAS (for himself and Mr. ENZI):

S. 799. A bill to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wyoming, certain land comprising the Steffens family property; to the Committee on Energy and Natural Resources.

TRANSFER LEGISLATION

Mr. THOMAS. Mr. President, I introduce legislation which would return a family farm in Big Horn County, WY, to its rightful owners. The family of Fred Steffens lost this property where they lived and prospered for almost 70 years, as a result of a misrepresentation by the original property owners. Mr. Steffens’ relatives have explored every avenue to regain the title to their property, and are left with no other option than to seek congressional assistance. I stand before you today, on behalf of my constituents, to request help in providing a timely solution to this problem. It is my hope that in doing so, this wrong can be righted.

Upon the death of Fred Steffens on January 20, 1995, his sister, Marie Wambeke, was appointed personal representative of the 80-acre Steffens Estate. In February of 1995, Ms. Wambeke learned from the Bureau of Land Management (BLM) that she did not have a clear title to her brother’s property, and she submitted a color-of-title application. Shortly thereafter, Ms. Wambeke was informed that her brother’s property was never patented, so her application was rejected.

The injustice of this situation is that when Mr. Steffens purchased this property in 1928, he did receive a Warranty Deed with Release of Homestead from the former owners. Unfortunately, these individuals did not have a reclamation entry to assign to Mr. Steffens. In fact, 2 years before selling the property, the original owners had been informed that the homestead claim was withdrawn by the Bureau of Reclamation for the Shoshone Reclamation Project. At the same time, they were notified that they had never truly owned the property.

Unethically, this did not stop them from selling the land to Mr. Steffens in 1928. In good faith Mr. Steffens purchased this property, paid taxes on the property for the entire 65 years, and is on record at the Big Horn County Assessor’s office as owner of this property. Due to the dishonesty of others, his family now faces the sobering reality of losing this land unless a title transfer can be effected legislatively.

Mr. President, the legislation I am introducing today would transfer this land from Fred Steffens’ estate to his sister, Marie. This property has been in their family since 1928. Through no fault of their own, these folks are being forced to relinquish rights not only to their land, but to a part of their heritage and a legacy to their future generations. I hope we can expedite this matter by turning this land over to Marie Wambeke’s ownership.
Mr. President, I ask unanimous consent that a copy of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 799

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, 

SECTION 1. TRANSFER OF STEFFENS FAMILY PROPERTY.

Notwithstanding any other law, the Secretary of the Interior, acting through the Director of the Bureau of Land Management, shall, without consideration of other reimbursement, transmit to Marie Wambold of Big Horn County, Wyoming, personal representative of the estate of Fred Steffens, the land that was acquired by Fred Steffens under a Warranty Deed and Release of Homestead from Frank G. McKinney and Margaret W. McKinney on September 28, 1928, and thereafter occupied by Fred Steffens, known as "Farm C" in the EDNW1/4 of Section 27 in Township 57 North, Range 97 West, 6th Principal Meridian, Wyoming.

By Mr. ENZI (for himself and Mr. THOMAS):

S. 802. A bill to provide for the retention of the name of the mountain at the Devils Tower National Monument in Wyoming known as "Devils Tower", and for other purposes; to the Committee on Energy and Natural Resources.

THE DEVILS' TOWER NATIONAL MONUMENT DESIGNATION ACT OF 1997

Mr. ENZI. Mr. President, I rise to introduce a bill which will enable Devil's Tower National Monument to retain its historic and traditional name.

This, our first national monument, has been known as "Devil's Tower" for over 120 years. It is an unmistakable symbol of Wyoming and the West and is known internationally as one of the premiere crack climbing locations in the world. Consequently, Devil's Tower, and it's worldwide recognition by that name, is very important to my State, which depends so heavily on its tourism industry. And yet, there are those who would attempt to fix that which is not broken.

I am fully sensitive to the feelings of those Native Americans who would prefer to see the name of this natural wonder changed to something more acceptable to their cultural traditions. Many tribal members think of the monument as sacred. However, I believe that little would be gained from a name change, and much would be lost.

It is important to remember that there is no consensus as to which Indian name would be most appropriate. In fact, there seem to be as many proposals for new names as there are special interest groups proposing them. Among the candidates are Bear's Lodge, Grizzy Bear's Lodge, Bear's Tipi, Bear's Lair, Bear Lodge Butte, Tree Creek and others. The only thing they seem agreed upon is what the monument should not be called: Devil's Tower.

The initiative to change the name of Devil's Tower would accomplish little more than to dredge up age-old conflicts and divisions between descendents of European settlers and the descendents of Native Americans. This would be most unfortunate and would result only in economic hardship for all the area's citizens. My legislation will prevent such hardship and will embrace the least offensive option offered so far—the preservation of the traditional name of Devil's Tower. I urge my colleagues to support this measure. I ask unanimous consent that the full 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. 802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, 

SECTION 1. DESIGNATION OF DEVILS TOWER.

(a) IN GENERAL.—The mountain at the Devil's Tower National Monument in Wyoming, located at 44 degrees, 42 minutes, 58 seconds north latitude, 104 degrees, 35 minutes, 32 seconds west longitude, shall be known and designated as "Devils Tower." 

(b) LEGAL REFERENCES.—Any reference in any law, map, regulation, document, paper, or other record of the United States to the mountain referred to in subsection (a) is deemed to be a reference to "Devils Tower."

By Mr. THURMOND (for himself and Mr. MURKOWSKI):

S. 803. A bill to permit the transportation of passengers between United States ports by certain foreign-flag vessels and to encourage U.S.-flag vessels to participate in such transportation; to the Committee on Commerce, Science, and Transportation.

THE JONES ACT WAIVER ACT

Mr. THURMOND. Mr. President, I raise today to introduce legislation to greatly increase the economic benefits to our Nation from cruise ship tourism. This measure, called the United States Cruise Tourism Act, will implement one of the recommendations of the White House Conference on Travel and Tourism. I am pleased to be joined by Senator MURKOWSKI in introducing this bill.

Pleasure cruises aboard ocean-going vessels represent one of the fastest growing segments of our tourism industry. Over the past 5 years, cruise tourism has grown by 58 percent and is expected to grow at a rate of 5 to 6½ percent annually over the next few years. When a cruise ship is in port, as much as $250,000 is spent on maintenance and supplies, and cruise passengers typically spend a minimum of $205 a day. Although 85 percent of these cruise passengers are Americans, most of the revenues now go to foreign destinations.

This export of American tourist dollars is the unintended consequence of the outdated Passenger Vessel Services Act (PSA) of 1886. This act prohibits non-U.S.-flag vessels from carrying passengers between U.S. ports. Unfortunately, since the U.S.-flag fleet is now down to one cruise ship, this restriction makes passenger cruise travel between U.S. ports virtually impossible. Today, the passenger cruise industry in the United States is primarily a market for foreign flag vessels which, under current law, must sail to and from foreign ports. This prevents many of our mid-coast ports such as Charleston, San Francisco, Baltimore and others from participating in the cruise industry because of their distance from foreign ports. As a result, potential cruise itineraries on the east and west coast, the gulf coast, the Great Lakes and the coast of Alaska have yet to be developed.

Mr. President, our legislation would allow our port cities and shore-based tourism businesses to take advantage of this booming area of tourism while providing incentives for the rehabilitation of the U.S.-flag cruise industry. The bill would enact a narrow waiver to the PSA to permit large, ocean-going, foreign-flag cruise ships to carry passengers between U.S. ports. Subsequently, as U.S. companies become attracted to the business, U.S.-flag ships will enter the market. When this happens, foreign vessels would be required to reduce their capacity to make room for more U.S. competitors. This provision also addresses the concerns expressed by many of our shipyards. They have complained that the uncertainty over the continuation of the PSA was chilling their efforts to obtain investment in a U.S.-built cruise ship. If enacted, our bill would assure a market for the ships they build.

Finally, Mr. President, this legislation in no way affects the Jones Act. The Jones Act is an entirely separate statute enacted in 1920 to protect our cargo fleet and assure that we have a qualified merchant marine in times of war. Also, this measure does not waive the PSA for any trade where there currently exists an American competitor. U.S. ferries, river boat cruises, and cruises on the Atlantic intra-coastal waterway would not be affected.

Mr. President, our country has a beautiful coastline and Americas should not have to join the armed services or buy a yacht to see it. Moreover, our tourist industry is one of the most successful contributors to the economic growth of our Nation. We should not permit artificial barriers to inhibit the good work of the people in this industry. This legislation will remove that barrier. I urge my colleagues to support it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 803

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 "United States Cruise Tourism Act of 1997".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) It is in the interest of the United States to maximize economic return from the growing industry of pleasure cruises—
(A) by encouraging the growth of new cruise itineraries between coastal cities in the United States, and

(B) by encouraging the use of United States ports for homeport services and support services.

(2) In maximizing the economic benefits to the United States from increased cruise vessel tourism, there is a need to ensure that existing tourist and economic activity associated with United States-flag vessels (including tour boats, river boats, intracoastal waterway cruise vessels, and ferries) are protected and to provide for the reemergence of a United States-flag cruise vessel industry.

(3) The pleasure cruise industry is one of the foundations of the tourism industry and is expected to grow at a rate of 5 percent a year over the next few years.

(4) The United States-flag ocean cruise vessel fleet consists of only a single vessel that tours the Hawaiian Islands. As a result, all the cruise vessels carrying passengers to and from United States ports are foreign-flag vessels and the United States ports served are mostly ports that are close enough to foreign ports to allow intermediate calls.


SEC. 3. FOREIGN-FLAG CRUISE VESSELS.

(a) DEFINITIONS.—In this Act:

(1) COASTWISE TRADE.—The term “coastwise trade” means the coastwise trade provided for in section 12106 of title 46, United States Code and includes trade in the Great Lakes.

(2) CRUISE VESSEL.—The term “cruise vessel” means a vessel of greater than 4,000 gross registered tons which provides a full range of luxury accommodations, entertainment, dining, and other services for its passengers.

(3) FOREIGN-FLAG CRUISE VESSEL.—The term “foreign-flag cruise vessel” does not apply to a vessel which—

(A) provides ferry services or intracoastal waterway cruises;

(B) regularly carries for hire both passengers and other cargo; or

(C) serves residents of the vessel’s ports of call in the United States as a common or frequently used means of transportation between two or more points in the United States.

(4) REPAIR AND MAINTENANCE SERVICE.—The term “repair and maintenance service” includes alterations and upgrades.

(b) EXCEPTIONS.—

(1) IN GENERAL.—In this section (a) and (b) as subparagraphs (A) and (B) as inserted by the first sentence, by inserting “, except as provided in paragraph (2), and” after “subsection (b);”.

(2) ENGAGEMENT OF FOREIGN FLAG.—The Secretary may extend for a period or periods of up to 6 months each a conditional permit to land that is granted under paragraph (1) to an alien crewman employed on a foreign-flag vessel pursuant to this section. If the vessel requests the extension of the immigration officer determines that the extension is necessary to maintain the vessel in the coastwise trade between two ports in the United States, directly or by way of a foreign port;” and

(c) DISCRETION.—Nothing in this Act shall be construed as affecting or otherwise modifying the authority contained in—

(A) Public Law 87-77 (46 U.S.C. App. 209c) authorizing the transportation of passengers and merchandise in Canadian vessels between ports in Alaska and the United States; or

(B) Public Law 99-563 (46 U.S.C. App. 280c) permitting the transportation of passengers between Puerto Rico and other United States ports.

(d) JONES ACT.—Except as otherwise expressly provided in this Act, nothing in this Act shall be construed as affecting or modifying the provisions of the Merchant Marine Act, 1920.

Mr. MURKOWSKI. Today, Mr. President, I am very pleased to join the senior Senator from South Carolina [Mr. THURMOND] in introducing this important bill. It is intended to break down a barrier that Congress created 11 years ago, and which has long since ceased to make sense.

Opening that door will create a path to thousands of new jobs, to hundreds of millions of dollars in new economic activity and to millions in new Federal, State, and local government revenues. Furthermore, Mr. President, that door can be opened with no adverse impact on any existing U.S. industry, labor interest, or on the environment, and it will cost the government virtually nothing.

There’s no magic to this; in fact, it’s a very simple matter. This bill merely allows U.S. ports to compete in the business of offering homeport services to the cruise ship trade.

The bill amends the Passenger Service Act to allow foreign cruise ships to operate between U.S. ports. However, it also very carefully protects all existing U.S. passenger vessels by using a definition of cruise ship designed to exclude any foreign vessels that could conceivably compete in the same market as U.S.-flag tour boats, ferries, or riverboats. Finally, it provides a mechanism to guarantee that if a U.S. vessel ever enters this trade in the future, steps will be taken to ensure an ample pool of potential passengers.

Mr. President, this is a straightforward approach to a vexing problem, and it deserves the support of this body.

As my colleagues know, this bill is very similar to S. 668, a bill I introduced just a few weeks ago. The major difference is that that bill applies only
to cruise ships operating in Alaska, and this one applies nationwide. Other differences include the fact that my original bill sets a 5,000 gross dead-weight ton cut-off for vessels seeking to enter the coastwise trade, and this one sets a 4,000 ton limit. This bill also requires vessels operating in the U.S. trade to effect repairs in U.S. shipyards. Both of these differences are positive, in my view.

The change in tonnage will encourage U.S. ports to compete for business from smaller vessels in the luxury cruise ship fleet, which continues to protect existing U.S. tour vessels in the 100-ton class. While there are a few riverboats in the area of 3,000 tons, none of these operate in the open ocean cruise ship trade, and the bill contains other protections specifically for these U.S. vessels.

The requirement for U.S. repair will assist in creating and maintaining even more U.S. jobs. From the standpoint of the cruise ship trade, it simply calls for the continuation of what is already a common practice among vessels that need work while visiting a U.S. port.

Mr. President, it isn’t 1886 anymore, and it is time to change the current law. One is built only by U.S. passenger ships of this type, and no one has built one in over 40 years. Instead of protecting U.S. jobs, the current law is a job losing proposition, as it prohibits U.S. cities from competing. That is absurd.

The cash flow generated by the cruise ship trade is enormous. Most passengers bound for my State of Alaska fly in or out of Seattle-Tacoma International Airport, but because of the law, they spend little time there. Instead, they spend their pre- and post-sailing time in a Vancouver hotel, at Vancouver restaurants, and in Vancouver gift shops. And when their vessel sails, it sails with food, fuel, general supplies, repair and maintenance needs taken care of by Vancouver vendors.

According to some estimates, the city of Vancouver receives benefits of well over $200 million per year from the cruise ship trade. Others provide more modest estimates, such as a comprehensive study by the International Council of Cruise Lines, which indicated that in 1992 alone, the Alaska cruise trade generated over 2,400 jobs for the area of Vancouver, plus payments to Canadian vendors and employees of over $119 million.

This is a market almost entirely focused on U.S. citizens going to see one of the United State’s most spectacular places, and yet we force them to go to another country to do it. We are throwing away both money and jobs—and getting nothing whatsoever in return.

Why is this allowed to happen? The answer is simple—but it is not rational. Although the current law is actually a job loser, there are those who argue that any change would weaken U.S. maritime interests. They seem to feel that amending the Passenger Serv-

ice Act so that it makes sense for the United States would create a threat to Jones Act vessels haulung freight between U.S. ports. Mr. President, there simply is no connection whatsoever between the two.

The answer is clear. If the current law is not a job losing proposition, then it simply doesn’t cater to the same client base as large cruise ships. The fact of the matter is that there is no significant competition between the two types of vessel, because the services they offer are in no way comparable. The larger vessels offer unmatched luxury and personal service, on-board shopping, entertainment, and so forth. The smaller vessels offer more flexible routes, timing, shore excursions, and other opportunities.

There is one operating U.S. vessel that doesn’t fit the mold: the Constitution, an aging 30,000-ton vessel operating only in Hawaii. This is the only ocean-capable U.S. ship that might fit the definition of cruise vessel. I have searched for other U.S. vessels that meet or exceed the tonnage limit in the bill, and the only ones I have found that even approach it are the Delta Queen and the Mississippi Queen, both of which are approximately 3,360 tons. And both of which are only open in the come season. The larger vessels offer unmatched luxury and personal service, on-board shopping, entertainment, and so forth. Therefore, the bill specifically prohibits any foreign vessel from participating in the incoastal trade served by these riverboats.

Mr. President, I will not claim that this legislation would immediately lead to increased earnings for U.S. ports. I can only say that it would allow them to compete fairly, instead of being anchored by a rule that is actively harmful to U.S. interests. That alone makes the bill worth passing. And I look forward to my colleagues’ agreement and support.

By Mr. LAUTENBERG (for himself, Mr. LEAHY, Mr. LUGAR, Mrs. FEINSTEIN, Ms. MIKULSKI, Mrs. MURRAY, Mr. LIEBERMAN, Mr. D’AMATO and Mr. MOYNIHAN):

S. 804. A bill to restrict foreign assistance for countries providing sanctuary to indicted war criminals who are sought for prosecution before the International Criminal Tribunal for the former Yugoslavia; to the Committee on Foreign Relations.

THE WAR CRIMES PROSECUTION FACILITATION ACT OF 1997

Mr. LAUTENBERG. Mr. President, today I am introducing legislation to create stronger incentives for the parties to the Dayton Peace Agreement to arrest indicted war criminals and transfer them to the International Criminal Tribunal for the former Yugoslavia (ICTY). I am pleased that Senators LEAHY, LUGAR, FEINSTEIN, MIKULSKY, MURRAY, LIEBERMAN, D’AMATO, and MOYNIHAN are original cosponsors of this bill, which we believe will foster reconciliation in Bosnia and Herzegovina in the long run.

As a result of the horrifying extent of war crimes committed before and during the war in Bosnia, the U.N. Security Council, in May 1993, created the International Criminal Tribunal for the former Yugoslavia (ICTY). One of our international tribunals ever established, its mandate is to prosecute “genocide, crimes against humanity, grave breaches of the Geneva Conventions, and violations of the laws and customs of war” committed in the territory of the former Yugoslavia from January 1, 1991, until “a date to be determined after restoration of peace.”

When the parties to the conflict in the former Yugoslavia signed the Dayton Peace Agreement in December 1995, it was understood that reconciliation could not occur unless war criminals were brought to justice. As such, they agreed to cooperate fully with “the investigation and prosecution of war crimes and other violations of international humanitarian law.” All members of the international community are required by the tribunal to cooperate in “the identification and location of persons... the arrest or detention of persons... the surrender of the transfer of the accused” to the tribunal.

With the exception of the Bosnian Muslims, however, the parties to the Dayton Peace Agreement have failed to arrest and transfer war criminals, leaving the vast majority of indicted war criminals in territory within their control. Though 74 persons have been indicted by the 4-year-old tribunal, 66 of them remain at large. Let me repeat that. Of the 74 persons indicted for the most heinous crimes against humanity on European soil since World War II, 66 remain at large. Among these are the notorious Bosnian Serb leader Radovan Karadzic and Bosnian Serb Army commander Ratko Mladic, accused of genocide and crimes against humanity.

Where are these and other war criminals finding sanctuary?

Many of the indicted war criminals have been sighted living openly and freely in Croatia, the Croat-controlled areas of the Federation of Bosnia and Herzegovina, the Republika Srpska, and the Federal Republic of Yugoslavia (Serbia-Montenegro). The non-governmental organization, the Coalition for International Justice, compiled a list of all public sightings of war criminals. For example, according to the coalition’s research, Dario Kordic, one of the most recognized war criminals in the former Yugoslavia for his role in killings in Lasva Valley, was seen visiting his parents’ apartment in Zagreb, Croatia. About the same time, Ivica Rajic, another highly sought after war criminal, was reportedly seen in a hotel in Split, Croatia.

The list of public sightings of indicted war criminals goes on and on.

May 23, 1997
Associated Press correspondent Liam Mc Dowall reportedly located six Bosnian Croats indicted for war crimes living and working in the Bosnian Croat town of Vitez. And in perhaps the most egregious case to date, Boston Globe reporter Neil Reynolds found Zeljko Mejakic—indicted for crimes committed as commander of Omarska camp where some 4,000 people were tortured to death and women were brutally raped — working as the deputy commander of the Prijedor police station in Republika Srpska.

This list may not be entirely up to date now, but it illustrates graphically that many of the indicted war criminals could have been arrested easily if the authorities in control of the territory where they were located had chosen to do so. I believe that is still the case today. I ask unanimous consent that a list of sightings of indicted war criminals who remain at large be included in the RECORD at the end of my remarks.

I know, Mr. President, that the act of apprehending and transferring indicted war criminals to the Hague presents a thorny problem for the United States. While some argue that American and NATO forces should do the job, the prevailing wisdom is that using our troops to arrest these indicted war criminals would be fraught with difficulties that could put our troops in danger. Others have raised the possibility that some type of international strike force could get the job done. Discussions about these options have been underway since NATO troops landed in the region 1½ years ago, but no action has been taken. Meanwhile, war criminals continue to roam the region with impunity, and the clock ticks ever closer to the June 1998 withdrawal date for SFOR.

If the international community concludes that it cannot use force to apprehend indicted war criminals, it must try another approach. Make no mistake about it: if indicted war criminals remain at large when the SFOR’s mission ends, our prestige and credibility will be severely undermined. America may be able to protect NATO troops by not involving them in a mission to arrest indicted war criminals, but we cannot protect our reputation and that of NATO as a defender of democracy and human rights if indicted war criminals continue to roam the region with impunity when our troops withdraw.

Mr. President, since NATO is unwilling to arrest the indicted, my colleagues and I are recommending an approach which reinforces the obligation of the parties to the Dayton Agreement to arrest and transfer those indicted for genocide, rape, and other crimes against humanity to the Hague. To secure their cooperation, it imposes conditions on America’s portion of the $5.1 billion in economic reconstruction funds for Bosnia and Herzegovina: before parties to the Dayton Agreement will sorely want Western assistance and the international acceptance it implies, this assistance provides us with a powerful lever. We ought to use it.

Under our legislation, until the President certifies that a majority of war criminals have been arrested and transferred to the tribunal, no assistance—except humanitarian assistance for refugees, education, health care, social services, and housing—will be provided. Humanitarian assistance includes electoral assistance and assistance used in establishing the institutions of a democratic and civil society, including police training.

However, assistance for projects in communities in which local authorities are harboring criminals or preventing refugees from returning home will be strictly limited to emergency food and medical assistance and demining assistance. And absolutely no assistance—except humanitarian—can be provided to projects or organizations in which an indicted war criminal is affiliated or has a financial interest. These provisions are important to ensure that our assistance is not being used to prop up war criminals and that only communities that allow refugees to return are rewarded with assistance.

This legislation recognizes that the realities of government control in the former Yugoslavia do not always conform to the arrangements in the Dayton Agreement. Recognizing that, a constituent entity of Bosnia and Herzegovina may not control all areas within its border, and that Croatia or Serbia may have effective control of territory that reaches beyond their borders, the legislation holds a government or constituent entity responsible for indicted war criminals “in territory that is under their effective control.” As such, the legislation is not meant to impose the apprehension and transfer of war criminals into the Hague as a whole if an indicted war criminal remains in a Croat-controlled area of the Federation. Likewise, it would allow sanctions to be imposed against a country, such as Croatia, for failing to apprehend indicted war criminals in areas of its Federation which it effectively controls.

Mr. President, these measures are not intended to be punitive. I have made every effort to ensure that humanitarian assistance to the people in all parts of the former Yugoslavia will not be affected. I do not oppose reconstruction funding, and recognize that it is in our national interest to help rebuild this war-torn region. But I believe there is value in bilateral and multilateral assistance as a carrot, to provide an incentive to the parties to arrest and turn war criminals over to the tribunal.

Unless war criminals are brought to justice, reconciliation in Bosnia and Herzegovina will remain an elusive goal and refugees and displaced persons will be unable to return to their homes. Though reconstruction assistance will help to rebuild ravaged economies, reconstruction without reconciliation will not be effective for long-term stability. Until the perpetrators of genocide are held accountable, victimized communities will continue to assign collective guilt and the cycle of hatred will be perpetuated.

No infusion of money can wipe away the crimes of the past 6 years. Money alone is not enough. What is required is a genuine process of reconciliation, which can never occur unless war criminals are brought to justice.

The Washington Post, in a February 1997 editorial, said it well: "We cannot protect our reputation or our wealth if the war criminals continue to roam the region with impunity... the war criminals roam the region with impunity, and the clock ticks ever closer to the June 1998 withdrawal date for SFOR."

U.S. forces cannot fulfill their mission—brining peace to Bosnia—as long as war criminals remain at large. Lately, it has become popular to focus on economic reconstruction as the answer to Bosnia’s troubles. But war didn’t break out for economic reasons, and economic aid alone can’t secure the peace. As long as alleged war criminals Radovan Karadzic and his henchmen run things from behind the scenes, economic aid actually will flow to the criminals... .

Mr. President, we know that the threat of sanctions can work to effect cooperation with the War Crimes Tribunal. In the last year and a half, the administration has successfully leveraged assistance to Croatia to secure the transfer of two indicted war criminals to The Hague. But the process has been too long and drawn out. One of the war criminals voluntarily agreed to go to The Hague but was in custody for more than 10 months before the Croatian Government transferred him to the tribunal.
At this rate, it would take us some 66 years to bring all the indicted war criminals to The Hague. That’s just too long. Stronger action must be taken.

The World Bank is pumping hundreds of millions of dollars into Croatia and sending aid teams to Republika Srpska. In fiscal year 1997, the Agency for International Development has set aside roughly $70 million for Republika Srpska, and it intends to do the same in fiscal year 1998. This bill requires the Administration to use the assistance programs to secure the speedy apprehension of war criminals, which is as essential for reconciliation and long-term stability as reconstruction efforts—if not more so.

No one has articulated the need for this legislation as well as Justice Goldstone, Former Chief Prosecutor of the International Criminal Tribunals for the Former Yugoslavia and Rwanda where he spoke at the U.S. Holocaust Memorial Museum in January 1997.

Where there have been egregious human rights violations that have been unaccounted for, where there has been no justice, where the victims have received any form of legal redress, where they have been forgotten, where there’s been a national amnesia, the effect is a cancer in the society. It’s the reason the cycle of violence will only continue, and the less war criminals are brought to justice, the less will be for naught.

Justice Goldstone was right. What is required is a genuine process of reconciliation, which can never occur unless all war crimes are brought to justice. Without reconciliation, the spiral of violence will only continue, and the military mission on which the American taxpayers have literally spent billions will be for naught.

Secretary of State Albright will be traveling to Bosnia next week. She has assured me that the issue of war criminals will be raised at every opportunity, and I am confident that she will take a tough stand, urging the Administration to fully cooperate with the Tribunal, consistent with its mandate, to ensure that multilateral and bilateral assistance—should continue to investigate and bring indictments against persons who have fled international law.

SEC. 4. RESTRICTIONS ON FUNDING.

(a) BILATERAL ASSISTANCE.—

(1) IN GENERAL.—No assistance may be provided under the Foreign Assistance Act of 1961 or the Arms Export Control Act for any country described in subsection (d).

(2) APPLICATION TO PRIOR APPROPRIATIONS.—The prohibition on assistance contained in paragraph (1) shall not apply to the provision of assistance from funds appropriated prior to the date of enactment of this Act.

(b) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work with, and vote against, any extension by such institutions of any financial or technical assistance or grants of any kind to any country described in subsection (d).

(c) EXCEPTIONS.

(1) IN GENERAL.—Subject to paragraph (2), subsections (a) and (b) shall not apply to the assistance of—

(A) humanitarian assistance; and

(B) democratization assistance; or

(c) Assistance for physical infrastructure projects involving activities in both a sanctioned country and a non-sanctioned country.

(d) SANCTIONED COUNTRIES.—A country described in this section is a country the authorities of which fail to apprehend and transfer to the Tribunal all persons in territory that is under their control who have been indicted by the Tribunal.

(e) WAIVER.—

(1) AUTHORITY.—The President may waive the restrictions contained in subsection (a) or subsection (b) with respect to a country if the President determines and certifies to the appropriate committees of Congress within six months after the date of enactment of this Act that a majority of the indicted persons who are within territory that is under the effective control of the country have been arrested and transferred to the Tribunal.

(2) PERIOD OF EFFECTIVENESS.—Any waiver made pursuant to this subsection shall be effective for a period of six months.

(f) SANCTIONED COUNTRIES.—The sanctions imposed pursuant to subsection (a) or subsection (b) with respect to a country shall...
cease to apply only if the President determines and certifies to Congress that the authorities of that country have apprehended and transferred to the Tribunal all persons in territory that is under their effective control who have been indicted by the Tribunal.

**SEC. 5. DEFINITIONS.**

As used in this Act:

(1) "Country."—The term "country" shall not include the state of Bosnia and Herzegovina, and the provisions of this Act shall be applied separately to its constituent entities of Republika Srpska and the Federation of Bosnia and Herzegovina.

(2) "DAYTON AGREEMENT."—The term "Dayton agreement" means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

(3) "DEMOCRATIZATION ASSISTANCE."—The term "democratization assistance" includes electoral assistance and assistance used in establishing the institutions of a democratic and civil society.

(4) "HUMANITARIAN ASSISTANCE."—The term "humanitarian assistance" includes disaster and food assistance and assistance for demining, refugees, housing, education, health care, and other social services.

(5) "TRIBUNAL."—The term "Tribunal" means the International Criminal Tribunal for the Former Yugoslavia.

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**INDICTED BY THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE FORMER YUGOSLAVIA**

(List Compiled by the Coalition for International Justice)

<table>
<thead>
<tr>
<th>Name</th>
<th>Title/Indicted for/Date Charged with/Status</th>
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<tbody>
<tr>
<td>1. Zlatko Aleksovski</td>
<td>Croat—indicted 11/10/95 for killing Muslims in Lasva Valley</td>
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<tr>
<td>2. Staja Alikovic</td>
<td>Croat—indicted 11/10/95 for killings in Lasva Valley</td>
</tr>
<tr>
<td>3. Mehjo Balic</td>
<td>Serb—indicted 7/21/95 for crimes committed at Omarska</td>
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<tr>
<td>4. Nedad Barac</td>
<td>Serb—same as N. Banovic</td>
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<tr>
<td>5. Petrad Barovic</td>
<td>Serb—indicted 7/21/95 for atrocities committed at Keraterm</td>
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<tr>
<td>6. Jovko Blanski</td>
<td>Serb—indicted 7/21/95 for killings in Lasva Valley</td>
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<tr>
<td>7. Gordan Bosnjak</td>
<td>Croat—indicted 7/21/95 for expelling Muslims to various camps as well as killings and rapes in Omarska</td>
</tr>
<tr>
<td>8. Miro Cerkez</td>
<td>Croat—indicted 11/10/95 for killings in Lasva Valley</td>
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<tr>
<td>9. Ranko Cesic</td>
<td>Serb—indicted 7/21/95 for atrocities committed in Brijce</td>
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<tr>
<td>10. Zdenko Delalic</td>
<td>Muslim—same as Delalic</td>
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<tr>
<td>11. Hazim Delic</td>
<td>Muslim—same as Delalic</td>
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<tr>
<td>12. Djordje Djukic</td>
<td>Serb—indicted 7/21/95 for killings in Lasva Valley</td>
</tr>
<tr>
<td>13. Damir Dosen</td>
<td>Serb—indicted 7/21/95 for atrocities committed at Keraterm</td>
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<tr>
<td>15. Dragoljub Todor</td>
<td>Serb—indicted 2/13/95 for crimes committed at Omarska</td>
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<tr>
<td>16. Dragica Gavric</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm</td>
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<tr>
<td>17. Slavko Gessmanica</td>
<td>Serb—indicted 2/13/95 for crimes committed at Omarska</td>
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<tr>
<td>18. Goran Gobuc</td>
<td>Serb—indicted 2/13/95 for crimes committed at Lasva Valley</td>
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<tr>
<td>19. Gruja</td>
<td>Serb—indicted 7/21/95 for crimes committed at Lasva Valley</td>
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<tr>
<td>20. Stanislav Hect</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm &amp; 2/13/95 at Omarska</td>
</tr>
<tr>
<td>21. Nikica Junic</td>
<td>Serb—indicted 7/21/95 for crimes committed at Solucica</td>
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<tr>
<td>22. Jana Jelavic</td>
<td>Serb—indicted 7/21/95 for crimes committed in Vukovar</td>
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<tr>
<td>23. Goran Jelic</td>
<td>Serb—indicted 7/21/95 for atrocities committed in Brijce</td>
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<tr>
<td>24. Drago Josipovic</td>
<td>Serb—indicted 7/21/95 for atrocities committed in Lasva Valley</td>
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<tr>
<td>25. Marinko Katic</td>
<td>Serb—same as Josipovic</td>
</tr>
<tr>
<td>26. Radovan Karadzic</td>
<td>Serb—Party Leader—indicted 7/21/95 and 11/6/95 for genocide in Srebrenica, and Sarajevo. Also charged with violations of laws of war and crimes against humanity.</td>
</tr>
<tr>
<td>27. Dušan Kreso</td>
<td>Serb—indicted 7/21/95 for atrocities committed at Omarska</td>
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<tr>
<td>28. Dragoljub Kunarac</td>
<td>Serb—indicted 7/21/95 for crimes committed at Omarska</td>
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<tr>
<td>29. Doris Koric</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm</td>
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<tr>
<td>30. Miroslav Konac</td>
<td>Serb—indicted 7/21/95 for crimes committed at Omarska</td>
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<tr>
<td>31. Predrag Kostic</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm</td>
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<tr>
<td>32. Radomir Racan</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm</td>
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<tr>
<td>33. Dragoljub Kulačanina</td>
<td>Serb—indicted 7/21/95 for crimes committed at Omarska</td>
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<tr>
<td>34. Dragoslav Knorac</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm</td>
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<tr>
<td>35. Miroslav Kukuljanovic</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm</td>
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<tr>
<td>36. Vladimir Kupreskic</td>
<td>Serb—Same as above</td>
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<tr>
<td>37. Zoran Kupreskic</td>
<td>Serb—Same as above</td>
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<tr>
<td>38. Nikola Kukuljanovic</td>
<td>Serb—indicted 7/21/95 for atrocities committed in Brijce</td>
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<tr>
<td>39. Zoran Ljajić</td>
<td>Serb—indicted 7/21/95 for atrocities committed in Lasva Valley</td>
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<tr>
<td>40. Esad Landzo</td>
<td>Muslim—same as Delalic</td>
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<tr>
<td>41. Zoran Marinovic</td>
<td>Serb—indicted 7/21/95 for atrocities committed at Keraterm</td>
</tr>
<tr>
<td>42. Milan Marvinc</td>
<td>Serb—indicted 7/21/95 for crimes committed at Omarska</td>
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<tr>
<td>43. Željko Mezić</td>
<td>Serb—indicted 7/21/95 for crimes committed at Omarska</td>
</tr>
<tr>
<td>44. Slavko Miškovic</td>
<td>Serb—indicted 7/21/95 for crimes committed at Bosanski Samac</td>
</tr>
<tr>
<td>45. Radoje Mladic</td>
<td>Serb—indicted 7/21/95 and 11/16/95 for genocide in Srebrenica and Sarajevo. Charged with Crimes against humanity and violations of laws of war.</td>
</tr>
<tr>
<td>46. Miroslav Mlačić</td>
<td>Serb—Armed Forces Commander—indicted 7/21/95 for genocide at Vukovar</td>
</tr>
<tr>
<td>47. Zdenko Mucius</td>
<td>Serb—indicted 3/25/96 for crimes committed at Celebici</td>
</tr>
<tr>
<td>48. Dražen Mukuš</td>
<td>Serb—Commander of Srebica camp in Bosnia—indicted 1/4/94 for genocide</td>
</tr>
<tr>
<td>49. Dragoljub Pajic</td>
<td>Serb—indicted 11/10/95 for killings in Lasva Valley</td>
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<tr>
<td>50. Nedjeljko Paspalj</td>
<td>Serb—same as above</td>
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<tr>
<td>51. Milan Pavlic</td>
<td>Serb—same as above</td>
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<tr>
<td>52. Mašin Pekovic</td>
<td>Serb—same as above</td>
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<tr>
<td>53. Dragoljub Pezoja</td>
<td>Serb—same as above</td>
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<tr>
<td>54. Damir Pefatic</td>
<td>Serb—same as above</td>
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<tr>
<td>55. Mladen Radojevic</td>
<td>Serb—same as above</td>
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<tr>
<td>56. Miran Radić</td>
<td>Serb—indicted 11/10/95 for crimes committed at Sarajevo</td>
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<tr>
<td>57. Juka Rajic</td>
<td>Serb—indicted 11/10/95 for killings at Stupni Do</td>
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<tr>
<td>58. Ivan Radičević</td>
<td>Serb—indicted 11/10/95 for crimes committed at Lasva Valley</td>
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<tr>
<td>59. Vladimir Šantić</td>
<td>Serb—indicted 11/10/95 for crimes committed at Lasva Valley</td>
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<tr>
<td>60. Dragoljub Spanić</td>
<td>Serb—indicted 7/21/95 for atrocities committed at Omarska</td>
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<tr>
<td>61. Dragan Šaradžić</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm</td>
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<td>62. Đorđe Šćepanović</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm</td>
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<tr>
<td>63. Dragan Šišić</td>
<td>Serb—indicted 7/21/95 for atrocities committed at Vukovar</td>
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<tr>
<td>64. Milan Šimac</td>
<td>Serb—same as above</td>
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<tr>
<td>65. Milan Simic</td>
<td>Serb—indicted 7/21/95 for crimes committed at Lasva Valley</td>
</tr>
<tr>
<td>66. Vesselin Sljivancanin</td>
<td>Yugoslav Army—indicted 11/10/95 for killings at Vukovar hospital</td>
</tr>
<tr>
<td>67. Radovan Stanekovic</td>
<td>Serb—indicted 6/25/96 for crimes committed at Foca</td>
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<tr>
<td>68. Đuka Tadić</td>
<td>Serb—indicted 2/13/95 for murder, rape and torture at Omarska</td>
</tr>
<tr>
<td>69. Milivoje Tadić</td>
<td>Serb—indicted 7/21/95 for crimes committed at Bosanski Samac</td>
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<tr>
<td>70. Nedjeljko Tmavac</td>
<td>Serb—indicted 7/21/95 for crimes committed at Keraterm</td>
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<tr>
<td>71. Stevan Todorovic</td>
<td>Serb—indicted 7/21/95 for crimes committed at Omarska</td>
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<tr>
<td>72. Zoran Vukovic</td>
<td>Serb—indicted 7/21/95 for crimes committed at Lasva Valley</td>
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<tr>
<td>73. Sima Zoric</td>
<td>Serb—indicted 7/21/95 for crimes committed at Foca</td>
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<tr>
<td>74. Dragoljub Zivanovic</td>
<td>Serb—indicted 7/21/95 for atrocities committed in Brijce</td>
</tr>
<tr>
<td>75. Zoran Zivic</td>
<td>Serb—indicted 7/21/95 for Keraterm and 2/13/95 for Omarska</td>
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Notes—1. g.v.: Grave Breaches of the 1949 Geneva Convention. 2. v.c.: Violations of the Laws or Customs of War. 3. GIN: Genocide. 4. c.: Crimes Against Humanity.
Information on the whereabouts of 37 of the 67 people publicly indicted by the International Criminal Tribunal for the Former Yugoslavia (ICTY) are still at large:


3. Mario Cercek—Lasva Valley (Bosnian Croat)—Vitez (Muslim-Croat Federation)—Commanded a Bosnian Croat brigade in Vitez in 1993 and is still there (Tanjug, Nov. 13, 1995).

4. Dragan Fustar—Keraterm (Bosnian Serb)—Prijedor (Bosnian Serb territory)—Residence address listed on the IFOR wanted poster was 41 First of May Street in Prijedor. Aญาต of his mother and wife both living there in late November 1996. The number sign has been pulled from the house. His mother and wife say that they live at 37 First of May Street, even though the building is no 39 and 43 First of May Street. He is now unemployed (Christian Science Monitor, Nov. 28, 1996).

5. Dragan Gagovic—Foca (Bosnian Serb)—Foca (Bosnian Serb territory)—Chief of police in the village of Santici, just east of Vitez (Associated Press, Nov. 28, 1996). Said to have connections with special police in Ljubica. Hasn’t been seen since the night of “The Pink” bar in Prijedor.

6. Dario Kordic—Lasva Valley (Bosnian Croat)—Zagreb, Croatia—Narrows reports that he is at a house for about July 8, 1996, was photographed in front of an apartment in Zagreb’s Tresnjevka district on the 4th floor with no name on the door; block is owned by the defense ministry (Globus [Zagreb], as quoted in Reuters, July 10, 1996). Croatian ambassador to the United States says the apartment belongs to Kordic’s parents, which means the Croatian government knows where Kordic has been living (Washington Post, Nov. 11, 1996, A28).

7. Milojica Kos—Omarska (Bosnian Serb)—Omarska (Bosnian Serb territory)—Frequents the “Europe” restaurant in Omarska, across the street from the Omarska camp buildings; Milojica Kos frequently at the restaurant. Otherwise, he is known in Omarska (Christian Science Monitor, Nov. 28, 1996).

8. Radomir Kovac—Foca (Bosnian Serb)—Foca (Bosnian Serb territory)—A journalist said at the IFOR press briefing on Nov. 19, 1996, that Kovac was still working for the Foca police. IPTF spokesman Aleksandar Ivancko replied, “I heard these reports. We can’t confirm them.” (Christian Science Monitor, Nov. 28, 1996).

9. Zoran Kupreskic—Lasva Valley (Bosnian Croat)—Vitez (Muslim-Croat Federation)—Can be found at the grocery store he and his cousin Vlatko Kupreskic (q.v.) run; he lives in Pirci, just east of Vitez (Associated Press, Nov. 9, 1996). Runs a grocery shop in Pirci. His brother Zvonko Kupreskic (q.v.) owns the “Europe” restaurant. Kovac is reportedly the director of the Croatian interior minister’s hotel. According to IPTF and OSCE sources, his place of residence has been precisely located. (Telegraf [Belgrade], Feb. 28, 1996). Believed living in Banja Luka (London Press Association, Mar. 8, 1996). Said to work for the Krajina Serbs. Reported to have been in Banja Luka (New York Times, Jan. 5, 1996). Later, reported to have retired and now living a solitary life in Belgrade (Vreme, Apr. 6, 1996).

10. Dragan Nikolic—Sisak (Bosnian Serb)—Vukovar (Serb)—In the Vukovar region of Croatia near Osijek in northern Croatia (Human Rights Watch press release, Nov. 8, 1996). Said to work in the Vukovar municipal police. OSCE should know his address.

11. Drago Josipovic—Lasva Valley (Bosnian Serb)—Lasva Valley (Bosnian Serb territory)—Tried to get on the ballot for municipal elections. OSCE rejected it. (Vecernji List [Zagreb], Nov. 20, 1995). Federa-
Vitez, Bosnia-Herzegovina (AP)—Locating war crimes suspects in Bosnia is easy. Finding someone prepared to arrest them is tough.

On a typical afternoon, Marinko Katava, whose whereabouts, according to IPTF spokesman Aleksandar Ivanko, in August, Stankovic walked into IPTF police station near Sarajevo, but IPTF did not recognize his name. Local police stopped him, asked to see his driver's license, recognized his name, ordered him to come to a police station, whereupon he fled—later to file a complaint with the IPTF alleging that the Bosnian police tried to shoot at his car (Reuter, Nov. 8, 1996). In August, Stankovic filed a complaint against the Bosnian police at an IPTF office. "After being forced to leave the compound, Stankovic learned that one of the local reporters told the Bosnian police that the driver had been found wanted. Stankovic's wife made the same request at the printing shop, and fellow town hall workers said Katava did not want to meet the visitor." But none of them take any precautions to guard against arrest.

Why should they? Nobody is looking for them. The unaided U.N. police force has no powers of arrest and the NATO-led peace force has no mandate to guard against arrest.

Just the most famous war crimes suspects follow elaborate security measures to make themselves difficult to find and avoid arrest. They include Radovan Karadzic, who's wanted for murder, can be found behind his desk in the town hall. Pero Skopljak, the town's former chief of police, runs a local printing shop. The Kupreskic family—three of whose members are wanted for their role in the murderous wartime campaign against their Muslim neighbors—are usually at the grocery store they run.

All have been indicted by the U.N. war crimes tribunal in The Hague, Netherlands and listed on a widely-distributed "Wanted" poster.

The suspects aren't easy to see. A reporter who spoke by telephone with the Kupesics was met at the grocery by a group of men who asked the reporter to leave. Skopljak's wife made the same request at the printing shop, and fellow town hall workers said Katava did not want to meet the visitor.

The Associated Press discovered that at least one of the war crimes suspects wanted for murder, Marinko Katava, continues to work as a labor inspector in the local government.

Katava—whose whereabouts, according to the tribunal and The Hague, are unknown—can be found during working hours at town hall and at other times in his pleasant downtown apartment.

The two Serbs in custody were arrested by the Croatian authorities after the tribunal indicted them. While the Muslim-led government in Sarajevo is not much more compliant, in Vitez, 50 miles northwest of Sarajevo, at least six of the 11 Croats indicted for their role in the expulsion and murder of Muslims from the region remain at liberty.

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That leaves nabbing suspects up to Bosnian Muslim, Croat and Serb authorities—"they will not do it," Steiner said. It makes little effort to conceal his daily movements in his mountain stronghold of Pale, southeast of Sarajevo. Confident of his security, Mladic contacts friends and family by telephone to try and grab him, he drives past the U.N. police station in Pale each day.

Mladic lives just 8 miles from a big American base in eastern Bosnia and a heavily-guarded compound in Han Pijesak. There was no unusual movement reported around his compound on Saturday. U.N. officials told The AP that six indicted Serbs still hold their police jobs: four in the northwestern town of Prijedor and two in the southeastern town of Pale.

Bosnian Croats are no more compliant. In Vitez, 50 miles northwest of Sarajevo, at least six of the 11 Croats indicted for their role in the expulsion and murder of Muslims from the region remain at liberty.

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raping and killing Muslim and Croat pris-
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domains that have been indicted with war crim-
loyd of Zjelezko?" says the operator at the town
t power, yet he's not here at the mo-
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Mejakic, the Bosnian Serb former com-
mander of the notorious Omarska prison camp
prise shows that he's not here at the mo-
stitution and Bosnian Serb sources.
early a year after the Dayton peace ac-
cord for Bosnia was called for war criminals to be
brought to justice, alleged war criminals re-
main in large and in positions of power,
many ruling their communities as firmly in
power as they did before the war.
The net result, a Globe investigation has
found, is that some alleged war criminals are
flourishing in peacetime. Some are believed to have
halted international war crimes tribunals for drug traf
farming, counterfeiting and extortion.
Others have kept their roles in their com-
nity by manipulating political oppor-
tunities and running protection rings, keep-
ing their war records buried under new
abuses of power. Their reach appears to stretch
to remote Bosnian towns. Several war crimes
witnesses interviewed in German said they
have been threatened there.
'Unfortunately, Dayton is only a piece of
paper,' said Vesna Visnicky, a Roman
Catholic priest in Serb-held Banja Luka who
holds local warlord responsible for the 1995
disappearance of a local priest. ‘All the war
criminals are still in power.’

The arrest and trial of alleged war crim-
nals is seen as a key element of peace here,
allowing justice to break Balkan cycles of
revenge. Yet NATO peacekeepers, whose
mandate bans them from searching out war
criminals, have yet to arrest any of the more
than 76 men indicted. Nor have former war-
ringing peacekeepers been able to

Under the Dayton accord, indicted war
criminals are banned from holding public or
elective office. But in reality, many still do:
most notably, Gen. Ratko Mladic, who
was indicted in 1995 for genocide. A
Western official speaking on con-
dition of anonymity, said new threats
had been leveled against Bosnian Serb
officials in recent weeks.
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MOSTAR

Since the signing of the Dayton agreement last December, the city of Mostar has be-
come Bosnia's hub for war. Ex-
ceptions routinely destroy cafes of
owners unwilling to pay protection money. Opposi-
tion figures are openly harassed. Car theft
and counterfeit rings abound. Ethnic minori-
ties are chased from their homes. An illegal
drug trade, from marijuana to cocaine, is
flourishing. And lurking behind all these de-
velopments, Bosnian government and West-
ern sources say, are two men accused of
being war criminals: Mladen “Tuta”
Naletilic and Vinko “Stela” Martinovic.

Key to the local warlords is "Stela," who
was the leader of the group who
occupied the Omarska camp. "Tuta,"
who is one of the West's most wanted indicted war
criminals, is seen as a key element of peace here,
whom UN and NATO officials expect to be
in indicted this month for war crimes.

One alleged criminal who is still free is
former Prijedor police chief Simo Drljaca,
whom UN and NATO officials expect to be
indicted this month for war crimes. Drljaca,
sources say, determined who was sent to
prison camps and how they were treated, in-
cluding signing "death warrants." Since
the war, Drljaca has run Prijedor as if
it were his fiefdom. In addition to control-
ing officials from the mayor on down,
Drljaca is also alleged to have de-
manded kickbacks for apartments and police
protection of businesses. Locally, his nick-
name is "Mr. Ten Percent," for the rate he
demands from area bars and restaurants.

According to Bosnian government and
Western sources, "Tuta" and Stela gained a
stronghold on Mostar and running anti-
terrorist units in the Bosnian Croatian Army
that drove minorities from the city and set
up local detention camps.

Tuta, a Canadian Croat who is close to
Croatian Defense Minister Gojko Susak, is
described as having been the brains behind
the operation; Stela, who had a lengthy
criminal record before the war, is the
front man. "Tuta gave the orders, and Stela obeyed,"
said one Western official here.

Officials allege that "Stela" Martinovic and
Tuta, the "ATC," is identifiable by their
sunglasses and shaved heads—
drove Muslims and Serbs from West
Mostar, killing and raping as they went.
"Tuta, we now wear the shirt of
Stela’s team," said Azra Hasanbegovic, 49,
in East Mostar. "My 74-year-old mother
was badly beaten with rifle butts . . .
there were a lot of rapes . . .
Bosnian government sources allege that
Tuta and Stela established a prison camp at
the local helicopter base. Testimony from
Survivors, company officials, Bosnian
government and delivered to the Hague,
includes accounts of people forced to eat feces,
denied water under beating sun and made to watch their children raped or killed.

Even local Croats were not safe. Both Tuta and Stela reportedly levied a “war tax” on those living near them to fight the Muslims.

Today, the two men continue to exercise power with impunity. Stela provis Mustor in his green Jaguar, Mercedes 600 or Mercedes 190; Tuta Susak in his Golf car. When police came to the village of Siroki Brije, Bosnian government sources allege the two men are now involved in counterfeiting money, running drugs, prostitution, smuggling cigarettes and protection rackets.

Western authorities say they are aware of the allegations, but cannot prove them. But they do think the two hold sway over Bosnian Croat police, who have done nothing about 50 cases so far this year involving the expulsion of Muslims from their homes. Last week, a Muslim woman arrived home after a two-hour absence to discover a Croatian family in her apartment.

“No one can survive in business or politics unless he is in agreement with Tuta,” said one Bosnian government source.

In recent weeks, leading political opposition figures have been threatened and beaten. In April, Tuta physically attacked a leading Croatian government critic, Slobodan Budak, at Zagreb’s International Hotel.

“There is a climate of intimidation and fear in Mostar, and people are frightened to stand up and express their views as a result,” said Garrod, the European Union envoy.

Unfortunately, people on all levels are not yet prepared to demand that the guilty be brought to justice.”

Previous Globe coverage and links are available on Globe Online at http://www.boston.com.

The keyword is Bosnia.

Among alleged war criminals in Prijedor and Omarska.

Miomilo “Cigo” Radanovic, Prijedor deputy mayor; Former head of Bosnian Serb Army unit; allegedly extorted residents by promising freedom for cash. “The biggest crimes in Kosarac were committed under the command of Momcilo (Cigo) Radanovic,” charged a camp survivor, Nusret Sivac.

Ranko Mijic, new Prijedor chief of police; Omarska camp survivors say he was their chief interrogator officer.

Simo Drljaca, previous Prijedor chief of police; is appointed to the ministry of interior. Allegedly determined who went to camps; signed orders for executions. “I became a victim of his revenge,” said D.D., a Croatian sent to Keraterm. “Shoving of police clubs into the anus and sitting on broken beer bottles were only some of the maltreatment.”

Mladen Radic, Prijedor police officer; Indicted by War Crimes Tribunal. “The guards formed a lane, we had to walk through it. It was last, if Mladen winked at his eye or said, ‘Not this one,’ the man would walk the lane without being battered,” said D.I., a former prisoner.

Miroslav Krocic, police officer; Indicted for war crimes. Original commander of Omarska.

Nedeljko Timarac, chief of forensics, Prijedor police; Indicted for war crimes. At Omarska camp, he was “a member of the gang of Zoran Ziga, a multiple criminal. They are responsible for many murders and rapes,” said Nusret Sivac.

Zeljko Mejaktic, Omarska deputy police commander; Indicted for war crimes. Commander of Omarska camp. “He interrogated me for three days. Tortured and beat me,” said Nusret Sivac.

“He knocked me with his fist. His mates knocked my teeth out.”
or what was operationally required to increase efficiency within the Department.” We asked then Secretary Madigan to curtail computer purchases until a “strategic plan or vision for Department reorganization is completed.” We still await a final version of the plan.

For over a decade, audits of USDA’s IT purchases have uncovered the same root problems: inadequate control, planning, and direction of IT investments. USDA’s IT organization has failed to exercise the authority to control the IT expenditures of its 30 agencies. These agencies’ independent IT purchases have led to systems that are unable to communicate across the Department. This has impeded program delivery and resulted in a labyrinth of duplicative and incompatible systems that has wasted hundreds of millions of dollars.

The 104th Congress passed the Clinger-Cohen Act, which requires performance agreements and milestones for core business investments in IT planning and purchases throughout Government. Clinger-Cohen created the position of the Chief Information Officer (CIO), a high-level executive responsible for achieving program improvements through prudent and coordinated IT investments. The concept of CIO coordination of IT planning and purchases is already widespread in the private sector.

To be successful, the CIO must have significant legal and budgetary authorities. The CIO at USDA has neither. Individual agencies, which control their own budgets, can ignore the CIO. Currently, USDA’s CIO has the responsibility to coordinate IT investments across agencies, but lacks the planning and budgeting authority to meet this responsibility. Without such authority, the problems of the past are sure to continue.

The legislation I introduce today builds on Clinger-Cohen by giving the CIO at USDA the legal and budgetary authorities necessary to manage IT across USDA’s 30 agencies. This bill accomplishes three things. First, the CIO is given the legal and budgetary authorities necessary to successfully manage IT to benefit the Department as a whole. Second, the CIO is given subcabinet rank within USDA, and will report directly to the Secretary. Third, the CIO is given the authority to approve or disapprove all purchases for telecommunications and computers.

One important provision of this bill transfers to the CIO 10 percent of all USDA agencies’ appropriations for salaries and expenses, to be used for IT planning and purchases. This amount can be adjusted by the Secretary. When the CIO approves an expenditure, the funds are released back to the agency. My purpose in including this provision is to provide the CIO with sufficient authority to control IT throughout USDA. I understand that Secretary Glickman may prefer alternative methods of achieving this goal. I look forward to working with him to craft the best means of accomplishing our common objective, because I genuinely intend this legislation to be helpful to his efforts and want to be supportive.

Secretary Glickman sincerely wants to change the stovepipe mentality that pervades decisionmaking among USDA’s 30 agencies. The Secretary has expressed a desire to reform the planning and budgeting of IT expenditures. He has stated a desire to halt the pattern of uncoordinated planning and ill-advised purchases that has resulted in the waste of taxpayer dollars. I believe the Secretary agrees that we cannot afford the operating procedures which exist today.

However, the challenge of effecting change in the long-standing pattern of stovepipe agencies operating on their own is formidable. By introducing this bill today, I offer my assistance to the Secretary in this difficult and here-tofore elusive task.

The intent of this legislation is to help the Secretary realize his vision of a common USDA spirit by allowing him to implement reforms across the entire Department of Agriculture. I look forward to working with him to increase the efficiency and effectiveness of USDA programs. This effort will result in improved delivery of USDA programs.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

SEC. 2. FINDINGS.

The intent of this legislation is to improve delivery of USDA programs. This bill accomplishes three things. First, the CIO at USDA has the legal and budgetary authority to control the IT expenditures of its 30 agencies. These agencies’ independent IT purchases have led to systems that are unable to communicate across the Department. This has impeded program delivery and resulted in a labyrinth of duplicative and incompatible systems that has wasted hundreds of millions of dollars.

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S. 805

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Department of Agriculture Information Technology Reform Act”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.
Sec. 4. Powers and duties of Chief Information Officer.
Sec. 5. Procurement of outside consultants.
Sec. 6. Transportation Information Technology funds.
Sec. 7. Review of Office of Management and Budget.
Sec. 8. Technical amendment.
Sec. 9. Termination of authority.

SEC. 2. FINDINGS.

Congress finds that—

(1) the Office of Management and Budget estimates that the Department of Agriculture will spend $1.100,000,000, $1.200,000,000, and $1.250,000,000 for fiscal years 1996, 1997, and 1998, respectively, on information technology and automated data processing equipment;

(2) according to the Department, as of October 1993, the Department had 17 major information technology systems under development with an estimated life-cycle cost of $6,300,000,000;

(3) over the past decade, committees of Congress, the General Accounting Office, the Office of Management and Budget, and private consultants have repeatedly argued that the Department’s information technology decisions have been made in piecemeal fashion, on an individual agency basis, resulting in duplication, a lack of coordination, and wasted financial and technological resources by the offices or agencies of the Department and in hundreds of millions of wasted dollars over the past decade;

(4) the Department’s role in agriculture in the United States was substantially altered by the FAIR Act, although the Department has not adequately assessed the impact the FAIR Act will have on the services the Department provides to its customers;

(5) decentralized, uncoordinated, and wasteful purchases for information technology have continued at the Department until recently when the Secretary imposed a moratorium on purchases;

(6) a strong central and independent leadership, control, and accountability is essential to coordinating planning and eliminating wasteful purchases;

(7) the Chief Information Officer should have a subcabinet rank within the Department;

(8) a single authority for Department-wide planning is needed to ensure that the information technology architecture of the Department is based on the strategic business plans, information resources, management goals, and core business process methodology of the Department;

(9) information technology is a strategic resource for the missions and program activities of the Department;

(10) consolidating the budgetary authority for information technology purchases is key to eliminating purchases that are conducted in piecemeal fashion, on an individual office or agency of the Department basis, resulting in duplication, a lack of coordination, and wasted financial and technological resources at the Department;

(11) centralizing the authority and funding for planning and investment for information technology in the Office of the Chief Information Officer will—

(A) provide the Department with strong and coordinated leadership and direction;

(B) ensure that the business architecture is based on rigorous core business process methodology;

(C) ensure that the information technology architecture of the Department is based on the strategic business plans of the offices or agencies of the Department and the missions of the Department;

(D) ensure that funds will be invested in information technology only after the Chief Information Officer has completed the planning and review of future business requirements of the offices or agencies and development of information technology architecture that is based on the business requirements; and

(E) force the Department to act as a single enterprise with respect to information technology, thus eliminating the duplication and inefficiency associated with a single office-agency-based approach;

(12) each office or agency of the Department should achieve at least—

(A) a 5 percent per year decrease in costs incurred for operation and maintenance of information technology; and

(B) a 5 percent per year increase in operational efficiency through improvements in information resource management;

(13) information resource management should be supported by a senior official of the Department who is committed to using information technology to facilitate the most efficient administration of the program functions of the Department by marshalling the necessary resources and the commitment of high-level managers toward that end.

SEC. 3. DEFINITIONS.

In this Act:
(5) INFORMATION TECHNOLOGY ARCHITECTURE.—The term ‘‘information technology architecture’’ means the Federal Agriculture Improvement and Reform Act of 1996 (40 U.S.C. 1423a et seq.), which establishes a framework for maintaining existing information technology and acquiring new information technology to achieve the strategic business plans, information resources, management, and information resource management in the Department, on a Department-wide basis.

(6) INFORMATION TECHNOLOGY SYSTEM.—The term ‘‘information technology system’’ means a system of automated data processing or telecommunications equipment or software (including support services), information technology management, or business process reengineering of an office or agency of the Department.

(7) INFORMATION RESOURCE MANAGEMENT.—The term ‘‘information resource management’’ means the process of managing information resources to accomplish agency missions and to improve agency performance.

(8) INFORMATION RESOURCES.—The term ‘‘information resources’’ means information and related resources such as personnel, equipment, funds, and information technology systems.

(9) INTEGRATION OF INFORMATION RESOURCES.—The term ‘‘integration of information resources’’ means the process of managing information resources to accomplish agency missions and to improve agency performance.

(10) INFORMATION TECHNOLOGY ADMINISTRATION.—The term ‘‘information technology administration’’ means the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104-127).

(11) INFORMATION TECHNOLOGY SYSTEM.—The term ‘‘information technology system’’ means the Department of Agriculture.

(12) INTEGRATION OF INFORMATION TECHNOLOGY.—The term ‘‘integration of information technology’’ means the Federal Agriculture Improvement and Reform Act of 1996 (40 U.S.C. 1423a et seq.), which establishes a framework for maintaining existing information technology and acquiring new information technology to achieve the strategic business plans, information resources, management, and information resource management in the Department, on a Department-wide basis.

SEC. 4. POWERS AND DUTIES OF CHIEF INFORMATION OFFICER.

Notwithstanding any other provision of law (except the Government Performance and Results Act of 1993 (Public Law 103-62), amendments made by that Act, and the Information Technology Management Reform Act of 1996 (40 U.S.C. 1401 et seq.) in addition to the general authorities provided to the Chief Information Officer by section 5125 of the Information Technology Management Reform Act of 1996 (40 U.S.C. 1425), the Chief Information Officer shall have the following powers and duties with respect to the Department:

(1) LEADERSHIP IN REORGANIZATION AND STREAMLINING EFFORTS.—The Chief Information Officer, in cooperation with other persons such as the Chief Financial Officer and the Executive Information Technology Investment Review Board (or its successor), shall provide the strong central leadership, planning, and direction needed to implement the new management approaches that will be adopted and carried out by the Department in light of the substantial changes created by the FAIR Act and reorganization and downsizing initiatives already commenced within the Department.

(2) INFORMATION TECHNOLOGY SYSTEMS AND INFORMATION RESOURCE MANAGEMENT.—The Chief Information Officer shall oversee the development, operation, and maintenance of all information technology systems and information resource management in the Department.

(3) DEPARTMENT-WIDE INFORMATION TECHNOLOGY SYSTEMS.—The Chief Information Officer shall ensure that information technology systems of the Department are designed to coordinate the functions of the offices or agencies of the Department on a Department-wide basis.

(4) INFORMATION TECHNOLOGY ARCHITECTURE.—The Chief Information Officer shall establish, and exercise exclusive authority over, an information technical architecture that serves the entire Department based on the department's information resource management, goals, and core business process methodology of the Department.

(5) COORDINATION OF INFORMATION TECHNOLOGY ARCHITECTURE AND AGENCY STRATEGIC PLANS.—The Chief Information Officer shall ensure that the information technology architecture of the Department clearly implements the strategic business plans, and information resource management, of offices or agencies of the Department.

(6) INTEGRATION OF INFORMATION TECHNOLOGY SYSTEMS.—The Chief Information Officer shall design and implement an information technology architecture in a manner that ensures that:

(i) the information technology system of each office or agency of the Department maximizes the effectiveness and efficiency of mission delivery and information resource management, and supports core business processes of the Department;

(ii) the information technology system of each office or agency of the Department maximizes the effectiveness and efficiency of mission delivery and information resource management, and supports core business processes of the Department;

(iii) maximizes efficiency and coordination of information technology systems between offices or agencies of the Department;

(iv) electronic fund transfers, and purchases of the information technology system of each office or agency of the Department are cost effective.

(v) information technology systems of the Department are designed and managed to coordinate the functions of the offices or agencies, and offices or agencies of the Department, on a Department-wide basis.

(7) ELECTRONIC FUND TRANSFERS.—The Chief Information Officer shall—

(A) monitor the performance of the information technology system of each office or agency of the Department;

(B) evaluate the performance of the system on the basis of applicable performance measurements;

(C) advise the head of the office or agency on whether to continue, modify, or terminate the system.

(8) FIELD SERVICE CENTERS.—The Chief Information Officer shall ensure that the information technology architecture of the Department provides for information technology systems that are designed for field service centers.

(A) to best facilitate the exchange of information between field service centers and other offices or agencies of the Department;

(B) that integrate the operation of all existing information technology systems of the Department to provide a single point of service for program delivery; and

(C) that integrate the changed missions of the Department in light of the FAIR Act and reorganization and downsizing initiatives of the Department.

(9) INTEGRATION OF INFORMATION TECHNOLOGY SYSTEMS INVESTMENTS.—

(A) IN GENERAL.—The Chief Information Officer shall have the exclusive authority to approve a transfer or obligation of funds to be used for the purpose of investing in an information technology system of the Department that exceeds $250,000 and that applies to an office or agency of the Department or has a Department-wide impact.
The Chief Information Officer shall not approve the transfer or obligation of funds with respect to an office or agency of the Department unless the Chief Information Officer determines that—

(i) the information technology architecture of the Department is complete;

(ii) the funds transferred or obligated for an information technology system that is consistent with, and maximizes the performance of, the strategic business plans of the office or agency of the Department and of the Department;

(iii) ongoing projects and other acquisitions of the funds will be transferred to or have Department-wide impact. The criteria adopted shall be required to ensure that similar requirements, common elements, and economies of scale are realized; and

(iv) in coordination with the Chief Financial Officer, the strategic business plan of the office or agency is complete.

(C) CAPITAL PLANNING AND INVESTMENT CONTROL.—Before approving a transfer or obligation of funds for an investment under subparagraph (A), the Chief Information Officer shall consult with the Executive Information Technology Investment Review Board (or its successor) concerning whether the investment—

(i) meets the objectives of capital planning processes for selecting, managing, and evaluating the results of major investments in information systems; and

(ii) links the affected strategic plan with the information technology architecture of the Department.

(D) EVALUATION OF INVESTMENTS.—The Chief Information Officer shall adopt, and have exclusive authority to use, a standard set of criteria to evaluate proposals for information technology system investments that are applicable to individual offices or agencies of the Department or have Department-wide impact. The criteria adopted shall include considerations of Department-wide or Federal Government-wide impact, visibility, cost, risk, consistency with the information technology architecture, and maximization of performance goals for program activities.

(10) USE OF BUDGET PROCESS.—

(A) IN GENERAL.—The Chief Information Officer shall develop, as part of the budget process, a process for analyzing, tracking, and evaluating the risks and results of all major capital investments made by an office or agency of the Department for information systems.

(B) PROVISION OF DIRECTIONS FOR BUDGET.—The Chief Information Officer shall issue to the head of the Department clear and concise direction that the head of the office or agency is required to follow, concerning the investments made by the office or agency with respect to information technology.

(C) OMB CRITERIA AND GUIDELINES.—The Chief Information Officer shall operate the information technology investment systems in a manner that is consistent with the guidelines established by OMB.

(11) DIRECTION FOR ACTION.—The Chief Information Officer shall report only to the Secretary.

(12) EVALUATION OF PROGRAMS AND INVESTMENTS.—

(A) REQUIREMENT.—The Chief Information Officer, in consultation with the Executive Information Technology Investment Review Board (or its successor), shall evaluate the information resources management practices of the offices or agencies of the Department with respect to the performance and results of the investments made by the offices or agencies in information technology.

(B) DUTIES FOR ACTION.—The Chief Information Officer shall issue to the head of each office or agency of the Department clear and concise direction that the head of the office or agency—

(i) establish effective and efficient capital planning processes for selecting, managing, and evaluating the results of all of its major investments in information systems;

(ii) determine, before making an investment in a new information system—

(I) whether the function to be supported by the system is a private sector and, if so, whether any component of the office or agency performing that function should be converted from a governmental organization to a private sector organization; or

(II) whether the function should be performed by the office or agency and, if so, whether the function should be performed by a private sector source under contract or by personnel of the office or agency; and

(iii) ensure that the information security policies, procedures, and practices are adequate.

(13) REPORTING.—The Chief Information Officer shall report only to the Secretary.

SEC. 5. PROCUREMENT OF OUTSIDE CONSULTANTS, CONTRACTS, AND AGREEMENTS WITHIN THE DEPARTMENT.

(a) IN GENERAL.—Consistent with section 3109 of title 5, United States Code, the Chief Information Officer may procure a private consultant who is an expert in—

(1) planning and organizing information technology in the context of a business; and

(2) coordinating information technologies with core business plans and processes.

(b) USE AND AVAILABILITY OF FUND.—Agency information technology funds that are transferred to the account of the Chief Information Officer are available only for an activity described in section 4, 5, or 6 of the Information Technology Management Reform Act of 1996 (40 U.S.C. 1401 et seq.), and the Chief Information Officer determines will best serve the needs of the Department; and

(2) shall remain available until expended.

(c) ADJUSTMENT OF FUNDS TRANSFERRED.—The Secretary may adjust the amount of funds transferred by an office or agency under subsection (a) to reflect the actual or estimated expenditure of the office or agency for information technology systems for a fiscal year.

(d) MULTIPLE OFFICES AND AGENCIES.—An office or agency of the Department shall not be responsible for more than 10 percent of the funds made available to it by means of the authority of this section.
stability, and our own prosperity. Since the time native America lost "the war," their economy has never been rebuilt. The treaties that the United States made with tribes in exchange for their land and peace have, for the most part, not been honored.

The economic conditions on Indian reservations have not improved even during those periods of economic growth that have swept much of the rest of the country. Instead, those living on these reservations have long suffered the indignity of promises broken and treaties discarded, and a personal hopelessness that reaches tragic dimensions. Many Indian reservations are, relatively speaking, islands of poverty in the ocean of wealth that is the rest of America.

In previous Congresses, I have offered amendments to the Federal Tax Code to create incentives for private sector investment on Indian reservations and remove inequities in the Tax Code so that tribal governments can enjoy the same tax benefits accorded other nontaxable government entities. I have been disappointed to find provisions designed to provide an advantage to Indians, but merely to give them the same kind of tax incentives and benefits the Congress has given other economically depressed areas and other units of government, even the extremely underdeveloped economies of native American communities. I believe we must authorize these reasonable measures to stimulate economic growth and productivity for Indians.

RESERVATION INVESTMENT TAX CREDIT

Mr. President, the first bill I am introducing today is the Indian Reservations Jobs and Investment Act of 1997. This bill would provide tax credits to otherwise taxable business enterprises if they locate certain kinds of income-producing property on Indian reservations. The bill does not provide any tax credit for reservation property used in connection with gaming activities.

I am convinced by how little private enterprise is present on Indian reservations. Typically, the only economic activity that is generated by the Federal or tribal governments. We must begin to see private investment attracted to Indian reservations if we are to realize any significant improvement in the economies of Indian tribes.

TRIBAL UNEMPLOYMENT TAX EQUITY AND RELIEF

Mr. President, the second measure is the Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1997. This bill would correct a serious oversight in the way the Federal Income Tax Code treats Indian tribal governments for unemployment purposes under the Federal unemployment program authorized by the Federal Unemployment Tax Act [FUTA]. It would clarify existing tax statutes so that tribal governments are treated as State and local units of government for unemployment tax purposes.

Unless this problem is resolved, many former tribal government employees will continue to be denied benefits by State unemployment funds. I believe that Indian and non-Indian workers who are separated from tribal governmental employment should be included in our Nation's comprehensive unemployment insurance system, and this bill will go a long way toward correcting the mandates imposed by tribal governments on a fair and equitable basis in the Federal-State unemployment system.

TRIBAL TAX-EXEMPT BOND AUTHORITY

Mr. President, a third measure I am introducing is the Tribal Government Tax-Exempt Bond Authority Amendments Act of 1997. This bill would bring new investment dollars to Indian reservations where capital formation is so desperately needed. There are serious deficiencies in the basic infrastructure on Indian reservations, primarily because increasingly tight fiscal restraints have limited the ability of the United States to provide adequate funding for sanitation, housing, roads, and other items critical to a full and fair opportunity to improve the quality of life today and to become more self-sufficient in the future. The bills will help to achieve these goals by spurring economic development within the "reservation tax-benefit employer" category which it has created for State and local government employers.

Mr. President, today I would like to co-sponsor the Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1997 introduced by Senator McCain. The Federal Unemployment Tax Act of 1960 (FUTA) is a joint Federal-State tax system that imposes on each employer a tax on wages paid to their employees. These taxes are used to provide unemployment insurance to out-of-work citizens. The Federal portion of the tax can range up to 9 percent of wages paid and the State portion ranges from near zero to 9 percent of wages paid.

Indian tribes from around the country have contacted me expressing a great deal of confusion with the FUTA system and the difficulties they are having in planning as a result of the varying interpretations given FUTA by the IRS and the Labor Department. This problem is national in scope and experienced by tribes in the Great Lakes region such as the Red Lake Band of Chippewa Indians and the Fond du Lac Band of Lake Superior Chippewa Indians, and by tribes in my own State of Colorado—the Ute Mountain Ute and the Southern Ute tribes. The FUTA encourages States to undertake their own unemployment insurance programs by permitting employers to take the State unemployment insurance taxes they have paid and use them to offset their Federal unemployment insurance taxes.

This legislation is necessary to clarify the status of tribal governments under the FUTA and the Internal Revenue Code. As independent sovereign entities, Indian tribal governments should be afforded the same tax treatment as other governments—Federal, State, and local. Indian tribal governments are legitimate governments and, in fact, are one in four sovereign governments mentioned in the U.S. Constitution; the others being foreign nations, the several states, and the Federal Government. This is critical because FUTA treats private, commercial employers differently than it does foreign employers. Indian employers are subject to both State and Federal unemployment insurance taxes.

In brief, the FUTA exempts foreign, Federal, State, and local government employers from the Federal unemployment tax; and exempts foreign and Federal Government employers from the State unemployment insurance tax. FUTA allows state and local government employers to pay a favorable, lower State unemployment insurance tax, and for tax purposes treats tax-exempt charitable organizations the same as State and local governments.

The problem is that the FUTA does not expressly include Indian tribal government employers in the "government employer" category it has created for State and local government employers. As a result tribal governments across...
By providing equitable FUTA treatment to tribal government employers, this legislation will assist in the long-term growth and stability of tribal economies and tribal governments. I urge my colleagues to join in supporting this crucial measure.

Mr. President, I authorized the printing of an additional 5,000 copies of this legislation. I urge colleagues to consider this measure.
We would like to request the assistance of the Native American Rights Fund attorneys and policy staff on this issue. Some coordination of effort would be greatly appreciated. I believe it is an issue which will affect all tribes in the very near future. The impacts of Labor’s UIPL surely will negatively affect sovereignty and degrade the government-to-government relationship which President Clinton affirmed by Executive Order a few years ago.

I thank you for your consideration of this matter.

Sincerely, 
JUDY KNIGHT-FRANK, Chairman.

FOOTNOTES
1 At the time of writing, I am still awaiting a facsimile copy of the NCAI Resolution and will forward it immediately when it is received.
2 We did not pay our IRS FUTA tax bills since we received no benefit therefrom. A large IRS claim was dropped via federal legislation acknowledging the problem.


Hon. BEN NIGHTHORSE CAMPBELL, Chairman, Committee on Indian Affairs, U.S. Senate, Washington, DC.

Dear Chairman Campbell: On behalf of the National Congress of American Indians, the oldest and largest national Indian organization, I am writing to voice the support of more than 250 member governments for legislation to fix the inequitable treatment of tribal governments under the Federal Unemployment Tax Act (FUTA).

Since its enactment in the 1930’s, FUTA has treated foreign, federal, state and local governments employers differently from commercial business employers. FUTA also treats tax-exempt charitable organizations and governments under the same definition as state and local governments. It is well-settled that tribal governments are not taxable entities under the federal tax code because of their sovereign status. However, because FUTA does not expressly include tribal governments within the definition of governmental employers, the Internal Revenue Service (IRS) is forcing tribal governments to pay the high tax rates that apply to commercial business employers.

To correct this situation, Representative Shadegg has introduced H.R. 294, the Indian Employment Tax Equity Act. H.R. 294 would give tribal governments the same tax relief that foreign, federal, state and local governments are given. The bill makes it clear that tribes are sovereign entities and are therefore exempt from the tax. In this way, the Internal Revenue Service (IRS) would be bound by the same law as the State of New York.

Respectfully,
ROBERT HOFFMANN
National Congress of American Indians

Chairman.

CONGRESSIONAL RECORD — SENATE

RESOLUTION PHX-96-107

TITLe: FUTA

Whereas, we, the members of the National Congress of American Indians of the United States, do hereby establish and submit the following resolution; and

Whereas, the National Congress of American Indians (NCAI) is the oldest and largest national tribal organization in the United States comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

Whereas, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

Whereas, this exemption is based on the fact that states and their political subdivisions are immune from state taxation under the Tenth Amendment to the Constitution of the United States, Id., and immunity which federally recognized Indian tribes share; and

Whereas, prior to the UIPL, states could consider Tribes and their various wholly owned entities as ‘political subdivisions’ of their state for purposes of exempting Tribes from the FUTA tax, thereby making Tribes eligible for favorable governmental unemployment tax rates as well as reimbursement status (where a Tribe would only pay for those unemployment benefits paid out) if desired; and

Whereas, if member Tribes allow the UIPL to stand and not seek to change the law to rightfully exempt them from this federal tax, they will not only be subject to a higher state program cost (since their program cost is the same as the state and local governments), and thus will also be subject to an unacceptable and possibly illegal federal tax, and

Whereas, this exemption and fair treatment could be guaranteed by amending 26 USC § 7871(a)(2) (which treats Tribes as states and therefore exempt: Now Treasury lists of excise taxes for which Tribes are considered as states and therefore exempt: Now Treasury treats Tribal governments as states, the same level as any political subdivision thereof); and

Whereas, this exemption and fair treatment could be guaranteed by amending 26 USC § 7801(a)(2) (which treats Tribes as states for purposes of several federal taxes, including the excise tax) to include Tribes on the list of excise taxes for which Tribes are considered as states and therefore exempt: Now Treasury has treated Tribal governments as states, the same level as any political subdivision thereof; and

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Whereas, Tribes should be exempt from the FUTA tax and be allowed to participate in a state unemployment insurance program on the same level as any political subdivision therein; and

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Whereas, the National Congress of American Indians does hereby acknowledge this serious issue affecting nearly all member Tribes and shall immediately begin a member-wide survey to coordinate among its members the effort to amend the above-mentioned law in as timely a fashion as possible.

By Mr. ABRAHAM (for himself and Mr. DEWINE): S. 810. A bill to impose certain sanctions on the People’s Republic of China, and for other purposes; to the Committee on Foreign Relations.

THE CHINA SANCTIONS AND HUMAN RIGHTS ADVANCEMENT ACT

Mr. ABRAHAM. Mr. President, I rise today to introduce the China Sanctions and Human Rights Advancement Act.

Economic growth and human progress make their greatest strides when people are secure and free to think, speak, worship, choose their own way and reach for the stars.

While China has made great strides since Ronald Reagan spoke those words, it is clear today that the people of China are not free to think, speak, worship, or choose their own way.

The question is how the United States, a nation conceived in liberty, should respond to continuing violations of basic human rights in China and other actions of the Chinese leadership.

Religious persecution, abuses against minorities, coercive family planning, military threats, and weapons proliferation and attempts to improperly influence American government policies. All of these policies have been and continue to be undertaken by the Chinese Government. And all of them must stop.

One thing is clear, Mr. President: As the world’s leading democracy, the United States cannot simply look the other way, ignoring the Chinese Government’s record on human rights.

And, despite the real and measurable expansion of freedom in some spheres in China, problems remain. The organization Amnesty International has stated that:

One fifth of the world’s people are ruled by a government that treats fundamental human rights with contempt. Human rights violations continue on a massive scale.

In addition, there have been numerous reports of religious persecution in China. These reports by Amnesty International and Human Rights Watch/Asia do not state that China has recently been targeting religious leaders for execution. But some religious leaders have been executed along with others in remote provinces. And long and arduous sentences have been handed out to certain Chinese religious leaders.

For example, Tibetan abbot, Shadrel Rimpow, was in charge of the original search in that country to find the missing child whom the Tibetans consider the reincarnation of the Pansen Lama. The abbot was missing for more than a year, officially labeled “a criminal element scum of Buddhism” by the Chinese government. Recently the Chinese government sentenced him to 6 years in prison. Other religious leaders have been sent to labor camps.

The people of Tibet have been subject to particularly harsh abuse from the Chinese Government because their form of the Buddhist religion is so closely tied to their independence movements; movements that have met with brutal suppression.

Allow me to quote at length from a 1997 Human Rights Watch/Asia report:

The Tibetan Autonomous Region and Tibetan areas of Chinese provinces the effects of a July 1994 policy conference on Tibet combined with the Strike Hard campaign pushed by the Communist leadership. A stepped-up campaign to discredit the Dalai Lama as a religious leader, crackdowns in rural areas as well as a major push for greater nationalism among the Chinese population. And the closure of those that were politically active.

Officials who refused to sign pledges denouncing the Dalai Lama or to accept a five point declaration of opposition to the
proindependence movement, faced expulsion from their monasteries.

In May 1994, a ban on the possession and display of Dalai Lama photographs led to a bloody incident at Gonesa and 35 searches of hotels, restaurants, shops, and some private homes. Over 90 monks were arrested, 83 remained in detention as of October 1996. Chinese official reports that none of the 61 arrested were still being held. At least one person and perhaps two others are known to have died in the melee.

Chinese authorities acknowledged that they were holding Jendune Yee Kneema, the child recognized by the Dalai Lama but rejected by Chinese authorities as the reincarnation of the 13th Panchen Lama. Under the protection of the government at the request of his parents.

The whereabouts of this missing child should be a major source of concern for every one who cares about religious liberty.

But Tibetan Buddhists are not the only people of faith who face persecution at the hands of the Chinese Government. Under a 1996 state security law, all religious institutions must register with the state. Those who do not so register are treated instead to operate underground, face the government’s wrath.

Human Rights Watch/Asia reported recently that:

Unofficial Christian and Catholic communities were targeted by the government during 1996. A renewed campaign aimed at forcing all churches to register or face dissolution, resulted in beating and harassment of congregants, closure of churches, and numerous arrests, fines, and sentences. In Shanghai, for example, more than 300 house churches or meeting points were closed down by the security authorities in April alone.

From January through May, teams of officials fanned out through northern Haybay, a Catholic stronghold, to register churches and clergy and prevent attendance at a major Marian shrine. Public security officers arrested clergy and lay Catholics alike, forced others to remain in their villages, avoid foreign travel from praying, and report to the police anywhere from one to eight times daily. In some villages, officials confiscated all religious medals. In others, churches and prayer houses were torn down or converted to lay use.

In addition to religious belief and practice, there are other troubling issues of moral conscience. I am referring in particular to the Chinese Government’s birth control policies.

Mr. President, the Chinese Government claims that family planning is voluntary in that nation. Yet, according to Amnesty International, birth control has been compulsory since 1979. As a result:

Pregnant women have been detained and threatened until they have agreed to have abortions.

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Above-quota newborn babies have reportedly been killed by doctors under pressure from officials.

The homes of couples who refuse to obey the child quotas have been demolished.

Relatives of those who cannot pay fines imposed for having had too many
Kong we must remember that repealing MFN for China will hit Hong Kong hard, particularly because so much trade goes through there. Goods from Hong Kong would face the same steep tariff as those from other parts of China.

Hong Kong Governor, Chris Patten, has said that rescinding MFN would devastate Hong Kong's economy.

For the people of Hong Kong there is no comfort in the proposition that if China reduces their freedoms the United States will take away their jobs.

The letter from Governor Patten also said:

There is one particular contribution which the United States of America, and Congress in particular, can make to ensure that Hong Kong remains well-equipped to face the future. That is to grant the unconditional renewal of China's MFN trading status, on which the continued strength of Hong Kong's economy depends. * * * This is one issue on which there is complete unanimity in Hong Kong across the community, and across the political spectrum.

It is not good policy to attempt to help Hong Kong by taking an action that is opposed by the people we say we are trying to help.

Mr. President, I have another important reason for supporting a 1-year extension of MFN: American jobs.

Using the Commerce Department's rules of thumb, United States exports to China account for roughly 200,000 American jobs. Should we stop doing business with China, who will we then blame? I have no doubt that other nations will step in to take our place, and to take jobs now occupied by Americans both here and in China. Thus, we would not significantly punish the Chinese Government, but we would visit hardship on our own workers.

Rather than eliminate jobs and stifle growth through increased tariffs, in my view, it would be better to take actions showing our displeasure with the Chinese Government, while encouraging China to become a more free and open society.

I believe that Members of this body can agree on the need for strong American actions responding to human rights abuses in China. That is why I am introducing the China Sanctions and Human Rights Advancement Act.

And I am convinced that Members on both sides of the MFN debate can agree that the sanctions I am proposing today are necessary and justified, and that they are effective.

The goal of these sanctions will be to show our disapproval of the actions of the Chinese Government, while at the same time encouraging worthwhile economic and cultural exchanges that can lead to positive change in China.

This legislation would focus on:

1. First, who the United States allows can lead to positive change in China. First, the Chinese Government, while encouraging worthwhile economic and cultural exchanges that at the same time encourage worthwhile economic and cultural exchanges that can lead to positive change in China.

2. Second, that other nations will step in to take our place, and to take jobs now occupied by Americans both here and in China. Thus, we would not significantly punish the Chinese Government, but we would visit hardship on our own workers.

3. Third, the legislation includes actions targeted at companies associated with the Chinese military.

There is increasing concern in America about Chinese companies backed by the People's Liberation Army.

My bill would require the U.S. Government to publish a list of such companies operating in the United States. It would allow exporters and other purchasers to make a choice about whether they wish to do business with such companies.

Most troubling have been the actions of two Chinese companies—Polymer Technologies Inc., known as Poly, and Norinco, the China North Industries Group.

On May 22, 1996, officials from the United States Customs Service and Bureau of Alcohol, Tobacco and Firearms arrested seven individuals and seized 2,000 Chinese-made AK-47 machine guns.

On June 4, 1996, a grand jury in the U.S. District Court for the Northern District of California indicted these seven individuals, along with seven others, in the People's Republic of China.

Those indicted individuals worked for Poly and Norinco. Leading executives of the firms, as well as Chinese Government officials, were indicted.

The People's Liberation Army owns a majority share of Poly, while Norinco's operations are overseen by the State Council of the People's Republic of China.

Undercover agents were told by a representative of Poly and Norinco that Chinese-made hand-held rocket launchers, tanks, and surface-to-air missiles could also be delivered. And who were to be the ultimate purchasers of the AK-47's and other military hardware? According to Federal agents, California street gangs and other criminal groups.

This type of activity cannot be tolerated by the U.S. Congress. These companies need to be held responsible for their actions.

Under my bill, for a period of 1 year, Poly and Norinco will not be allowed to export to, or maintain a physical presence in, the United States. Senator DeWine plans to introduce a separate bill that will target these two companies and I applaud him and Representative Chris Cox for their leadership on this issue.

Mr. President, these tough measures are justified and necessary. But even as we implement them we should not cut off valuable interchange with China. We must always be open to more contact and exchange of ideas with the Chinese people.

That is why the legislation calls for a doubling of current United States funding for student, cultural, and legislative exchange programs between the United States and the People's Republic of China, as well as doubling the funding for Radio Free Asia and programs in China operated through the National Endowment for Democracy.
Mr. President, I ask unanimous consent to have the record opened.

In addition, adopting a measure advocated by Representatives FRANK WOLF and CHRISSmith, the bill requires additional and extensive training for U.S. asylum officers in recognizing religious persecution.

The legislation would require an annual report by the President on whether there has been improvement in China's policy of religious toleration and in its overall human rights record, including during the transition in Hong Kong.

The sanctions would sunset after 1 year. This will allow Congress to evaluate the situation to determine whether and in what form sanctions should be continued.

In my judgment, the combination of these sanctions and a 1-year extension of MFN offers the best approach to change the behavior of the Chinese Government.

Mr. President, these measures will direct punishment where it belongs, with the Chinese Government, not the Chinese people.

By refusing to allow known violators of basic human rights to enter this country we can signal our revulsion at these practices.

By refusing to use taxpayer money to subsidize prohibited activities, we can show our disapproval of their military actions and make them choose between prosperity and belligerence.

By banning Chinese companies from this country for attempting to sell weapons to violent street criminals we can show our willingness to defend our streets and our insistence that the Chinese Government cease its intrusive, illegal practices.

In closing, Mr. President, we should not forget the government-led massacre of students in Tianenman Square. It has been less than 10 years since the atrocity, and we should not let it slip from our minds.

Let me read you a dispatch filed from Beijing by New York Times reporter Nicholas Kristoff on June 4, 1989:

"The violence against students and workers in Tianenman Square was most obvious today. The question we ask about the ones getting killed is: * * * To be an American on the square this morning was to be the object of fervent hope and inarticulate pleas for help. "We appeal to your country," a university student begged as bullets cascaded overhead. "Our Government is mad. We need help from abroad, especially America. There must be something that America can do."

"Through this legislation, America can stand with the Chinese people, and stand by the principles of political, religious, and economic liberty on which our Nation was founded.

Let's not punish American and Chinese families by raising tariffs. Instead, let's punish specific abuses and encourage the further development of the economic and political liberties we cherish.

Mr. President, I ask unanimous consent that a summary of this bill be printed in the RECORD, as follows:

THE CHINA SANCTIONS AND HUMAN RIGHTS ADVANCEMENT ACT—EXECUTIVE SUMMARY

THE LARGER PICTURE

Trade, investment, and people-to-people exchanges must be a part of America's relationship with China. Countries the size of China and the United States will always have trade with each other, the debate over MFN is the terms of that trade. Yet those who disagree on MFN should be able to unite behind universal human rights and democratic values for China, yet seek to promote democratic values and human rights in China. There is no doubt that trade and U.S. investment in China has a positive effect in providing more opportunities for average Chinese citizens. Even in short term, we should not underestimate trade and investment's positive impact. "Exploiting China's desire for US opened markets to work for China, China's attempt to intimidate Taiwan and the People's Liberation Army (PLA), both in the United States and overseas make danger concern.

In addition, the efforts of two Chinese companies, NORINCO and POLY, deserve special rebuke for their involvement in the sale of AK-47 machine guns to California street gangs. Finally, there are numerous press reports of Chinese government efforts to influence the course of U.S. elections through political donations.

SUMMARY OF LEGISLATION

The time has come to take steps that would signal to Chinese leaders that their current behavior is unacceptable to the American people and the American Congress. In crafting the best response to Chinese government policy we must be careful not to punish the innocent with the guilty. Our quarrel is with the Chinese government, not with the Chinese and American peoples.

The Abraham "China Sanctions and Human Rights Advancement Act" takes aim at U.S.-China government-to-government programs and contacts. It is time for Congress to end U.S. government aid and all other foreign aid to China and to set more appropriate limits on who we allow into this country from the Chinese government.

The legislation forbids the sale of arms to the Chinese government and its military. The legislation requires the President to report on the status of the Chinese military and to report on the status of the Chinese military and to report on the status of the Chinese military. The legislation also mandates additional requirements and in what form sanctions should be continued.

Under the legislation, the U.S. government will take the following actions:

No U.S. visas for human rights violators

Prohibit the granting of U.S. visas to Chinese government officials who works in entities involved in the implementation and enforcement of China's laws and directives on recognitions and recognition planning. This measure would deny visas to high ranking officials who are employed by the Public Security Bureau (the state police), the Chinese government's family planning apparatus. An exception is made in cases of individuals whose presence in the United States is necessary for an ongoing criminal investigation or judicial proceedings as determined by the Attorney General.

Prohibit the granting of U.S. visas to Chinese government officials found to be materially involved in the ordering or carrying out of the massacre of Chinese students in Tiananmen Square.

The President of the United States must provide written notification to Congress each time a proscribed individual is to enter the United States. The legislation focuses on (1) who the United States allows into the country from China; (2) U.S. taxpayer funds that subsidize China's non-human rights violations and in the legislative body; (3) U.S. government votes and assistance in international bodies that provide financial assistance to China; (4) targeted sanctions of PLA companies; and (5) measures to promote human rights.

Contents of China sanctions and human rights advancement act

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The legislation also mandates additional and extensive training for U.S. asylum officers in recognizing religious persecution.

No U.S. taxpayer subsidies for China

Require U.S. representatives to vote "no" on all loans to China at the World Bank. Between 1983 and 1986 the United States supported 181 loans approved by the World Bank Group and 15 of 92 loans that the Asian Development Bank approved. An exception is made in cases of individuals whose presence in the United States is necessary for an ongoing criminal investigation or judicial proceedings as determined by the Attorney General.

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multilateral development banks. Within 60 days of a G-7 meeting, the President shall submit a report to Congress on the progress of this effort.

Reduction of annually U.S. financial assistance to international bodies and organizations that provide family planning assistance to China, by the amount of such annual assistance and by such amount as determined by the President in consultation with the Secretary of State. On an annual basis, the President shall publish a list of all companies owned in whole or in part by the People’s Liberation Army (P.L.A.) who export to, or have an office in, the United States. For a period of one year, China North Industries Group (NORINCO) and the People’s Liberation Army (PLA) companies will not be allowed to export to, nor maintain a physical presence in, the United States. The attempted illegal sale of AK-47 machine guns to street gangs in California warrant these targeted sanctions against these firms.

**PLA companies: targeted sanctions and more public information**

On an annual basis, the U.S. Government shall publish a list of all companies owned in whole or in part by the People’s Liberation Army (P.L.A.), who export to, or maintain an office in, the United States. The attempted illegal sale of AK-47 machine guns to street gangs in California warrant these targeted sanctions against these firms.

**Promoting Democratic Values in China**

The U.S. government shall double the U.S. funding for existing students, cultural, and legislative exchange programs between the United States and the People’s Republic of China. The U.S. government should double the authorization of funds available to Radio Free Asia.

The U.S. government shall double the funding available to the National Endowment for Democracy’s programs in China.

**IN ONE YEAR: AN OPPORTUNITY TO DISCONTINUE, MAINTAIN OR ADD NEW SANCTIONS**

The legislation requires an annual report by the President on whether there has been improvement in China’s policy of religious tolerance and in its overall human rights record, including during the transition in Hong Kong. The sanctions sunset after one year, allowing Congress an opportunity to evaluate the situation and determine whether and in what form sanctions should continue.

**CONCLUSION**

The legislation emphasizes appropriate limits on U.S. and Chinese government-to-government contacts and U.S. taxpayer subsidies to promote greater openness in China. These measures would signal to China’s leadership that it cannot simply be business as usual with the U.S. government so long as it mistreats its citizens and tramples on their fundamental right to practice the religion of their choice. It also applies appropriate measures with regard to PLA companies. The United States must stay engaged with China, and trade and investment is a valuable avenue for that engagement, but there is no reason the U.S. government should be subsidizing a government with whom we have so many serious and fundamental disagreements. This approach is designed to signal our displeasure with the Chinese government’s human rights abuses, encourage greater respect for the rule of law, and improve the treatment of its citizens, and to end U.S. taxpayer subsidies for a repressive regime while expanding basic interaction between the American and Chinese people.

By Mr. KOHL

S. 25 will establish an independent commission to recommend reforms in the laws relating to elections for Federal office; to the Committee on Rules and Administration.

**THE CAMPAIGN FINANCE REFORM COMMISSION ACT OF 1997**

Mr. KOHL. Mr. President, I rise today to discuss an important issue before the Senate—campaign finance reform. First, let me state that I am a cosponsor of Senators JOHN MCCAIN and RUSS FEINGOLD’s Senate Campaign Finance Reform Act of 1997. I cosponsored S. 25 because I feel it is the best legislation moving through the Congress to reform our campaign finance system. My Wisconsin colleague, Senator FEINGOLD and Senator MCCAIN deserve our gratitude and praise for keeping this issue alive. It’s been nearly 20 years since Congress enacted meaningful campaign finance reform, and they have come closer than anyone at passing a bipartisan plan.

We are at a crossroads in this debate. America’s campaign finance laws have not been significantly altered since the 1970’s. Since that time we’ve seen an explosion in the costs of running campaigns and a growing public perception that special interests are far too influential in the electoral process. The last election cycle saw the problems in our system grow to new proportions, and we are now witnessing two congressional investigations into alleged illegality and improperities. Despite these widely-agreed-upon problems, Congress and the President seem incapable of enacting a campaign finance reform bill.

We have seen initiatives by Democratic and Republican Presidents. Democratic and Republican Congresses, even widely hailed bipartisan approaches all fail. One can easily conclude that this issue is so mired in partisan politics, trapped in a quagmire of self-interest and special interest, that Congress will not be able to craft a comprehensive reform bill. S. 25 is the best legislation to be proposed in two decades, and on the public’s side. By allowing the Congress to reform its own elections, the legislation would establish a balanced, bipartisan commission, appointed by Senate leaders, House leaders, and the President to propose comprehensive campaign finance reform. Like the BRAC Commissions, the proposals of the Campaign Finance Reform Commission Act of S. 25 are subject to congressional approval or disapproval, but no amendments would be permitted. The Commission would have a limited duration—1 year after its creation. And Congress would have a limited time to consider the Commission’s proposals.

Mr. President, there are many who will object to this plan and argue that, through the creation of a commission, the Congress is conceding that it cannot solve this problem on its own. To the contrary, the creation of a Campaign Finance Reform Commission would be a concrete sign to the American public that Congress is serious about reforming our elections laws. We have seen the success of the BRAC Commissions in removing political influences from the decision-making process. This same formula could be used for our campaign finance reform laws.

When Congress enacted the first BRAC Commission law, it was argued that a nonpartisan commission was required because the closure of military bases was so politically sensitive, Congress could not be expected to make the tough choices. Well, Mr. President, if closing military bases is considered tough, altering the campaign laws that literally determine whether Members could retain their jobs must be just as politically sensitive, if not more so.

Again, I wish to praise the efforts of Senators FEINGOLD, MCCAIN, and the broad coalition of grassroots organizations which have kept the campaign finance issue in front of the American public. And the Congress has accomplished that since 1994, that they succeed in their efforts with their bill and we can present the American public with a new campaign system before the 1998 election. I offer this bill today only as an alternative to be considered. If, and only if, we cannot pass S. 25 this year.

Mr. President, like all commonsense ideas, the idea of a Campaign Finance Reform Commission did not spring from a text book but came from a simple question. Two independent Clinton and House Speaker Newt Gingrich held an historic conversation at a New Hampshire meeting. The first question came from a retiree, Mr. Frank McConnell, Jr. Mr. McConnell had a simple, commonsense idea—form a commission like the one that closed the military bases to reform our election system, so, in Mr. McConnell’s words, “it would be out of the political scene.” The time for Mr. McConnell’s idea has come.

I am pleased to put Mr. McConnell’s idea into legislative form. If S. 25 fails this year, this Commission could give us the reform we all demand. And, it
would give the American public a restored faith that their democratic institutions have responded to their cry for change in our electoral system.

Mr. President, I ask unanimous consent that the entire text of my legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 812

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 “Campaign Finance Reform Act of 1977”.

SEC. 2. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a Commission to be known as the “Federal Election Law Reform Commission” (referred to in this Act as the “Commission”).

(b) MEMBERSHIP.—

(1) APPOINTMENTS.—The Commission shall be comprised of 8 qualified members, who shall be appointed not later than the date that is 30 days after the date of enactment of this Act:

(A) APPOINTMENTS BY MAJORITY LEADER AND SPEAKER.—The Majority Leader of the Senate and the Speaker of the House of Representatives shall jointly appoint to the Commission—

(i) 2 members who are from the academic community;

(ii) 1 member who is from the academic community;

(iii) 1 member who is from the academic community;

(iv) 1 member who is from the academic community.

(B) APPOINTMENTS BY MINORITY LEADERS.—The Minority Leader of the Senate and the Minority Leader of the House of Representatives shall jointly appoint to the Commission—

(i) 1 member who is a retired Federal judge as of the date on which the appointment is made;

(ii) 1 member who is a former Member of Congress as of the date on which the appointment is made; and

(iii) 1 member who is from the academic community.

(C) APPOINTMENT BY PRESIDENT.—The President shall appoint to the Commission 1 member who is from the academic community.

(D) APPOINTMENTS BY COMMISSION MEMBERS.—The members appointed under subparagraphs (A), (B), and (C) shall jointly appoint to the Commission, neither of whom shall have held any elected or appointed public or political party office, including any position with an election campaign for a Federal office, during the 10 years preceding the date on which the appointment is made.

(2) QUALIFICATIONS.—

(A) ELIGIBILITY.—A person shall not be eligible for appointment under this subparagraph if the person, during the 10-year period preceding the date on which the appointment is made:

(i) held a position under schedule C of part 213 of title 5, Code of Federal Regulations;

(ii) was an employee of the legislative branch of the Federal Government, not including any service as a Member of Congress; or

(iii) was required to register under the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) or derived a significant income from influencing, or attempting to influence, members at large of the legislative branch, or members of the executive branch or legislative branch of the Federal Government.

(B) PARTY AFFILIATIONS.—Not more than 4 members of the Commission shall be members of, or associated with, the same political party (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)).

(C) CHAIRPERSON AND VICE CHAIRPERSON.—

(D) APPOINTMENTS BY COMMISSION MEMBERS.—The members of the Commission shall designate a chairperson and a vice chairperson from among the members of the Commission.

(E) PARTY AFFILIATIONS.—The chairperson shall be a member of, or associated with, a political party other than the political party of the vice chairperson.

(3) CHAIRPERSON AND VICE CHAIRPERSON.—

(A) DESIGNATION BY COMMISSION MEMBERS.—The members of the Commission shall designate a chairperson and a vice chairperson from among the members of the Commission.

(B) PARTY AFFILIATIONS.—The chairperson shall be a member of, or associated with, a political party other than the political party of the vice chairperson.

(4) FINANCIAL DISCLOSURE.—Not later than 60 days after appointment to the Commission, a member of the Commission shall file with the Secretary, with the Clerk of the House of Representatives, and with the Federal Election Commission a report containing the information required by section 102 of the Ethics in Government Act of 1978 (5 U.S.C. App.).

(5) PERIOD OF APPOINTMENT; VACANCIES.—

(A) PERIOD OF APPOINTMENT.—A member of the Commission shall be appointed for the life of the Commission.

(B) VACANCY.—Any vacancy in the Commission shall:

(i) not affect the powers of the Commission; and

(ii) be filled in the same manner as the original appointment.

(6) TERMINATION OF COMMISSION.—The Commission shall terminate on the date that is 1 year after the date of enactment of this Act.

(c) POWERS.—

(1) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as it considers advisable to carry out this Act.

(2) INFORMATION FROM FEDERAL AGENCIES.—

(A) IN GENERAL.—The Commission may secure directly from any Federal department or agency any information that the Commission considers necessary to carry out this Act.

(B) REQUEST OF THE CHAIRPERSON.—On request of the chairperson of the Commission, the head of a Federal department or agency shall furnish the requested information to the Commission.

(3) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal departments and agencies.

(4) PAY AND TRAVEL EXPENSES.—

(A) PAY.—Subject to subparagraph (B), the executive director may be paid at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(B) VACANCY.—Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(5) DETAILED FEDERAL EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and the detail shall be without interruption or loss of civil service status or pay.

(6) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

SEC. 3. DUTIES OF COMMISSION.

(A) IN GENERAL.—The Commission shall—

(1) identify the appropriate goals and values for Federal election campaign finance laws;

(2) evaluate the extent to which the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) has promoted or hindered the attainment of the goals identified under paragraph (1); and

(3) make recommendations to Congress for the achievement of those goals, taking into consideration the impact of the Federal Election Campaign Act of 1971.

(b) CONSIDERATIONS.—In making recommendations under subsection (a)(3), the Commission shall consider with respect to each campaign for Federal office—

(1) whether campaign spending levels should be limited, and, if so, to what extent;

(2) the role of interest groups and whether that role should be limited or regulated;

(3) the role of other funding sources, including political parties, candidates, and individuals from inside and outside the State in which the contribution was made;

(4) the role of Federal Government employees;

(5) the role of public financing and public matching funds; and

(6) the role of the Federal Election Campaign Fund.

(c) REPORT AND RECOMMENDATIONS.—Not later than the date that is 1 year after the date of enactment of this Act, the Commission shall submit to Congress—

(1) a report on the activities of the Commission; and

(2) a draft of legislation (including technical and conforming changes) recommended by the Commission to amend the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) and any other law relating to elections to the Congress.

SEC. 4. FAST-TRACK PROCEDURES.

(A) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This section is enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and of the Senate, respectively, and as such it shall be considered as part of the rules of each House, respectively, or of the House to which it specifically applies, and the rules shall supersede other rules only to the extent that they are consistent; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as the rules relate to the elections to the House, at any time, in any manner, and to the same extent as in the case of any other rule of that House.

May 23, 1997
(b) Definitions.—In this section, the term "Federal election bill" means only a bill of either House of Congress that is introduced as provided in subsection (c) to carry out the recommitment by the Committee on the Budget of the Congress or the House to which the bill is referred forth in the draft legislation submitted under section 5(c)(2).

(c) Reconsideration and Referral.—Not later than 3 days after the Committee submits draft legislation under section 5(c)(2), a Federal election bill shall be introduced (by request) in the House of Representatives by the Majority Leader of the House, shall be introduced (by request) in the Senate by the Majority Leader of the Senate, and shall be referred to the Senate committee or the House committee to which the original legislation was referred.

(d) Amendments Prohibited.—No amendment to a Federal election bill shall be in order in either the House of Representatives or the Senate to suspend the application of this subsection or to change its provisions in any manner.

(e) Period for Committee and Floor Consideration.—

1. Automatic Discharge.—If the committee of either House to which a Federal election bill is referred has not reported the bill by the 5th day after its introduction, the committee shall be automatically discharged from further consideration of the bill, and the bill shall be placed on the appropriate calendar.

2. Procedure When There Is Prior Passage of Bill by Other House.—If, prior to the passage by 1 House of a Federal election bill of the other House, that House receives the same Federal election bill from the other House—

(A) the procedure in that House shall be the same as if no Federal election bill had been received from the other House; but

(B) the vote on final passage shall be on the Federal election bill of the other House.

(f) Computation.—For purposes of paragraph (1), in computing a number of days in either House, there shall be excluded the days on which that House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die.

(g) For Consideration in the House.—

1. Motion to Proceed to Consider.—

(A) Privilege.—A motion in the House of Representatives to proceed to the consideration of a Federal election bill shall be privileged and not debatable, except that a motion to proceed to consider may be made only on the 2nd legislative day after the calendar day on which the Member making the motion announces to the House the Member's intention to do so.

(B) No Amendment or Motion to Reconsider.—An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

2. Debate.—

(A) Time.—Consideration of a Federal election bill in the House of Representatives shall be in the House, with debate limited to not more than 10 hours, which shall be divided equally between the proponents and opponents of the bill.

(B) No Intervening Motion.—The previous question shall not be in order in either House, which shall be divided equally between the proponents and opponents of the bill.

3. Motion to Reconsider Not in Order.—

It shall not be in order to move to reconsider the vote by which a Federal election bill is agreed to or disagreed to.

4. Appeals from Decision of Chair.—All appeals from the decision of the Chair relating to the application of the rules of the House of Representatives to the procedure relating to a Federal election bill shall be decided without debate.

(f) Floor Consideration in the Senate.—

1. Motion to Proceed to Consideration.—

(A) Privilege.—A motion in the Senate to proceed to the consideration of a Federal election bill shall be privileged and not debatable.

(B) No Amendment or Motion to Reconsider.—An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

2. Debate of Bill.—

(A) Time.—The Senate shall have not more than 10 hours for considering a Federal election bill, and all debatable motions or appeals in connection with the bill, shall be limited to not more than 10 hours.

(B) Division of Time.—The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

3. Debate on Motion or Appeal.—

(A) Time.—The Senate shall have not more than 3 days for considering a Federal election bill, and all debatable motions or appeals in connection with such debate, shall be limited to not more than 10 hours.

By Mr. THURMOND (for himself and Mr. MCCAIN):

S. 813. A bill to amend chapter 91 of title 18, United States Code, to provide penalties for vandalism of national cemeteries; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there are authorized to be appropriated to carry out the provisions of this Act $275,000 for the fiscal year ending June 30, 1998, and such sums as may be necessary to carry out the purposes of this Act:


There are authorized to be appropriated to carry out the purposes of the provisions of this Act $275,000 for the fiscal year ending June 30, 1998, and such sums as may be necessary to carry out the purposes of this Act:

S. 813. A bill to amend chapter 91 of title 18, United States Code, to provide penalties for vandalism of national cemeteries; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there are authorized to be appropriated to carry out the provisions of this Act $275,000 for the fiscal year ending June 30, 1998, and such sums as may be necessary to carry out the purposes of this Act:

Mr. President, Memorial Day services will be held throughout the Nation next Monday, in our national cemeteries, where thousands of our countrymen are buried. A national service will be held at Arlington Cemetery. Local tradi- tions will be included in ceremonies at the Punchbowl Center in Hawaii. Deco- rations will be placed in the 114 national cemeteries operated by the Depart- ment of Veterans Affairs National Cemetery System. A few other national cemeteries are under the jurisdiction of the Department of Defense and the Department of Interior. I encourage my colleagues, and all citizens of this Nation, to visit these cemeteries and pay respect to those who have given their life for their country.

Mr. President, unfortunately not all activities at our national cemeteries have honored the dead. There have been, unfortunately, instances of vandal- ism and theft at our national cemeteries. Last month, the Punchbowl in Hawaii, the National Memorial Ceme- teries of the Pacific, were desecrated by vandals. Vandals caused over $20,000 in damage by spray painting racial epi- thets and obscenities on graves, marble memorials, and other parts of the cem- etery. Other cemeteries, private and government, were also damaged that same weekend. Last year, at the Riverside National Cemetery in California, engraved grave markers were stolen from 128 graves. Months before that inci- dent, over 500 markers were stolen from another storage facility. It is deplorable.

The time has come to demand a stop to this type of insulting behavior. That is why I am introducing the Veterans' Cemetery Protection Act of 1997. This bill is a companion bill to one intro- duced in the House, H.R. 1532. This bill imposes criminal penalties for vandal- ism and theft at national cemeteries operated by the VA, the Department of Defense, and the Department of Interior. Penalties for vandalism and theft are currently the same, for crimes against other Federal property. In addition, the bill establishes pen- alties for
The primary author of the study, John R. Lott Jr. of the University of Chicago Law School, has pointed out that the benefits of concealed-carry laws are not limited to those who carry the weapons but extend to their fellow citizens as well. The argument is not necessarily the result of using firearms in self-defense, but of criminals changing their behavior to avoid coming into direct contact with a person who might have a gun—which in a concealed-carry State could extend to a wide cross-section of the public.

The legislation I am introducing today builds on the experience of the States. It is designed to protect the rights of citizens no matter where they may travel in the United States, and to enhance the protection of our communities.

This bill applies to any person holding a valid concealed firearm carrying permit or license issued by a State, and who is not prohibited from carrying a firearm under Federal law.

In States that issue concealed carry permits, the individual would be able to carry a concealed firearm in accordance with State laws. In States that do not have right-to-carry laws, the bill sets a reasonable, bright-line Federal standard that would permit carrying except in certain designated places, including police stations; courthouses; public polling places; meetings of State, county, or municipal governing bodies; schools; passenger areas of airports.

The second part of the bill provides an exemption for certain qualified current and former law enforcement officers, who bear valid written identification of their status, from laws prohibiting the carrying of concealed firearms. The bill does not override any existing training requirements or restrictions on ownership or use by current or former law enforcement officers. The individuals covered by this section of the bill have proven records of responsible, lawful gun use in defense of their fellow citizens and communities.

Again, Mr. President, this portion of the bill takes a practical, experience-based approach to self defense and community protection.

I'm pleased to note that my bill is a companion to H.R. 339, introduced in the House of Representatives by Congressman CLIFF STEARNS and cosponsored by more than 40 Members from nearly half the States.

I urge all my colleagues to join us in protecting the rights of your constituents and enhancing the protection of your communities by supporting the Personal Safety and Community Protection Act.

I ask unanimous consent that a copy of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:
SEC. 2. EXEMPTION OF QUALIFIED CURRENT AND FORMER LAW ENFORCEMENT OFFICERS FROM STATE LAWS PROHIBITING THE CARRYING OF CONCEALED HANDGUNS.

(a) In General.—Chapter 44 of title 18, United States Code, is amended by inserting after section 926B the following:

"§ 926C. Carrying of concealed handguns by qualified current and former law enforcement officers."

(b) CLERICAL AMENDMENT.—The heading of section 926C is amended to read "§ 926C. Carrying of concealed handguns by qualified current and former law enforcement officers."

SEC. 3. NATIONAL STANDARD FOR THE CARRYING OF CERTAIN CONCEALED FIREARMS BY NONRESIDENTS.

(a) In General.—Chapter 44 of title 18, United States Code, is amended by inserting after section 926A the following:

"§ 926A. National standard for the carrying of certain concealed firearms by nonresidents.

(a) In General.—Notwithstanding any provision of law of any State or political subdivision thereof, a person who is not prohibited by Federal law from possessing, transporting, shipping, or receiving a firearm, and who has a valid license or permit that is issued by a State and that permits the person to carry a concealed firearm (other than a machinegun or destructive device), may carry in another State a concealed firearm (other than a machinegun or destructive device) that has been shipped or transported in interstate or foreign commerce, in accordance with subsection (b).

(b) CONDITIONS.—

"(1) STATES Issuing concealed weapon permits.—For purposes of subsection (a), if such other State does not issue licenses or permits to carry concealed firearms, the person may carry a concealed firearm in the State under the same restrictions that apply to the carrying of a firearm by a person to whom the State has issued such a license or permit.

"(2) Other States.—For purposes of subsection (a), if such other State does not issue licenses or permits to carry concealed firearms, except to the extent expressly permitted by State law, the person may not, in the State, carry a concealed firearm—

"(A) in a police station;

"(B) in a public detention facility;

"(C) during school activities;

"(D) in a public polling place;

"(E) at a meeting of a State, county, or municipal governing body;

"(F) in a school;

"(G) at a professional or school athletic event not related to firearms;

"(H) in a portion of an establishment licensed by the State to dispense alcoholic beverages for consumption on the premises; or

"(I) inside the sterile or passenger area of an airport.

(b) CLERICAL AMENDMENT.—The analysis for chapter 44 of title 18, United States Code, is amended by inserting after the item relating to section 926A the following:

"§ 926B. National standard for the carrying of certain concealed firearms by nonresidents."
due almost 9 months ago, has not yet begun. Nevertheless, I feel that we should not delay our work. We need to concentrate now on finding real solutions to the economic, social and cultural challenges facing tribes and Native American families.

Mr. President, most people agree that Government cannot be the solution to all of this great Nation’s problems. We can fix the Government programs, we can make them more efficient, but now we need to get the private sector involved in the challenges facing Indian country. The road to economic independence for all Native American communities is a long one, but this bill is a big step in the right direction.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the “Native American Financial Services Organization Act of 1997”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Findings.
Sec. 3. Policy.
Sec. 4. Purposes.
Sec. 5. Definitions.

TITLE I—NATIVE AMERICAN FINANCIAL SERVICES ORGANIZATION

Sec. 101. Establishment of the Organization.
Sec. 102. Authorized assistance and service functions.
Sec. 103. Native American lending services grant.
Sec. 104. Audits.
Sec. 105. Annual housing and economic development reports.
Sec. 106. Advisory Council.

TITLE II—CAPITALIZATION OF ORGANIZATION

Sec. 201. Capitalization of the Organization.

TITLE III—REGULATION, EXAMINATION, AND REPORTS

Sec. 301. Regulation, examination, and reports.
Sec. 302. Authority of the Secretary of Housing and Urban Development.

TITLE IV—FORMATION OF NEW CORPORATION

Sec. 401. Formation of new corporation.
Sec. 402. Adoption and approval of merger plan.
Sec. 403. Consummation of merger.
Sec. 404. Transition.
Sec. 405. Effect of merger.

TITLE V—AUTHORIZATIONS OF APPROPRIATIONS

Sec. 502. Authorization of appropriations for Organization.

SEC. 2. FINDINGS.

Congress finds that—

(1) clause 3 of section 8 of article I of the United States Constitution recognizes the special relationship between the United States and Indian tribes;

(2) Congress has carried the responsibility of the United States for the protection and preservation of Indian tribes and the resources of Indian tribes through the endorsement of treaties and the enactment of other laws, including laws that provide for the exercise of administrative authorities;

(3) despite the availability of abundant natural resources on Indian lands and a rich cultural legacy that accords great value to self-determination, self-reliance, and independence, American Indians, Alaskan Natives, and Native Hawaiians suffer rates of unemployment, poverty, poor health, substandard housing, and associated social ills to a greater degree than any other group in the United States;

(4) the economic success and material well-being of American Indian, Alaska Native, and Native Hawaiian communities depends on the combined efforts of the Federal Government, tribal governments, the private sector, and individuals;

(5) the lack of employment opportunities and affordable homes in the communities referred to in paragraph (4) is grounded in the almost complete absence of available private capital and private capital institutions to serve those communities;

(6) the lack of capital referred to in paragraph (5) has resulted in a multigenerational dependence on Federal assistance that is—

(A) insufficient to address the magnitude of needs; and

(B) unreliable in availability;

(7) a review of the history of the United States bears out the fact that solutions to social and economic problems that have been crafted by the Federal Government without the active involvement of local communities and the private sector fail at unacceptably high rates; and

(8) the twin goals of economic self-sufficiency and political self-determination for American Indians, Alaska Natives, and Native Hawaiians can best be served by making available to address the challenges faced by those groups—

(A) the resources of the private market;

(B) adequate capital; and

(C) technical expertise.

SECTION 3. POLICY.

(a) IN GENERAL.—Based upon the findings and recommendations of the Commission on American Indian, Alaska Native and Native Hawaiian Housing established by the Department of Housing and Urban Development, Congress has determined that—

(1) housing shortages and deplorable living conditions are at crisis proportions in Native American communities throughout the United States; and

(2) the lack of private capital to finance housing and economic development for Native Americans and Native American communities seriously exacerbates these housing shortages and poor living conditions.

(b) POLICY OF THE UNITED STATES TO ADDRESS HUMAN HOUSING NEEDS OF NATIVE AMERICANS.—It is the policy of the United States to improve the economic conditions and supply of housing in Native American communities throughout the United States by creating the Native American Financial Services Organization to address the housing shortages and poor living conditions described in subsection (a).

SECTION 4. PURPOSES.

The purposes of this Act are—

(1) to help serve the mortgage and other lending needs of Native Americans by assisting in the establishment and organization of Native American Financial Institutions, developing and providing financial expertise and technical assistance to Native American Financial Institutions, including assistance concerning overcoming—

(A) barriers to lending with respect to Native American lands; and

(B) the past and present impact of discrimination;

(2) to promote access to mortgage credit in Native American communities in the United States by increasing the liquidity of financing for housing and improving the distribution of investment in such financing, primarily through Native American Financial Institutions; and

(3) to promote the infusion of public capital into Native American communities throughout the United States and to direct sources of public and private capital into housing and economic development for Native American Indian village communities, primarily through Native American Financial Institutions.

SEC. 5. DEFINITIONS.

In this Act:

(1) ALASKA NATIVE.—The term “Alaska Native” has the meaning given the term “Native” by section 3(b) of the Alaska Native Claims Settlement Act.

(2) BOARD.—The term “Board” means the Board of Directors of the Organization established under section 101(a)(2).

(3) CHAIRPERSON.—The term “Chairperson” means the chairperson of the Board.

(4) COUNCIL.—The term “Council” means the Advisory Council established under section 106.

(5) DESIGNATED MERGER DATE.—The term “designated merger date” means the specific calendar date and time of day designated by the Board under section 402(b).

(6) DEPARTMENT OF HAWAIIAN HOME LANDS.—The term “Department of Hawaiian Home Lands” means the agency that is responsible for the administration of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108 et seq.).


(8) INDIAN TRIBE.—The term “Indian tribe” means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native Regional or Village Corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act that is recognized as eligible for assistance under the special program provided by the Federal Government to Indians because of their status as Indians.

(9) MERGER PLAN.—The term “merger plan” means the plan of merger adopted by the Board under section 402(a).

(10) NATIVE AMERICAN.—The term “Native American” means any member of an Indian tribe or a Native Hawaiian.

(11) NATIVE AMERICAN FINANCIAL INSTITUTION.—The term “Native American Financial Institution” means a person (other than an individual) that—

(A) qualifies as a community development financial institution under section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702);

(B) satisfies the requirements established by subtitle A of title I of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et seq.) and the Fund for applicants for assistance from the Fund;

(C) demonstrates a special interest and expertise in serving the primary economic development and mortgage lending needs of the Native American community; and

(D) demonstrates that the person has the endorsement of the Native American community that the person intends to serve.
(12) NATIVE AMERICAN LENDER.—The term "Native American lender" means a Native American governing body, Native American housing authority, or other Native American Financial Institution that acts as a primary mortgage or economic development lender in a Native American community.

(13) NATIVE HAWAIIAN.—The term "Native Hawaiian" has the meaning given that term in section 201 of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108).

(14) NEW CORPORATION.—The term "new corporation" means the corporation formed in accordance with title IV.

(15) ORGANIZATION.—The term "Organization" means the Native American Financial Services Organization established under section 101.

(16) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

(17) TRANSITION PERIOD.—The term "transition period" means the period beginning on the date on which the merger plan is approved by the Secretary and ending on the designated merger date.

TITLE I—NATIVE AMERICAN FINANCIAL SERVICES ORGANIZATION

SECTION 101. ESTABLISHMENT OF THE ORGANIZATION.

(a) CREATION; BOARD OF DIRECTORS; POLICIES; PRINCIPAL OFFICE; MEMBERSHIP; VACANCIES.—

(1) CREATION.—

(A) IN GENERAL.—There is established and chartered a corporation to be known as the Native American Financial Services Organization.

(B) PERIOD OF TIME.—The Organization shall conduct its business corporately only until the earlier of—

(i) the designated merger date; or

(ii) the date on which the charter is surrendered by the Secretary.

(C) CHANGES TO CHARTER.—The right to revamp, amend, or modify the charter of the organization is specifically and exclusively reserved to Congress.

(2) BOARD OF DIRECTORS; PRINCIPAL OFFICE.—

(A) BOARD.—The powers of the Organization shall be vested in a Board of Directors. The Board shall determine the policies that govern the operations and management of the Organization.

(B) PRINCIPAL OFFICE; RESIDENCY.—The principal office of the Organization shall be in the District of Columbia. For purposes of venue, any action or proceeding against the Organization shall be considered to be a resident of the District of Columbia.

(3) MEMBERSHIP.—

(A) IN GENERAL.—

(i) NINE MEMBERS.—Except as provided in clause (ii), the Board shall consist of 9 members, 3 of whom shall be appointed by the President and 6 of whom shall be elected by the class A stockholders, in accordance with the bylaws of the Organization.

(ii) THIRTEEN MEMBERS.—If class B stock is issued under section 201(b), the Board shall consist of 13 members, 9 of whom shall be appointed and elected in accordance with clause (i) and 4 of whom shall be elected by the class B stockholders, in accordance with the bylaws of the Organization.

(B) TERMS.—Each member of the Board shall be elected or appointed for a 4-year term, except that the members of the initial Board shall be elected or appointed for the following terms:

(i) Of the 3 members appointed by the President—

(I) 1 member shall be appointed for a 2-year term;

(II) 1 member shall be appointed for a 3-year term; and

(III) 1 member shall be appointed for a 4-year term;

as designated by the President at the time of the appointments.

(ii) Of the 6 members elected by the class A stockholders—

(I) 2 members shall each be elected for a 2-year term;

(II) 2 members shall each be elected for a 3-year term; and

(III) 2 members shall each be elected for a 4-year term.

(iii) If class B stock is issued and 4 additional members are elected by the class B stockholders, then:

(I) 1 member shall be elected for a 2-year term;

(II) 1 member shall be elected for a 3-year term; and

(III) 2 members shall each be elected for a 4-year term.

(iv) If class B stock is issued and 4 additional members are elected by the class B stockholders, then:

(i) 2 members shall each be elected for a 2-year term;

(II) 2 members shall each be elected for a 3-year term; and

(III) 2 members shall each be elected for a 4-year term.

(C) QUORUMS.—Each member appointed by the President shall have expertise in 1 or more of the following areas:

(i) Native American housing and economic development programs.

(ii) Financing in Native American communities.

(iii) Native American governing bodies and court systems.

(iv) Restricted and trust land issues, economic development, and small consumer loans.

(D) MEMBERS OF INDIAN TRIBES.—Not less than 2 of the members appointed by the President shall be an Indian tribe who are enrolled in accordance with the applicable requirements of that Indian tribe.

(E) CHAIRPERSON.—The Board shall select a Chairperson from among its members, except that the initial Chairperson shall be selected from among the members of the initial Board who have been appointed or elected to serve for a 4-year term.

(F) VACANCIES.—

(i) APPOINTED MEMBERS.—Any vacancy in the appointed membership of the Board shall be filled by appointment by the President, but only for the unexpired portion of the term.

(ii) ELECTED MEMBERS.—Any vacancy in the elected membership of the Board shall be filled by appointment by the Board, but only for the unexpired portion of the term.

(G) TRANSITIONS.—Any member of the Board may resign after the expiration of the term for which the member was appointed or elected until a qualified successor has been appointed or elected.

(b) POWERS OF THE ORGANIZATION.—The Organization—

(1) shall adopt bylaws, consistent with this Act, regulations, among other things, the manner in which:

(A) the business of the Organization shall be conducted;

(B) the elected members of the Board shall be elected;

(C) the stock of the Organization shall be issued, held, and disposed of;

(D) the property of the Organization shall be disposed of; and

(E) the powers and privileges granted to the Organization by this Act and other law shall be exercised;

(2) may make and perform contracts, agreements, and commitments, including entering into a cooperative agreement with the Secretary;

(3) may prescribe and impose fees and charges for services provided by the Organization;

(4) may, if such settlement, adjustment, compromise, release, or waiver is not adverse to the interests of the United States—

(A) settle, adjust, and compromise; and

(B) with or without consideration or benefit to the Organization, release or waive in whole or in part, in advance or otherwise, any claim, demand, or right of, by, or against the Organization;

(5) may sue and be sued, complain and defend, in any tribal, Federal, State, or other court.

(6) may acquire, take, hold, and own, and to deal with and dispose of any property;

(7) may determine the necessary expenditures of the Organization in which such expenditures shall be incurred, allowed, and paid, and appoint, employ, and fix and provide for the compensation and benefits of officers, employees, attorneys, and agents as the Board determines reasonable and not inconsistent with this section;

(8) may incorporate a new corporation under State, District of Columbia, or tribal law, as provided in section 401;

(9) may adopt a plan of merger, as provided in section 402;

(10) may consummate the merger of the Organization into the new corporation, as provided in section 403; and

(11) may have succession until the designated merger date or any earlier date on which the Organization surrenders its Federal charter.

(c) INVESTMENT OF FUNDS; DESIGNATION AS DEPOSITORY, CUSTODIAN, OR AGENT.—

(1) INVESTMENT OF FUNDS.—The funds of the Organization that are not required to meet current operating expenses shall be invested in obligations of, or obligations guaranteed by, the United States or any agency thereof, or in obligations, participations, or other instruments that are lawful investments for fiduciary, trust, or public funds.

(2) DESIGNATION AS DEPOSITORY, CUSTODIAN, OR AGENT.—Any Federal Reserve bank or Federal home loan bank, or any bank as to which the time at which such expenditures shall be incurred, allowed, and paid, and appoint, employ, and fix and provide for the compensation and benefits of officers, employees, attorneys, and agents, as the Board determines reasonable and not inconsistent with this section; and

(3) may adopt a plan of merger, as provided in section 402;

(4) may consummate the merger of the Organization into the new corporation, as provided in section 403; and

(5) may have succession until the designated merger date or any earlier date on which the Organization surrenders its Federal charter.

(d) ACTIONS BY AND AGAINST THE ORGANIZATION.—Notwithstanding section 1345 of title 28, United States Code, or any other provision of law—

(1) the Organization shall be deemed to be an agency covered under sections 1345 and 1442 of title 28, United States Code;

(2) any civil action or proceeding against the Organization is a party shall be deemed to arise under the laws of the United States, and the appropriate district court of the United States shall have original jurisdiction over any such action, without regard to amount or value; and

(3) in any case in which all remedies have been exhausted in accordance with the applicable ordinances of an Indian tribe, in any civil or other action, case, or controversy in a tribal court, court of a State, or in any other than a Federal court of the United States, to which the Organization is a party, may at any time before the commencement of the trial be removed by the Organization, without the giving of any bond or security and by following any procedure for removal of causes in effect at the time of the removal—

(1) to the district court of the United States for the district and division in which the action is pending; or

(2) if there is no such district court, to the district court of the United States for the District of Columbia.
(a) assist in the planning establishment and organization of Native American Financial Institutions;
(b) develop and provide financial expertise and technical assistance to Native American Financial Institutions, including methods of underwriting, securing, servicing, packaging, and selling mortgage and small commercial and consumer loans;
(c) develop and provide specialized technical assistance on overcoming barriers to primary mortgage lending on Native American lands, including issues related to trust status, discrimination, high operating costs, and inapplicability of standard underwriting criteria;
(d) provide mortgage underwriting assistance (but not in originating loans) under contract to Native American Financial Institutions;
(e) work with the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and other participants in the secondary market for home mortgage instruments in identifying and eliminating barriers to the purchase of Native American mortgage loans originated by Native American Financial Institutions and other lenders in Native American communities;
(f) obtain capital investments in the Organization from Indian tribes, Native Americanorganizational entities;
(g) act as an information clearinghouse by providing information on financial practices to Native American Financial Institutions;
(h) monitor and report to Congress on the performance of Native American Financial Institutions in meeting the economic development and housing credit needs of Native American communities;
(i) provide any of the services described in this section directly, or under a contract authorizing another national or regional Native American organization to carry out these activities; and
(j) have access to all books, accounts, financial records, reports, files, or other papers, or property belonging to or in use by the Organization and used in any such audit and to any papers, records, files, and reports of the auditor used in such an audit.

SEC. 106. ANNUAL HOUSING AND ECONOMIC DEVELOPMENT REPORTS.
Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Organization shall prepare, and provide to the Secretary, in a form determined by the Secretary, such data as the Secretary determines to be appropriate with respect to the activities of the Organization relating to economic development.

SEC. 107. ADVISORY COUNCIL.
(a) Establishment.—The Board shall establish an Advisory Council in accordance with this section.
(b) Membership.—
(1) In General.—The Council shall consist of 12 members, who shall be appointed by the Board, including 1 representative from each of the 12 districts established by the Bureau of Indian Affairs and 1 representative from the State of Hawaii.
(2) Qualifications.—Not less than 6 of the members of the Council shall have financial expertise, and not less than 9 members of the Council shall have current leases at the time of appointment.
(3) Terms.—Each member of the Council shall be appointed for a 3-year term, except that the initial Council shall be appointed, as designated by the Board at the time of appointment, as follows:

SEC. 108. AUDITS.
(a) Independent Audits.—
(1) In General.—The Organization shall provide an annual independent audit made of or its financial statements by an independent public accountant in accordance with generally accepted auditing standards.
(2) Determinations.—In conducting an audit under this subsection, the independent public accountant shall determine and report on whether the financial statements of the Organization—
(A) are presented fairly in accordance with generally accepted accounting principles; and
(B) to the extent determined necessary by the Secretary, comply with any disclosure requirements imposed under section 301.
(b) GAO Audits.—
(1) In General.—Beginning after the first 2 years of the operation of the Organization, unless an earlier date is required by any other statute, grant, or agreement, the programs, activities, receipts, expenditures, and financial transactions of the Organization shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General.
(2) Access.—To carry out this subsection, the representatives of the General Accounting Office shall—
(A) have access to all books, accounts, financial records, reports, files, and all other papers or property belonging to or in use by the Organization and used in any such audit and to any papers, records, files, and reports of the auditor used in such an audit;
(B) be afforded full facilities for verifying transactions of securities or securities held by depositaries, fiscal agents, and custodians; and
(C) have access, upon request to the Organization or any auditor for an audit of the Organization under subsection (a), to any books, accounts, financial records, reports, files, or other papers, or property belonging to or in use by the Organization and used in any such audit and to any papers, records, files, and reports of the auditor used in such an audit.

SEC. 109. CAPITALIZATION OF ORGANIZATION.
The organization shall be capitalized in an amount to be determined by the Secretary, but not less than $5,000,000, and any such capitalization shall be subject to audit by the Comptroller General.

SEC. 110. REGULATION, EXAMINATION, AND REPORTS.
(a) In General.—The Organization shall be subject to the regulatory authority of the Department of Housing and Urban Development with respect to matters relating to the financial safety and soundness of the Organization.

TITLES II—CAPITALIZATION OF ORGANIZATION
SEC. 201. CAPITALIZATION OF THE ORGANIZATION.
(a) Class A Stock.—The class A stock of the Organization shall—
(1) be issued only to Indian tribes and the Department of Hawaiian Home Lands;
(2) be allocated;
(b) DUTY OF SECRETARY.—The Secretary shall ensure that the Organization is adequately capitalized and operating safely as a congressionally chartered body corporate.

(c) REPORTS.—

(1) ANNUAL REPORTS.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Organization shall submit to the Secretary a report describing the financial condition and operations of the Organization. The report shall be in such form, contain such information, and be submitted on such date as the Secretary shall require.

(2) CONTENTS OF REPORTS.—Each report submitted under this subsection shall contain such information as the Secretary determines to be necessary or appropriate to ensure that the purposes specified in section 4 are accomplished.

TITLE IV—FORMATION OF NEW CORPORATION

SEC. 401. FORMATION OF NEW CORPORATION.

(a) IN GENERAL.—In order to continue the accomplishment of the purposes specified in section 3 beyond the terms of the charter of the Organization, the Board shall, not later than 10 years after the date of enactment of this Act, establish the procedure for merging the Organization into a new corporation.

(b) CORPORATION NOT PROHIBITED.—Except as provided in this section, the new corporation may have any corporate powers and attributes permitted under the laws of the jurisdiction in which it is organized.

(c) USE OF NA FSO NAME PROHIBITED.—The new corporation may not use in any manner the name "Native American Financial Services Organization" or "NAFSO" or any variation thereof.

SEC. 402. ADOPTION AND APPROVAL OF MERGER PLAN.

(a) IN GENERAL.—Not later than 10 years after the date of enactment of this Act and after consultation with the Indian tribes that are stockholders of class A stock referred to in section 201(a), the Board shall prepare, adopt, and submit to the Secretary for approval a plan for merging the Organization into the new corporation.

(b) DESIGNATED MERGER DATE.—

(1) IN GENERAL.—The Board shall establish the date on which the merger of the Organization into the new corporation shall take effect.

(2) CHANGES.—The Board may change the designated merger date in the merger plan by adopting an amended plan of merger.

(c) REJECTION.—Except as otherwise provided in paragraph (4), the designated merger date in the merger plan or any amended merger plan shall not be later than 11 years after the date of enactment of this Act if the Board submits to the Secretary a report—

(A) stating that an orderly merger of the Organization into the new corporation is not feasible before the latest date designated by the Board;

(B) explaining why an orderly merger of the Organization into the new corporation is not feasible before the latest date designated by the Board;

(C) describing the steps that have been taken to consummate an orderly merger of the Organization into the new corporation not later than 11 years after the date of enactment of this Act;

(D) describing the steps that will be taken to consummate an orderly and timely merger of the Organization into the new corporation;

(2) LIMITATION.—The date designated by the Board in an amended merger plan shall not be later than 12 years after the date of enactment of this Act.

(3) CONSUMMATION OF MERGER.—The consummation of an orderly and timely merger of the Organization into the new corporation shall not occur later than 13 years after the date of enactment of this Act.

SEC. 403. CONSUMMATION OF MERGER.

The Board shall ensure that the merger of the Organization into the new corporation is accomplished in accordance with—

(1) a merger plan approved by the Secretary under paragraph (1) of section 402; and

(2) all applicable laws of the jurisdiction in which the new corporation is incorporated.

SEC. 404. TRANSITION.

Except as provided in this section, the Organization shall, during the transition period, continue to have all of the rights, privileges, duties, and obligations, and shall be subject to all of the limitations and restrictions set forth in this Act.

SEC. 405. EFFECT OF MERGER.

(a) TRANSFER OF ASSETS AND LIABILITIES.—On the designated merger date, all property, cash, deposits, debts due on any account, and any other interest, of or belonging to or due to the Organization, shall be transferred to and vested in the new corporation without further act or deed, and title to any property, whether real, personal, or mixed, shall not in any way be impaired by reason of the merger.

(b) TERMINATION OF THE ORGANIZATION AND ITS FEDERAL CHARTER.—On the designated merger date—

(1) the surviving corporation of the merger shall be the new corporation;

(2) the Federal charter of the Organization shall terminate; and

(3) the separate existence of the Organization shall end.

(c) REFERENCES TO THE ORGANIZATION IN LAW.—After the designated merger date, any reference to the Organization in any law or regulation shall be deemed to refer to the new corporation.

(d) SAVINGS CLAUSE.—

(2) CONTRACTS AND AGREEMENTS.—All contracts and agreements to which the Organization is a party and which are in effect on the day before the designated merger date, and which are not superseded by their terms, except that the new corporation shall be substituted for the Organization as a party to those contracts and agreements as of the designated merger date.

TITLE V—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 501. AUTHORIZATION OF APPROPRIATIONS FOR NATIVE AMERICAN FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Fund, without fiscal year limitation, $30,000,000 for financial assistance to Native American Financial Institutions.

(b) NOT MATCHING FUNDS.—To the extent that a Native American Financial Institution receives a portion of an appropriation made under subsection (a), such funds shall not be considered to be matching funds required of the Native American Financial Institution under section 108(e) of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4707(e)).

SEC. 502. AUTHORIZATION OF APPROPRIATIONS FOR ORGANIZATION.

The Secretary shall direct to the availability of appropriations, provide not more than $10,000,000 for the funding of a cooperative agreement to be entered into by the Secretary and the Organization for technical assistance and other services to be provided by the Organization to Native American Financial Institutions.

ADDITIONAL COSPONSORS

S. 102

At the request of Mr. Breaux, the name of the Senator from Florida [Mr. Graham] was added as a cosponsor of S. 102, a bill to amend title XVIII of the Social Security Act to improve Medicare treatment and education for beneficiaries with diabetes by providing coverage of diabetes outpatient self-management training services and uniform coverage of blood-testing strips for individuals with diabetes.

S. 397

At the request of Mr. Hatch, the name of the Senator from Michigan [Mr. Abraham] was added as a cosponsor of S. 397, a bill to amend the Internal Revenue Code of 1986 to provide equity to exports of software.

S. 394

At the request of Mr. Hatch, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of S. 394, a bill to partially restore compensation levels to their past equivalent in terms of real income and establish the procedure for adjusting future compensation of justices and judges on the United States Supreme Court.

S. 415

At the request of Mr. Baucus, the name of the Senator from Iowa [Mr.
Senator from Alaska [Mr. STEVENS], the safety of handguns.

At the request of Mr. Smith, the name of the Senator from Arkansas [Mr. JOHNSON], was added as a cosponsor of S. 428, a bill to amend chapter 44 of title 18, United States Code, to improve the safety of handguns.

At the request of Mr. Smith, the name of the Senator from Arkansas [Mr. JOHNSON], was added as a cosponsor of S. 567, a bill to permit revocation by members of the clergy of their exemption from Social Security coverage.

At the request of Mr. Inouye, the name of the Senator from California [Mrs. HARRIS], was added as a cosponsor of S. 623, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Islands to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

At the request of Mr. Craig, the name of the Senator from Wyoming [Mr. Thomas] was added as a cosponsor of S. 716, a bill to establish a Joint United States-Canada Commission on Cattle and Beef to identify, and recommend means of resolving, national, regional, and provincial trade-distorting differences between the countries with respect to the production, processing, and sale of cattle and beef, and for other purposes.

At the request of Mr. Craig, the name of the Senator from Wyoming [Mr. Thomas] was added as a cosponsor of S. 716, a bill to establish a Joint United States-Canada Commission on Cattle and Beef to identify, and recommend means of resolving, national, regional, and provincial trade-distorting differences between the countries with respect to the production, processing, and sale of cattle and beef, and for other purposes.

At the request of Mr. Inouye, the name of the Senator from California [Mrs. HARRIS], was added as a cosponsor of S. 623, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Islands to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

At the request of Mr. Gorton, the name of the Senator from Connecticut [Mr. Lieberman], was added as a cosponsor of Senate Joint Resolution 6, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of crime victims.

At the request of Mrs. Feinstein, the name of the Senator from Connecticut [Mr. Lieberman], was added as a cosponsor of Senate Joint Resolution 6, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of crime victims.

At the request of Mr. Gregg, the name of the Senator from Wyoming [Mr. Thomas] was added as a cosponsor of S. 755, a bill to amend title 10, United States Code, to restore the provisions of chapter 76 of that title (relating to missing persons) as in effect before the amendments made by the National Defense Authorization Act for fiscal year 1997 and to make other improvements to that chapter.

At the request of Mr. Chafee, the name of the Senator from Mississippi [Mr. Lott] was added as a cosponsor of S. 797, a bill to amend the John F. Kennedy Center Act to authorize the design and construction of additions to the parking lot to the certain site improvements, and for other purposes.

At the request of Mr. Inouye, the name of the Senator from California [Mrs. Feinstein] was added as a cosponsor of Senate Resolution 57, a resolution to support the commemoration of the bicentennial of the Lewis and Clark Expedition.

At the request of Mr. Bennett, the name of the Senator from Florida [Mr. Graham], the Senator from Tennessee [Mr. Thompson], the Senator from Ohio [Mr. DeWine], the Senator from Arkansas [Mr. Hutchinson], the Senator from Kentucky [Mr. McConnel], and the Senator from Oklahoma [Mr. Inhofe] were added as cosponsors of Senate Resolution 57, a resolution expressing the sense of the Senate to urge the Clinton administration to enforce the provisions of the Iran-Iraq Arms Non-Proliferation Act of 1992 with respect to the acquisition by Iran of C-002 cruise missiles.

Amendment No. 314

At the request of Mr. Wellstone, the name of the Senator from Illinois [Ms. Moseley-Braun] was added as a cosponsor of amendment No. 314 proposed to Senate Concurrent Resolution 27, an original concurrent resolution setting forth the congressional budget for the U.S. Government for fiscal years 1998, 1999, 2000, 2001, and 2002.

Amendment No. 316

At the request of Mr. Abraham, the names of the Senator from North Carolina [Mr. Faircloth], the Senator from Colorado [Mr. Allard], and the Senator from Texas [Mrs. Hutchison] were added as cosponsors of amendment No. 316 proposed to Senate Concurrent Resolution 27, an original concurrent resolution setting forth the congressional budget for the U.S. Government for fiscal years 1998, 1999, 2000, 2001, and 2002.

Amendment No. 318

At the request of Mr. Abraham, the names of the Senator from North Carolina [Mr. Faircloth], the Senator from Colorado [Mr. Allard], and the Senator from Texas [Mrs. Hutchison] were added as cosponsors of amendment No. 316 proposed to Senate Concurrent Resolution 27, an original concurrent resolution setting forth the congressional budget for the U.S. Government for fiscal years 1998, 1999, 2000, 2001, and 2002.

At the request of Mr. Stevens, the Senate Concurrent Resolution 29—relative to Estonia, Latvia, and Lithuania.

Mr. Gorton submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

Whereas the Baltic countries of Estonia, Latvia, and Lithuania are undergoing a historic process of democratic and free market transformation after emerging from decades of brutal Soviet occupation;

Whereas each of the Baltic countries has conducted peaceful transfers of political power since 1991;

Whereas the governments of the Baltic countries have made exemplary in their respect for human rights and civil liberties and have made great strides toward establishing the rule of law;

Whereas the governments of the Baltic countries have made consistent progress toward establishing civilian control of their military forces and, through active participation in the Partnership for Peace and the peace support operations of the North Atlantic Treaty Organization (in this resolution referred to as "NATO"), have clearly demonstrated their ability and willingness to operate with the forces of NATO nations and under NATO standards;

Whereas each of the Baltic countries has made progress toward implementing a free market system which has and will continue to foster the economic advancement of the people of the Baltic region;

Whereas the Baltic region has often been a battleground for the competing territorial demands of nearby imperial powers which, along with other factors, has contributed to a history of insecurity and instability in the region;

Whereas NATO has been a force for stability, freedom, and peace in Europe since 1949;

Whereas NATO has indicated it will begin to invite new members in 1997; and

Whereas Estonia, Latvia, and Lithuania, exercising their inherent right as participating states in the Organization for Security and Cooperation in Europe, have voluntarily applied for membership in NATO; therefore,

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

1. Estonia, Latvia, and Lithuania are to be commended for their progress toward political and economic liberty and meeting the guidelines for prospective NATO members set out in chapter 5 of the September 1996 Study on NATO Enlargement;

2. Estonia, Latvia, and Lithuania would make an outstanding contribution to NATO if they become members;

3. eventual extension of full NATO membership to Estonia, Latvia, and Lithuania would make a singular contribution toward stability, freedom, and peace in the Baltic region;

4. upon satisfying the criteria for NATO membership, Estonia, Latvia, and Lithuania should be invited to become full members of NATO at the earliest possible date; and

5. Estonia, Latvia, and Lithuania should be invited to attend the NATO summit in Madrid on July 8 and 9, 1997.

Mr. Gorton. Mr. President, Estonia, Latvia, and Lithuania lie on the northwestern border of Russia. These three tiny Baltic nations have historically served as a conflict zone between great powers. As a result, they have been invaded and dominated by foreign countries throughout

HARKIN] was added as a cosponsor of S. 415, a bill to amend the medicare program under title XVIII of the Social Security Act to improve rural health services, and for other purposes.

S. 428

At the request of Mr. Kohl, the name of the Senator from New Jersey [Mr. Lautenberg] was added as a cosponsor of S. 428, a bill to amend chapter 44 of title 18, United States Code, to improve the safety of handguns.

S. 567

At the request of Mr. Smith, the name of the Senator from Arkansas [Mr. JOHNSON], was added as a cosponsor of S. 567, a bill to permit revocation by members of the clergy of their exemption from Social Security coverage.

S. 623

At the request of Mr. Inouye, the name of the Senator from California [Mrs. HARRIS], was added as a cosponsor of S. 623, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Islands to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

S. 711

At the request of Mr. Craig, the name of the Senator from Wyoming [Mr. Thomas] was added as a cosponsor of S. 716, a bill to establish a Joint United States-Canada Commission on Cattle and Beef to identify, and recommend means of resolving, national, regional, and provincial trade-distorting differences between the countries with respect to the production, processing, and sale of cattle and beef, and for other purposes.

S. 716

At the request of Mr. Craig, the name of the Senator from Wyoming [Mr. Thomas] was added as a cosponsor of S. 716, a bill to establish a Joint United States-Canada Commission on Cattle and Beef to identify, and recommend means of resolving, national, regional, and provincial trade-distorting differences between the countries with respect to the production, processing, and sale of cattle and beef, and for other purposes.

S. 712

At the request of Mr. Faircloth, the names of the Senator from Arizona [Mr. Kyl], the Senator from Oklahoma [Mr. Nickles], the Senator from Utah [Mr. Hatch], the Senator from Tennessee [Mr. Thompson], the Senator from Rhode Island [Mr. Chafee], the Senator from Alaska [Mr. Stevens], and the Senator from Iowa [Mr. Grassley] were added as cosponsors of S. 732, 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.

S. 755

At the request of Mr. Campbell, the name of the Senator from New Hampshire [Mr. Gregg] was added as a cosponsor of S. 755, a bill to amend title 10, United States Code, to restore the provisions of chapter 76 of that title (relating to missing persons) as in effect before the amendments made by the National Defense Authorization Act for fiscal year 1997 and to make other improvements to that chapter.
their history. The Baltics were occupied and oppressed by the Soviet Union during all of the cold war, but are now on a quick path to full democracy and free market economies.

As we meet in Madrid this July with our NATO partners to discuss expansion of the alliance, we should also consider extending an invitation to our friends in the Baltics. Estonia, Latvia, and Lithuania have all made significant progress toward the NATO requirements for irreversible democracy, free market economies, and civilian-controlled militaries. They have participated in NATO’s Partnership for Peace initiative by supplying troops to NATO peacekeeping efforts. The Baltic nations have requested, and deserve, consideration for full NATO membership. That is why I am introducing legislation today recommending the integration of Estonia, Latvia, and Lithuania into NATO at the earliest possible date.

Having recently traveled to Estonia, I have a personal interest in its entry into NATO. Estonia is a beautiful nation on the Baltic Sea, inhabited by brave men and women dedicated to democracy and freedom from foreign domination. The people of Estonia have been under foreign rule throughout almost their entire history. They were ruled by Germans in the 13th century, Swedes in the 16th and 17th centuries, and by Tsarist Russia in the 19th century. Finally, after World War I, Estonia fought for independence for 2 years and won. The people of Estonia established a parliamentary democracy and their republic flourished for nearly two decades until the Soviet Union, and then Nazi Germany invaded during World War II. With the end of Soviet domination, Estonia and their Baltic neighbors look to the West for protection of their right to independence.

Unfortunately, the subject of NATO expansion to Estonia, Latvia, and Lithuania has become taboo. Many in the U.S. national security community believe the Baltics, lying so close to Russia and within the area Yeltsin considers to be Russia’s sphere of influence, should not be considered for NATO membership. In fact, in February, Russian President Boris Yeltsin stated that Baltic membership in NATO would have an “extremely negative impact” on stability in the region and that the preservation of the Baltic nations’ status outside blocs could dispel “still lingering fears for their security.” We should not allow these threatening comments to influence our efforts to expand NATO.

Out of fear of isolating Russia, the United States and our European allies may forsake three tiny nations that did so much to promote the collapse of the Soviet Union and the eradication of communism throughout Eastern Europe.

Cold war history is replete with tragedy. The expansion of the Soviet Union across Eastern Europe is one of history’s darkest moments. Estonia, Latvia, and Lithuania, all independent nations since 1918, fell victim to secret negotiations between Hitler and Stalin during World War II. Under the auspices of the Molotov-Ribbentrop Pact of 1939, the Soviet Union laid claim to the Baltics, and ruled them with an iron fist from 1945 until 1991. Now it is time for NATO to take decisive action to rectify the past and protect the nations of Eastern Europe and the former Soviet Union from any future foreign domination.

Future NATO membership for Estonia, Latvia, and Lithuania is essential to their safety and prosperity. Democracy and economic reform and expansion may be at risk to security if the Baltics continue to exist, unprotected, in the shadow of an increasingly nationalistic Russia. The United States must ensure that the Baltic nations are invited to the NATO summit in Madrid and must work toward eventual membership in our security alliance for Estonia, Latvia, and Lithuania.

I urge my colleagues to support this legislation and thank Senators D’Amato and Durbin for joining me as original cosponsors.

SENATE CONCURRENT RESOLUTION 30—RELATIVE TO THE REPUBLIC OF CHINA ON TAIWAN

Mr. HELMS (for himself and Mr. LIEBERMAN) introduced the following concurrent resolution: which was referred to the Committee on Foreign Relations:

S. CON. RES. 30

Whereas the Republic of China on Taiwan (hereafter referred to as “Taiwan”) possesses a free economy with the 19th largest gross domestic product in the world;

Whereas Taiwan has the 15th largest trading economy in the world and the 7th largest amount of foreign investment in the world and holds one of the largest amounts of foreign exchange reserves in the world;

Whereas Taiwan has a democracy committed to the economic and political norms of the international community;

Whereas the purpose of the International Monetary Fund (hereafter referred to as “IMF”) is to promote exchange stability, to establish a multilateral system of payments, to facilitate the expansion of world trade, and to provide capital to assist developing nations;

Whereas the membership of Taiwan in the IMF would benefit the world economy, especially those economies that rely on trade, capital, and would contribute to the purposes of the IMF;

Whereas the IMF aims to further economic liberalization in global finance and conduct conferences, exchanges, and training programs in international monetary management which would be beneficial to Taiwan;

Whereas membership in the IMF is a prerequisite for access to the International Bank for Reconstruction and Development and to regional banks in which the membership of Taiwan would be beneficial and fully justified: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Senate (the House of Representatives concurring) that it should be United States policy to support—

(1) the admission of the Republic of China on Taiwan (hereafter referred to as “Taiwan”) to membership in the International Monetary Fund;

(2) the admission of Taiwan to membership in the International Bank for Reconstruction and Development; and

(3) the admission of Taiwan to membership in all appropriate regional multilateral economic institutions.

Mr. HELMS, Mr. President, Senator LIEBERMAN and I are submitting today a Senate concurrent resolution in support of Taiwan’s admission to the International Monetary Fund and the World Bank.

There is simply no reason that Taiwan should be excluded from these multilateral economic institutions. Taiwan has one of the largest trading economies in the world. In fact, in the time it took me to draft this concurrent resolution, Taiwan went from the 26th largest gross domestic product, to the 19th largest.

Moreover, Taiwan is a democracy and a responsible member of the international community. This is more than one can say about many other nations who are currently members of these multilateral institutions.

Mr. President, the purpose of this resolution is straightforward. It expresses the sense of the Senate that Taiwan deserves to belong to these organizations. This resolution is not directed against any other nation. It simply puts the Senate on record in favor of justice for Taiwan.

SENATE RESOLUTION 90—AUTHORIZING THE PRINTING OF A PUBLICATION

Mr. BYRD (for himself, Mr. COVERDELL, and Mr. CLELAND) submitted the following resolution; which was considered and agreed to:

S. RES. 90

Resolved. SECTION 1. PRINTING OF THE PUBLICATION ENTITLED “DEDICATION AND UNVEILING OF THE STATUE OF RICHARD BREVARD RUSSELL, JR.”

(a) In General.—There shall be printed as a Senate document the publication entitled “Dedication and Unveiling of the Statue of Richard Brevard Russell, Jr.”, prepared by the Office of Senate Curator under the supervision of the Secretary of the Senate, with the concurrence of the United States Senate Commission on Art.

(b) Specifications.—The Senate document described in subsection (a) shall include illustrations and shall be in the style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

(c) Number of Copies.—In addition to the usual number of copies, there shall be printed—

(1) 1,600 copies for the use of the Secretary of the Senate, to be allocated as determined by the Secretary of the Senate; or

(2) a number of copies that does not have a total production and printing cost of more than $1,200.
SENATE RESOLUTION 91—TO AUTHORIZE THE PRODUCTION OF RECORDS

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 91

Whereas, the Office of the Inspector General of the United States Department of Justice has requested that the Select Committee on Intelligence provide it with copies of committee records relevant to the Office's pending investigations related to allegations of Central Intelligence Agency involvement in crack cocaine trafficking with supporters of the Nicaraguan Contras;

Whereas, the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take and appropriate action to promote the administration of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Select Committee on Intelligence, acting jointly, we authorized to provide to the Office of Inspector General of the United States Department of Justice or to other government investigators, under appropriate security procedures, copies of committee records related to allegations of Central Intelligence Agency involvement in crack cocaine trafficking with supporters of the Nicaraguan Contras.

SENATE RESOLUTION 92—RELATIVE TO NATIONAL LITERACY DAY

Mr. LAUTENBERG submitted a resolution; which was referred to the Committee on the Judiciary:

S. RES. 92

Whereas 44,000,000 United States citizens today read at a level that is less than the level necessary for full survival needs;

Whereas there are 40,000,000 adults in the United States who cannot read, whose resources are left untapped, and who are unable to make a full contribution to society;

Whereas illiteracy is growing rapidly, as 2,500,000 people are added as many as 1,300,000 immigrants, 1,500,000 high school dropouts, and 100,000 refugees, are added to the pool of illiterate persons annually;

Whereas the cost of illiteracy to the United States in terms of welfare expenditures, crime, prison expenses, lost revenues, and industrial and military accidents has been estimated at $230,000,000,000;

Whereas the competitiveness of the United States is eroded by the presence in the workplace of millions of Americans who are functionally illiterate;

Whereas there is a direct correlation between the number of illiterate adults who are unable to perform at the standard necessary for available employment and the money allocated to child welfare and unemployment compensation;

Whereas the percentage of illiterate persons in proportion to population percentage is higher for African Americans and Hispanics, resulting in increased economic and social discrimination against these minorities;

Whereas the prison population represents the highest concentration of adult illiteracy; whereas 15,000,000 persons in the United States between the ages of 12 and 17 years old cannot read above a third grade level, 13 percent of all 17-year-olds are functionally illiterate, and 1⁄3 of the graduates of urban high schools read at less than a sixth grade level;

Whereas 85 percent of the juveniles who appear in criminal court are functionally illiterate;

Whereas the 47 percent illiteracy rate among African American youths is expected to increase;

Whereas 1⁄2 of all heads of households cannot read above an eighth grade level and 1⁄2 of all mothers on welfare are functionally illiterate;

Whereas the cycle of illiteracy continues because the children of illiterate parents are often illiterate themselves due to the lack of support the children receive from their home environment;

Whereas Federal, State, municipal, and private literacy programs have been able to reach only 5 percent of the total illiterate population;

Whereas it is vital to call attention to the problem of illiteracy, to understand the severity of the illiteracy problem and the detrimental effects of illiteracy on our society, and to reach those who are illiterate and unaware of the free services and help available to them; and

Whereas it is necessary to recognize and thank the thousands of volunteers who are working to promote literacy and provide support to the millions of illiterate persons in need of assistance: Now, therefore, be it

Resolved, That the Senate—

(1) designates July 2, 1997, as ‘‘National Literacy Day’’; and

(2) requests that the President issue a proclamation calling on the people of the United States to observe ‘‘National Literacy Day’’ with appropriate ceremonies and activities.

Mr. LAUTENBERG. Mr. President, today I rise to submit a resolution establishing July 2 of this year and the following year as National Literacy Day.

Mr. President, the ability to read is something most of us often take for granted. For most of us, it is difficult to imagine not being able to read a menu, street sign, magazine or phone book. Yet for many of our citizens, these seemingly simple activities are impossible. This is so because they are illiterate. I am submitting this resolution to draw attention to the issue of illiteracy by establishing July 2, 1997, and July 2, 1998, as ‘‘National Literacy Day’’; and the following year as National Literacy Day. I hope my colleagues will cosponsor this resolution.

All of us should be more aware of the problem of illiteracy. A recent study found that over 41 million adults cannot read. An additional 35 million read below the level required for success in society. These numbers alone are alarming and warrant our special attention. But even more disturbing are the personal hardships people must face each day due to their inability to read. The embarrassment parents face when they cannot read to their children. The discouragement able workers feel when they cannot fill out a basic job application. The discrimination they all endure as the ranks of the illiterate grow annually by over 2 million adults.

Mr. President, the 18th Century writer, Joseph Addison, once wrote ‘‘Reading is to the mind what exercise is to the body.’’ I could not agree more. Reading enriches our lives in countless ways. But there are far too many of our citizens who cannot read the instructions on a doctor’s prescription bottle, let alone share the experience of reading one of Addison’s great poems. This needs to change.

Therefore, we must focus our attention on the problem of illiteracy. All of us should make sure we do our part to ensure that citizens who need help know where services are available. We must recognize the detrimental effects illiteracy has on our society. Most important, more of us need to enlist in the battle to close the book on illiteracy.

Mr. President, for these reasons, I am submitting a resolution to designate July 2, 1997 and July 2, 1998, as National Literacy Day. I urge my colleagues to support this resolution.

SENATE RESOLUTION 93—RELATIVE TO NATIONAL FAMILY WEEK

Mr. GRASSLEY submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 93

Whereas it is necessary to recognize and appreciate the importance of the family unit as essential to the continued well-being of the United States;

Whereas it is fitting that official recognition be given to the importance of family loyalties and ties; Now, therefore, be it

Resolved, That the Senate designates the week beginning on November 24, 1997, as ‘‘National Family Week’.’’ The Senate requests the President to issue a proclamation calling on the people of the United States to observe each week with appropriate ceremonies and activities.

Mr. GRASSLEY. Mr. President, I come before you today to submit a resolution which would designate the week beginning November 23, 1997, and the week beginning on November 24, 1997, as ‘‘National Family Week.’’ This legislation has been passed in each Congress and signed into public law every year since 1976. I am pleased to be able to contribute to this longstanding tradition, of recognizing the importance of family, by again introducing this legislation.

As we all know, the family is the most basic element of our society, and the tie that binds us to one another. It is the strength of any free and orderly society and it is appropriate to honor
this unit as being essential to the well-being of the United States.

Since Thanksgiving falls during both of these weeks, we will be paying homage to what we as a nation already know—the strength of the family provides the support through which we as individuals and a nation thrive. Therefore it is particularly suitable to pause during this special week in recognition of the celebrations and activities of the family which bring us closer together. I hope my colleagues will join me in this effort.

**SENATE RESOLUTION 94—COMMENDING THE AMERICAN MEDICAL ASSOCIATION**

Mr. WARNER submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 94

Whereas the American Medical Association’s history is a story of America’s best medicine, hope, hard work, and triumph;

Whereas the American Medical Association is dedicated to maintaining the sanctity of the patient-physician relationship and upholding ethical standards within the medical profession to lead to a better, stronger house of medicine;

Whereas the American Medical Association promotes its principles through medical school accreditation programs designed to elevate the standard of medical education in the United States through outreach, training seminars, and curriculum development in order to instill core ethical values and beliefs in the physicians of the future; and

Whereas the future of the American Medical Association relies not only on its past accomplishments, but on the physicians who will journey together for another 150 years and beyond of caring for the United States: Now, therefore, be it.

Resolved, That it is the sense of the Senate that—

(1) the American Medical Association is commended for its advancement of high ethical standards among physicians in the United States and setting the standards for physicians throughout the world;

(2) all physicians and Americans are encouraged to join in the celebration of the 150th birthday of the American Medical Association and relay in 130 years of caring for the United States; and

(3) the American Medical Association is encouraged to continue into the next millennium to represent and promote the goals of the organization in the physician community, and to continue organizing and fostering high quality patient-physician relationships across the United States.

Mr. WARNER. Mr. President, I rise today to pay tribute to The American Medical Association [AMA] and to submit a resolution to commemorate its 150th Anniversary.

The American Medical Association was founded by Nathan Smith Davis, M.D., in 1847 when he was 30-years-old. At that time, the field of medicine was still based on apprenticeship programs and very little education was required to become a physician. Nathan Davis recognized the need to establish a code of educational principles to elevate the standard of medicine by eliminating quackery and other nonscientific forms of medicine. Through standardized medical education, students trained in the field of medicine now have unified course work and training. The accreditation process also guides curriculum development in order to ensure that core ethical values and beliefs are instilled in the physicians of the future.

Today, the American Medical Association continues to hold high its standards and remains dedicated to maintaining the sanctity of the patient-physician relationship, upholding the ethical standards within the medical profession that lead to a better, stronger, house of medicine.

Mr. President, the American Medical Association’s contributions to the health of our country has been a fixture of American culture. Indeed, even their symbol has long served as a sign of high quality health care materials.

We have come to expect quality in every endeavor from the American Medical Association as they have built a 150-year reputation of caring for our country.

For example, the American Medical Association’s Journal of the American Medical Association [JAMA] has long contributed to the positive reputation of the association through the distribution of peer reviewed health information. Another example of caring for our country, JAMA, founded in 1880, expanded the dissemination of scientific data and health policy information among physicians and other health professionals. JAMA serves as a respected voice in the areas of clinical science and disease prevention. In addition, JAMA has contributed a great deal to the area of public health, an area in which the AMA continues to be vitally involved, as it strives to prepare patients and physicians for the 21st century by promoting the science and art of medicine.

Mr. President, I would like to congratulate the American Medical Association on its 150th anniversary and all its accomplishments and I encourage the AMA to continue caring for our country into the next millennium.

On a personal note, I wish to acknowledge the lifelong contribution of my late father, Dr. John W. Warner 1883–1946, to this organization. Starting his career as a frontline, decorated combat surgeon in the U.S. Army during World War I, he served the needs of the greater Washington metropolitan area as an attending physician until his death in 1946.

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**AMENDMENTS SUBMITTED**

**CONCURRENT RESOLUTION ON THE BUDGET**

**COVERDELL AMENDMENT NO. 357**

Mr. DOMENICI (for Mr. COVERDELL) proposed an amendment to amendment No. 313 proposed by Mr. WOLLSTONE to the concurrent resolution (S. Con. Res. 27) setting forth the congressional budget for the U.S. Government for fiscal years 1998, 1999, 2000, 2001, and 2002; as follows:

On page 3, line 3, increase the amount by 0.
On page 3, line 4, increase the amount by 0.
On page 3, line 5, increase the amount by 0.
On page 3, line 6, increase the amount by 0.
On page 3, line 7, increase the amount by 0.
On page 3, line 11, increase the amount by 0.
On page 3, line 12, increase the amount by 0.
On page 3, line 13, increase the amount by 0.
On page 3, line 14, increase the amount by 0.
On page 3, line 15, increase the amount by 0.
On page 4, line 4, increase the amount by 0.
On page 4, line 5, increase the amount by 0.
On page 4, line 6, increase the amount by 2,539,000,000.
On page 4, line 7, increase the amount by 0.
On page 4, line 8, increase the amount by 0.
On page 4, line 9, increase the amount by 0.
On page 4, line 10, increase the amount by 0.
On page 4, line 11, increase the amount by 0.
On page 4, line 12, increase the amount by 0.
On page 4, line 13, increase the amount by 0.
On page 4, line 14, increase the amount by 0.
On page 4, line 15, increase the amount by 0.
On page 4, line 16, increase the amount by 0.
On page 4, line 17, increase the amount by 0.
On page 4, line 18, increase the amount by 0.
On page 4, line 19, increase the amount by 0.
On page 4, line 20, increase the amount by 0.
On page 4, line 21, increase the amount by 0.
On page 4, line 22, increase the amount by 0.
On page 4, line 23, increase the amount by 0.
On page 4, line 24, increase the amount by 0.
On page 4, line 25, increase the amount by 0.
On page 4, line 26, increase the amount by 0.
On page 4, line 27, increase the amount by 0.
On page 4, line 28, increase the amount by 0.
On page 4, line 29, increase the amount by 0.
On page 4, line 30, increase the amount by 0.
On page 4, line 31, increase the amount by 0.
On page 4, line 32, increase the amount by 0.
On page 4, line 33, increase the amount by 0.
On page 4, line 34, increase the amount by 0.
On page 4, line 35, increase the amount by 0.
On page 4, line 36, increase the amount by 0.
On page 4, line 37, increase the amount by 0.
On page 4, line 38, increase the amount by 0.
On page 4, line 39, increase the amount by 0.
On page 4, line 40, increase the amount by 0.
On page 4, line 41, increase the amount by 0.
On page 4, line 42, increase the amount by 0.
On page 4, line 43, increase the amount by 0.
On page 4, line 44, increase the amount by 0.
On page 4, line 45, increase the amount by 0.
On page 4, line 2, increase the amount by 0.
On page 4, line 3, increase the amount by 0.
On page 4, line 5, increase the amount by 0.
On page 4, line 6, increase the amount by 0.

S5142

PROPOSED AMENDMENT

SNOWE (AND COVERDELL) AMENDMENT NO. 358

Mr. DOMENICI (for Ms. SNOWE for herself and Mr. COVERDELL) proposed an amendment to amendment No. 314 proposed by Mr. WELLSTONE to the concurrent resolution, Senate Concurrent Resolution 27, supra; as follows:

On page 3, line 4, increase the amount by 0.
On page 3, line 5, increase the amount by 0.
On page 3, line 6, increase the amount by 0.
On page 3, line 7, increase the amount by 0.
On page 3, line 12, increase the amount by 0.
On page 3, line 13, increase the amount by 0.
On page 3, line 14, increase the amount by 0.
On page 3, line 15, increase the amount by 0.
On page 4, line 5, increase the amount by 0.
On page 4, line 6, increase the amount by 0.
On page 4, line 7, increase the amount by 0.
On page 4, line 8, increase the amount by 0.
On page 4, line 13, increase the amount by 0.
On page 4, line 14, increase the amount by 0.
On page 4, line 15, increase the amount by 0.
On page 4, line 16, increase the amount by 0.
On page 21, line 25, increase the amount by 0.
On page 22, line 1, increase the amount by 0.
On page 22, line 8, increase the amount by 0.
On page 22, line 9, increase the amount by 0.
On page 22, line 16, increase the amount by 0.
On page 22, line 17, increase the amount by 0.
On page 22, line 24, increase the amount by 0.
On page 22, line 25, increase the amount by 0.
On page 43, line 21, increase the amount by 0.
On page 43, line 22, increase the amount by 0.
On page 43, line 24, increase the amount by 0.
On page 43, line 25, increase the amount by 0.
On page 44, line 2, increase the amount by 0.
On page 44, line 3, increase the amount by 0.
On page 44, line 5, increase the amount by 0.
On page 44, line 6, increase the amount by 0.

DOMENICI (AND LAUTENBERG) AMENDMENT NO. 359

Mr. DOMENICI (for himself and Mr. LAUTENBERG) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 27, supra; as follows:

On page 4, increase the amount on line 4 by $1,800,000,000.
On page 4, decrease the amount on line 5 by $100,000,000.

On page 4, decrease the amount on line 7 by $200,000,000.
On page 4, decrease the amount on line 8 by $300,000,000.
On page 4, increase the amount on line 13 by $200,000,000.
On page 4, decrease the amount on line 14 by $100,000,000.
On page 4, decrease the amount on line 15 by $300,000,000.
On page 4, decrease the amount on line 16 by $400,000,000.
On page 4, decrease the amount on line 20 by $200,000,000.
On page 4, decrease the amount on line 21 by $400,000,000.
On page 4, decrease the amount on line 22 by $200,000,000.

On page 5, increase the amount on line 3 by $6,200,000,000.
On page 5, increase the amount on line 4 by $1,900,000,000.
On page 5, increase the amount on line 5 by $6,100,000,000.
On page 5, increase the amount on line 6 by $7,300,000,000.
On page 23, increase the amount on line 8 by $1,800,000,000.
On page 23, increase the amount on line 15 by $100,000,000.
On page 23, increase the amount on line 22 by $100,000,000.
On page 24, increase the amount on line 12 by $100,000,000.
On page 29, increase the amount on line 18 by $200,000,000.
On page 29, decrease the amount on line 19 by $200,000,000.
On page 30, decrease the amount on line 2 by $300,000,000.
On page 30, decrease the amount on line 3 by $300,000,000.
On page 30, decrease the amount on line 10 by $300,000,000.
On page 30, decrease the amount on line 11 by $300,000,000.
On page 30, decrease the amount on line 18 by $300,000,000.
On page 30, decrease the amount on line 19 by $300,000,000.

On page 39, line 1, strike beginning with the word “provide” through line 4, the word “outlays”, and insert “reduce the deficit”. On page 39, decrease the amount on line 22 by $35,000,000.
On page 39, decrease the amount on line 23 by $75,000,000.

MEMORIAL DAY RESOLUTION

THURMOND AMENDMENT NO. 360

Mr. LOTT (for Mr. THURMOND) proposed an amendment to the resolution, Senate Concurrent Resolution 27, supra; as follows:

On page 2, lines 5 and 6, strike “Standard” and insert “Daylight”.

ADDITIONAL STATEMENTS

A MEMORIAL DAY TRIBUTE

● Mr. SESSIONS. Mr. President, I rise today to recognize the sacrifices made by the millions of men and women who have served in the Armed Forces of the United States.

While Members of this body have perhaps thousands of constituent service men and women on the rolls from their State who are serving and are being be they active duty, Reserve, National Guard, or retired, I want to draw special attention to one story in particular, an uncommon story of valor and courage, that is the Representative of the thousands of veterans in Alabama and all over these United States.

Mr. President, I want to speak today about the supreme sacrifice many Americans made for our country as prisoners of war. Mr. Hubert Davis, of Tuscaloosa, AL, is one such hero. As a B-17 fighter tail gunner in World War II, Mr. Davis’ plane was hit while approaching a bombing target over Schweinfurt, Germany, on April 13, 1944. After his B-17 became engulfed in flames, Mr. Davis struggled with an awkward British parachute as the plane capsized, like a ship caught in a terrible storm at sea and crashed to the ground. Mr. Davis barely managed to escape from the B-17 and immediately pulled up. He parachuted to the ground and was captured by the German forces. As the D-day invasion was still some weeks away there was no hope of escaping to Allied lines in Europe. During his prisoner experience, Mr. Davis was subsequently moved from prison camp to prison camp while suffering from injuries sustained in the rough parachute landing. He was subjected to interrogations in which life and limb was threatened—all for our freedom.

Mr. Davis’ family received a telegram notifying them that their son was lost-in-action and a second telegram 10 days later announcing that he was killed-in-action. Eventually, however, Mr. Davis was released by the 13th Armored Division of Patton’s 3d Army and now resides in Tuscaloosa, AL.

Mr. President, Mr. Davis was prepared to pay the ultimate price for his country. While I have highlighted the odyssey of one tailgunner, and one ex-POW from World War II, Mr. Davis is emblematic of the thousands of men and women who dedicated the very fabric of their being for the greatest defense of their country. From the Revolutionary War to the Persian Gulf, we have been blessed by an exemplary group of patriots who have served their country admirably and with distinction. Since our country has enjoyed many years of relative peace as a result of the heroic efforts of men and women like Hubert Davis, I hope his story reminds each of us of the trials and tribulations our forebears have endured to preserve the precious freedom we all so deeply enjoy today.

Mr. President, to further recognize the valor of our many veterans, I ask to have printed in the Record along with my brief remarks Gen. Douglas...
May 23, 1997
CONGRESSIONAL RECORD — SENATE S5143

MacArthur’s farewell speech to the cadets at West Point, May 12, 1962. Since its delivery, this speech has been known as MacArthur’s “Duty, Honor, Country Speech.” It is plain spoken and on the day when we reflect on those who have given so much, it serves to remind us all what it means to be an American. God bless the United States.

The remarks follow:

Gen. Douglas MacArthur: DUTY, HONOR, COUNTRY
CINDY’S BIRTHDAY WEDNESDAY, MAY 12, 1962. U.S. MILITARY ACADEMY, WEST POINT, NY

No human being could fail to be deeply moved by such a tribute as this [Thayer Award]. To a profession I have served so long and a people I have loved so well. It fills me with an emotion I cannot express. But this award is not intended primarily for my profession. I have served so long and a people I have loved so well. It fills me with an emotion I cannot express. But this award is not intended primarily for my profession. I have been moved by the thoughts of those who have given so much, it serves to remind us all what it means to be an American. God bless the United States.

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THANKS TO CITY COUNCIL FOR HUARD RESOLUTION

In 1988, the Dearborn City Council passed a resolution which ordered the POW/MIA flag to fly above City Hall until "Huard is returned home." On Memorial Day, the flag will be lowered as a final most appropriate and moving tribute to Captain Huard.

I know my Senate colleagues join me in honoring Capt. James L. Huard and the many men and women who have given their lives in the service of our Nation.

TRIBUTE TO DAVID CARTER FOR HIS SUCCESSFUL CLIMB TO THE SUMMIT OF MOUNT EVEREST

Mr. LUGAR. Mr. President, it is with great admiration that I rise today to re-recognize David Carter, a citizen of Indianapolis and a close family friend, for his achievement in reaching the peak of Mount Everest.

David's successful ascent to the summit of Mount Everest bordering Nepal and Tibet is the realization of a boyhood dream. This achievement exemplifies his extraordinary determination and courage.

On this, his second attempt to reach the peak, David approached the mountain's difficulties with bravery and extremely careful preparation. Through high winds and extremely cold temperatures, his expedition met the challenge.

In explaining what drew him back for a second try, David simply answered: unfinished business.

I ask that my colleagues join me in congratulating David Carter on the day of this signal victory which brings special pride to all Hoosiers.

JOSEPH ENGELBERGER AND HELMPATE ROBOTICS, INC.

Mr. LIEBERMAN. Mr. President, I would like to take a few moments and draw attention to a remarkable example of a Federal investment in science and technology that is producing a return to the benefit of society. In this case, it was the vision of an individual, combined with technical knowledge developed with space research, which has created an exciting new industry. Back in 1984, the inventor's idea was to design a robot that could be used in hospitals and eventually homes. Today, robots manufactured by HelpMate Robotics, Inc., of Danbury, CT, roam hospital hallways, delivering medications, meals, x-rays and patients' records. Handling these errands allows orderlies and nurses more time to concentrate on patient care.

Central to the story of the hospital robots is the 72-year-old founder of HelpMate Robotics, Dr. Joseph Engelberger. Dr. Engelberger is widely acknowledged as the father of the industrial robot, an idea he had much more success selling to Japan's auto industry than in America. As a consequence, Japan grew to dominate the world robotic market and this was one of the factors that for many years enabled the United States to retain an advantage over American automakers.

I am especially pleased to report that many of the achievements of Dr. Engelberger and HelpMate Robotics were made possible through a close cooperation with the National Aeronautics and Space Administration. The new technologies necessary in the design of a robot that is capable of avoiding people in busy hospital hallways, scanning elevators and navigating familiar territory, were derived from research already underway at NASA. HelpMate has won several NASA SBIR [Small Business Innovative Research] awards which were intended to stimulate conversion of Government-funded R&D into commercial applications. Transfer of knowledge and expertise has also flowed from the company back to NASA. Late last year, the space agency awarded an SBIR grant to HelpMate for development of a prototype robot for terrestrial experiments that anticipate space utilization of robotics. The space robot will begin to pave the way for the next step in Dr. Engelberger's dream—a robot capable of helping the elderly stay at home by performing the myriad number of tasks that become difficult later in life. Also helpful in the commercialization of NASA technology was a unique program developed by HelpMate called the Tech Transfer Center in Wheeling, WV, and Unisphere Institute in Washington, DC.

The story of Dr. Engelberger and HelpMate Robotics is an example of the way that a patient Federal investment in science and technology can lead to new products that employ Americans and make for a better quality of life. It is also the story of one man's creative genius and untiring devotion in making a dream become reality. I salute Dr. Engelberger for his accomplishments with HelpMate and upon his receipt of the prestigious Japan Prize.

TRIBUTE TO SIX GIRL SCOUT GOLD AWARD RECIPIENTS

Mr. JEFFORDS. Mr. President, I rise today to pay tribute to six outstanding young women who are being presented with the Girl Scout Gold Award by Vermont Girl Scout Council. They are Melissa Jones and Tina Newell of Vergennes, Kathleen Lometico of Colchester as well as Jennifer Tobin, Vincenza Tortolano, and Lori Brown of Rutland. They are being honored on May 29, 1997 for earning the highest achievement award in U.S. Girl Scouting.
The Girl Scout Gold Award symbolizes outstanding accomplishments in the areas of leadership, community service, career planning, and personal development. The award can be earned by girls aged 14–17, or in grades 9–12. To receive this award, these Girl Scouts first earned four interest project patches, the Career Exploration Patch, the Girl Scout Leadership Award, and the Senior Girl Scout Leadership Challenge as well as designing and implementing a Girl Scout Gold Award project that meet a special need in their community.

As members of the Vermont Girl Scout Council, Melissa and Tina first earned badges in understanding yourself and others, child care, games, creative writing, and reading. The girls then combined their efforts in a project to combat illiteracy. They designed a series of three workshops for young children about the magic of books which they put on at their local town library. The workshops featured a magician to entertain the children, to encourage them to raise themselves, magic tricks and crafts taught by the girls, and wonderful stories featuring magic. They attracted a large number of youngsters. The girls reported "everything we did interested them and they wanted to read more books and they now know the library and are planning to come to their future children's programs".

Jennifer and Lincena put their efforts into making a special place for some elderly members of their community. The girls designed and established a conversation garden to give nursing home residents and their guests access to sidewalks, shade, and beauty, putting in two settees and planting bulbs and a flowering crabapple tree, all financed by the girls' sale of handmade cookbooks. To quote the nursing home administrator, "these two young people have earned the respect and appreciation of 125 nursing home residents and 160 employees of Eden Park".

As a member of the Vermont Girl Scout Council, Lori first earned badges in child care, reading, music, games, well being and understanding yourself and others. She then used these skills to design and implement a series of Lenten workshops for the younger children in her parish church. Kathleen earned badges in artistic crafts and exploration among others. After learning leadership through Girl Scouting, she served as the editor of her high school yearbook. As her Girl Scout Gold Award project she spent the last year organizing and leading a youth group for teens which meets every other week and a youth band which plays every Sunday for her church parish. Kathleen wanted the young people in her parish to "feel a sense of home in the church." Both girls used the skills they learned in Girl Scouting to help the church of their faith.

These six Senior Girl Scouts have earned my respect and admiration. I believe all the girls should receive the public recognition due them for such significant services to their communities and their country.

TRIBUTE TO EDWARD P. SCOTT

- Mr. AKARA. Mr. President, it is with great regret that I rise today to note the impending retirement of Edward P. Scott, Assistant Secretary for Congressional Affairs with the Department of Veterans Affairs [VA]. Ed has served in this position since his confirmation by the Senate in May 1993 after being nominated by President Clinton.

As a member of the Veterans' Affairs Committee, I have greatly appreciated Ed's successful efforts to maintain close relations with legislators and keep Congress apprised of VA operations, programs, and policies. During his tenure, VA confronted the impact of judicial review on veterans' claims; addressed the health care, research, and compensation needs of Persian Gulf veterans suffering from undiagnosed illnesses; and, in the face of unprecedented fiscal pressures, began the most comprehensive restructuring of its health care and benefits administrations in history. Ed has played a critical role in developing and implementing VA's response to each of these challenges, while keeping Congress fully informed of, and involved in, major developments.

Mr. President, prior to his administrative appointment, Ed enjoyed a long and varied career in public service. After graduating cum laude from the University of Pennsylvania Law School in 1963, where he was Law Review editor, he clerked for New Jersey Supreme Court Associate Justice Nathan Jacobs. He then joined the Air Force for 3 years, working as an assistant staff judge advocate at Keesler Air Force Base before retiring in the rank of captain. Soon after, he joined the Peace Corps, serving as deputy director and, later, director in Kora, Republic of the Congo. Returning to the United States, he signed on as a staff attorney to the Mental Health Law Project in Washington, DC. In 1977, he joined the staff of the Veterans' Affairs Committee, thus embarking on a long and distinguished career in the veterans arena. In the 16 years he was employed on the committee staff, he alternately served as majority and minority staff director and, ultimately, staff director and chief counsel.

As a committee staffer, Ed was instrumental in creating the Vet Center Program, enacting the Montgomery GI bill, elevating VA to cabinet rank, and establishing the U.S. Court of Veterans Appeals. During the 102nd Congress, one of the most productive legislative periods in the committee's history, he helped revamp VA's physician pay, improve homeless veterans programs, create a fairer system of compensation for survivors of disabled veterans, bring the benefits of VA health care to rural veterans with income, heighten concern for minority veterans, and establish a program to help treat women who were sexually abused in the military. In addition, under the leadership of my distinguished colleagues, Senator Daschle and Senator Rockefeller, respectively, he helped resolve controversial matters relating to agent orange exposure and VA drug testing.

Mr. President, I should also note that Ed played an important role in improving health care benefits and services for Hawaii's 120,000 veterans. Ed had an opportunity to visit Hawaii, gaining firsthand an appreciation of the unique needs of our multiethnic veterans population as well as of the special problems that confront the community as a consequence of Hawaii's insular geography and isolation from the mainland.

He materially supported the Hawaii Delegation's efforts, initiated by my late predecessor, Senator Spark Matsunaga, to establish a VA medical center on Oahu; triple the size of the Honolulu VA outpatient clinic; and, establish veterans centers, primary care clinics, and a residential post-traumatic stress disorder treatment center in the neighbor islands.

Mr. President, however extensive Ed's achievements, what is most remarkable about this good man is the grace and sense of balance he has brought to public service. In dealing with many different organizations and personalities, each with a separate agenda, often on extremely contentious issues, he brought calm to rough waters and comfort to bruised egos. His willingness to confront and, in those instances, his ability to rise above partisan and personal concerns, truly elevated the level of debate on veterans issues.

By his example, he constantly reminded us of our primary obligation, which is to promote the welfare of veterans.

Thank you, Mr. President. Ed's departure from public service is a loss to all who care about good government. I offer him and his wife, Jane, my best wishes as they embark on a new, and I hope rewarding, phase of life.

NATIONAL STROKE AWARENESS MONTH

- Mr. DOMENICI. Mr. President, I rise today to take a few minutes to discuss National Stroke Awareness Month.

Every year in our country, approximately 28 out of every 100,000 people will suffer from a stroke. In fact, the third leading cause of death in the United States is a stroke. However, advances in medical technology and better control of high blood pressure have greatly reduced the number of strokes per year.

The number of strokes can be reduced even further if just a few preventive steps are taken. Periodic medical checkups and being on the lookout for warning signs like high blood pressure, heart disease, age, and heredity are several basic ones.

A stroke occurs when blood vessels carrying oxygen and nutrients to the brain either become clogged or burst.
The result is that the brain does not receive the flow of blood it requires and brain cells become deprived and start to die. Stroke victims often suffer from changes to their senses, ability to understand speech, behavioral and thought patterns, and memory. Additionally, stroke victims may cry easily, laugh inappropriately, or become easily irritated.

Luckily, Mr. President, advances in treatment and rehabilitation allow many stroke victims to return to an active lifestyle. Even though recovery is very possible, these stroke victims must often learn a whole new set of skills because old ones were lost and new skills are required.

Another result of a stroke may be aphasia. Aphasia is the total or partial loss of the ability to speak and understand speech and in approximately 20 percent of strokes a serious loss of speech may occur. This change in speech may turn into an extremely frustrating experience because both speech and hearing are extremely important components within our society.

People may use unusual words or sounds when expressing themselves. Consequently, slurred speech may often result and thus, the appearance of being drunk. People recovering from a stroke may also become isolated from others because they cannot communicate. As a result, the person may become depressed and indifferent to rehabilitation, judgment may become impaired, and memory lapses may occur.

Mr. President, I believe it is extremely important that we as a society take steps to become more aware of a stroke’s effects. Charles Huston of Albuquerque, NM, has done just that for the past 30 years. Charles suffered a stroke in 1963. This change in speech may turn into an extremely frustrating experience because both speech and hearing are extremely important components within our society.

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In December 1943, several training operations began in order to prepare for the Battle of Normandy. These operations, organized by the United States Army, were undertaken off a beach in Devon, England. It was known by all participating parties the dangers they could encounter. At the time, several trains traveled this stretch of water looking for American and English ships. One such evening during practice operations, with only one English ship to guard, there was a surprise attack on the American ships.

On April 28, 1944, the German Navy “E” boats, patrolling the English Channel, attacked the Eight American tank landing ships who became aware of the attack only after the U.S.S. LST–507 was struck by an incoming torpedo. Next, the U.S.S. LST–37 was attacked and sunk in a matter of minutes. The convoy returned fire and the last ship to be torpedoed, the U.S.S. LST–289, valiantly struggled to reach Dartmouth Harbor.

The American men who participated in Exercise Tiger continued operations and remained on schedule. Normandy was attacked as planned and the D-day invasion was a success.

I think Charles Huston has set an example for all of us to follow. He has shown a remarkable amount of determination and resiliency in not allowing the stroke he suffered over 30 years ago to defeat him. Additionally, Charles has applied that same amount of determination to help others about the effects of aphasia. I think we would all do well to take a little time and educate ourselves about the issues Charles Huston has been advocating for so many years.

RECOGNITION OF WORLD WAR II EXERCISE TIGER OPERATION
- Mr. BOND. Mr. President, this past April 28, 1987, the Missouri and New Jersey Exercise Tiger Associations, in conjunction with Veterans of Foreign War Post 280 of Columbia, MO, recognized a group of heroic men. Until recently, few people knew of the secret operation code named “Exercise Tiger,” because the details of the tragedy were not disclosed until after the Battle of Normandy and even then proper recognition was not given.

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Even after this frightening turn of events, to its credit, Exercise Tiger continued operations and remained on schedule. Normandy was attacked as planned and the D-day invasion was a success.

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EDUCATIONAL OPPORTUNITY TAX CREDIT BILL
- Mr. BURNS. Mr. President, I am pleased to join Senator BACON, along with Senators CRAIG, REID, JEFFORDS, LOTT, MACK, and HUTCHINSON, as a co-sponsor of S. 50, the Educational Opportunity Tax Credit Bill. S. 50 will help thousands of folks earn a college degree without creating a new Federal program. S. 50 is simple: it provides for a non-refundable tax credit of up to $1,500, depending on the cost of attendance, for students attending a 2-year school, full-time or part-time. To receive the credit, students must maintain a minimum grade point average as determined by the college.

Mr. President, this morning I read an Associated Press article with a great Falls byline entitled “Regents OK $7.6 million increase in college tuition fees.” The AP reports that tuition rates at 2-year and 4-year schools in Montana will rise an average of 6.5 percent, climbing to 7.5 percent when student fees are factored in. At Montana’s colleges of technology, whose students this bill will help, the new tuition and fees vary from $1,871 to $2,121, an increase as high as 11.3 percent. The education and training two-year schools provide is more important for our workforce than it has ever been, but it is also more expensive than it’s ever been. A tax credit is a simple way to put a degree within reach of thousands of students.

There are numerous tax credit proposals that are particular the ones who lost their lives in this crucial preparation for the D-day invasion. The Exercise Tiger Associations and VFW Post 280 have the great privilege of being first in the State of Missouri to recognize these brave individuals.

In the words of Douglas MacArthur, “Old soldiers never die, they just fade away **:*”. I hope that through this long delayed acknowledgment of these fine soldiers, their memory will not fade away, but will remain in our minds and hearts for years to come. These men were an example for all American soldiers to live by and a credit to the United States as it remains the free and great country that it is today.
attract new businesses to Montana as well.

During the just-concluded debate on the fiscal year 1998 budget resolution, I was pleased to support a sense of the Senate resolution offered by Senator FAIRCLOTH which puts the Senate in record as supporting a tax credit for the expenses of two-year colleges. As debate on the budget continues, I look forward to working with my colleagues on enacting this measure.

S. 625, THE AUTO CHOICE REFORM ACT OF 1997

Mr. MOYNIHAN. On April 22, 1997, I introduced S. 625, the Auto Choice Reform Act of 1997, along with Senators JOE LIEBERMAN, MITCH MCCONNELL, SLADE GORTON, and ROD GRAMS. S. 625 is designed to reform the Nation’s auto-insurance system by giving motorists a low-cost alternative for bodily injury coverage that provides quicker, more comprehendible recovery of economic losses.

The Auto Choice Reform Act would remove many incentives for fraud, which is endemic to the current auto-insurance system. On Wednesday, May 21, 1997, the Nassau County District Attorney’s office arrested 20 people involved in a massive insurance fraud scam. Those arrested by operation backbone included lawyers, chiropractors, and a doctor. Our bill would eliminate many of the incentives that promote this kind of abuse.

I ask that the Newsday article, “Real Charges: Fake Injuries Lead to 20 Arrests in Insurance Scams,” be printed in the Record.

The article follows:

[From Newsday, Thursday, May 22, 1997]

REAL CHARGES

(By Pete Bowles)

After prepping a “patient” for four minutes on how to fake injuries during a medical exam—including a demonstration on moaning “victime,” a chiropractor George Drasin said his client was ready for an award-winning performance, according to a videotape made by an undercover investigator.

“I know how they are going to try to trick you up,” Drasin told the agent, who carried a hidden video recorder. Drasin advised the man on what to do when asked to move his legs up and down at the exam. “Give an ooh and an ahh and say, ‘I can’t do that,’” he said, and added: “Move slow. You’ll get the Oscar.”

Darin, 42, whose video performance was played by Nassau District Attorney Denis Dillon at a news conference, was among 20 people—including 12 chiropractors, four attorneys and an orthopedist—charged yesterday with submitting fraudulent claims for automobile no-fault insurance, disability and workers’ compensation insurance.

Dillon said the 20 were nabbed during a two-year investigation called Operation Backbone, in which law-enforcement agents and workers’ compensation insurance. All but one of the suspects were arrested yesterday on a variety of charges, including insurance fraud, grand larceny, scheming to defraud and false statements.

Freeport attorney Alvin Dorfman, 62, a former Democratic committeeman who challenged Dillon for the Democratic designation in 1997, was said to be in Israel on vacation and is expected to surrender next week for arraignment in U.S. District Court in Uniondale. He was charged with mail fraud and conspiracy to commit mail fraud.

“Both my clients maintain they are completely innocent,” said Dorfman’s attorney, Stephen Scaring, who also represents Garden City attorney Gerard McLoughlin, 49, who was charged with insurance fraud and attempted grand larceny. “We are somewhat shocked that this kind of undercover operation would occur, and we are confident that the tapes themselves will likely establish the innocence of each of these defendants.”

Seventeen defendants pleaded innocent in First District Court in Hempstead and were released. They face up to 7 years in prison if convicted. Two others, Dorfman’s legal assistant, Mariela Brito, 33, and Woodbury chiropractor Jonathan Tepper, were arraigned in federal court in Uniondale on mail fraud and conspiracy charges and ordered held on $50,000 bond each. They face up to 5 years’ imprisonment if convicted.

Calls left at the offices of the 20 were not returned.

At a news conference with local and federal law-enforcement officials, Dillon said the medical providers billed insurance companies for services not rendered and gave undercover agents letters stating they were disabled and unavailable because injuries suffered in accidents. He said the accidents were on “paper only” and were filed with police as a ruse.

In some instances, Dillon said, agents received chiropractic treatment fewer than 12 times but the chiropractors billed insurance companies for more than 100 visits.

He charged chiropractor George Mitman, 41, of Westbury, treated one agent 11 times and billed the insurance company $156 for 136 treatments. The chiropractor Michael Roth, 29, with offices in Bellmore and Syosset, treated an agent once but billed for 90 visits, Dillon said.

Dillon said doctors assisted the purported accident victims in fabricating phony lost-wages claims, while in fact the victims said they were working, and submitted falsified documents supporting the claims. He said the attorneys also referred victims to medical providers to obtain disability letters and advised them how to exaggerate injuries.

In one case cited by Dillon, Hempstead attorney Mitchell Rachlin, 47, was charged with collecting more than $262,000 from his insurance carrier’s disability claim he filed in 1990 for injuries he sustained in an accident.

Rachlin, accused to be totally disabled, was shown on a videotape walking around his law office as he advised an undercover agent on how to file a claim for lost wages for a traffic accident.

On another videotape played by Dillon, Dr. Martin Lehman, 61, a Wantagh orthopedist, is shown meeting with an undercover operative who tails a woman walking despite being injured in an accident. “You are not working as far as insurance is concerned,” Lehman is heard telling the woman. Without performing an examination, Lehman gave the woman a disability form, Dillon said.

Also charged were: chiropractors Robert Moore, 43, and Jay Levine, 44, with offices in Franklin Square, and their receptionist, Maureen MacPherson, 38; Rockville Centre chiropractor Joseph Huseman III, 38; Franklin Square attorney Scott Garil, 29; North Bellmore chiropractor Susan Schulman, 36; Plainview chiropractor Christopher Haas, 32; Garden City attorney Michael Epstein, 41; Lynbrook chiropractor Steven Angel, 40; Port Washington chiropractor Charles Schnier, 45; and Robert Cannon, 59, of Massapequa, a medical-supply distributor.

TRIBUTE TO DONALD HALL FOR RECEIVING THE PLYMOUTH STATE COLLEGE’S ROBERT FROST CONTEMPORARY AMERICAN AWARD

Mr. SMITH of New Hampshire. Mr. President, I rise today to congratulate Donald Hall, poet, essayist, and playwright, for being the 16th recipient of Plymouth State College Robert Frost Contemporary American Award. I commend his outstanding achievement and compliment him on this well-deserved honor.

Donald is internationally known for his poetry and prose. He and his wife Jane have moved to Wilmslow in 1975. Their family homestead, Eagle Pond Farm, has provided him much inspiration for many of his works.


The Frost award is given in honor of Robert Frost, a late poet laureate who taught at Plymouth Normal School in 1911-1912. The Plymouth State Alumni Association inaugurated the award in 1970 to recognize northern New Englanders who exemplify Frost’s traits of individuality, hard work, humanitarianship, and devotion to the Granite State.

Mr. President, I want to congratulate Donald for his outstanding accomplishment. I am proud to represent him in the U.S. Senate.”

JUMPSTART THE URBAN CLASSROOM NETWORKS

Mr. ROCKEFELLER. Mr. President, I would like to share with my colleagues an opinion piece from Eric Behnamou, Chairman and CEO of 3Com Corp., regarding the Federal Communications

While this op-ed piece speaks for itself, I think it is good to note the interesting and vital support of business leaders for education technology and the specific initiative to link classrooms and libraries to the information superhighway. Thoughtful business leaders understand the importance of computers and this study estimated that 60 percent of the new jobs by the year 2000 will require skills possessed by only 22 percent of workers—clearly we must do better. I believe that linking up our classrooms will help a great deal.

I ask that the article from the May 7, 1997, Los Angeles Times be reprinted in the RECORD.

The article follows:

[From the Los Angeles Times, May 7, 1997]

JUMP-START THE URBAN CLASSROOM NETWORKS

(By Eric A. Benhamou)

Just as cars aren’t particularly useful without highways, the same is true of an information highway without well-planned onramps and offramps. This is particularly evident in our schools.

While connectivity increased from 6% to 14% between 1994 and 1996, most of these networks are low-speed analog connections, the computer equivalent of unpaved roads.

President Clinton advocates connecting all classrooms to the Internet, and this message has been heard by principals, administrators and some districts who have yet to have their students log on. However, this presidential mandate has been largely unfunded, with private money/state projects and volunteer efforts substituting for systemic programs. Poor schools have suffered or been relegated efforts substituting for systemic programs. Poor schools have suffered or been relegated to the slow lane or none.

The Snowe-Rockefeller amendment to the Telecommunications Act of 1996 corrected this deficiency by mandating the necessary telecommunications infrastructure. But the Federal Communications Commission must still approve it.

This is critical if we’re going to solve the problem of getting all U.S. classrooms hooked up by 2000. The amendment’s plan to provide the largest hookup discounts for “have-not” schools will help jump-start connectivity. Today, 47% of schools with more than 70% of their students qualifying for federal lunch subsidies have no Internet access; only 35% of the schools where less than 11% qualify for free lunches are not hooked up. This gap must be closed.

Studies from pilot programs show higher test scores in English and math from Internet-enabled classrooms. More important, test scores in English and math from Internet-connected classrooms to the Internet, and this message has been heard by principals, administrators and some districts who have yet to have their students log on. However, this presidential mandate has been largely unfunded, with private money/state projects and volunteer efforts substituting for systemic programs. Poor schools have suffered or been relegated efforts substituting for systemic programs. Poor schools have suffered or been relegated to the slow lane or none.

The amendment isn’t perfect, but it provides for much broader and systematic introduction of networking into our schools. It earmarks $2.25 billion annually for communication and telecommunication equipment. The FCC commissioners should make the tough trade-offs and approve this highway construction project.

ACTIONs BY THE PALESTINIAN

- Mr. BOND. Mr. President, during the past few weeks we have all heard disturbing news coming forth from the territories under Palestinian Authority control.

- The idea that Chairman Arafat even hinted of his support much less, his embrace of a policy to sanction the assassination of his own people for selling real estate to Jews is abhorrent and beyond the pale.

- That individuals were actually murdered because of this policy should serve as a wake-up notice to those who attempt to push the principals into agreements before they are ready.

- We have been apprised of the situation facing Mr. Daoud Kuttab, a United States citizen, who during the exercise of his right under Palestinian Authority rule, was arrested for complaining about the jamming of his radio station which was broadcasting the Palestinian Authority. This activity, much like C-SPAN, I believe, is a core freedom of a democratic government. An American citizen, holding a Jerusalem identity card, as Mr. Kuttab does, is exempted from jurisdiction of the PA.

- The road to democracy is not an easy one. It is filled with what may seem to be impossible impasses, but they are not. The right of a free press to operate and the right of free speech and the right of an individual to dispose of his own property in a free and legitimate manner are core to a democratic state.

- Therefore, I call upon the President to voice his support of the United States to reiterate to Mr. Arafat, our Nation’s commitment to those freedoms and our inability to accept anything less than a full compliance with those freedoms or face the withdrawal of our continued support.

- I also call upon the President to voice this deficiency by mandating the necessary telecommunications infrastructure. But the Federal Communications Commission must still approve it.

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Mr. BOND. Mr. President, it is easy to take for granted the freedom we have here, in the United States, and too often we lose sight of that and resort to complaining about one thing or another, but the fact is, we live in the most blessed Nation in the world, we enjoy the greatest freedom of choice, we enjoy so much, but those freedoms were purchased and protected at a very high cost.

As we prepare to celebrate Memorial Day this year, I call upon my fellow Missourians and all Americans to pause and remember the sacrifice of our soldiers, sailors, Marines, and air men and women stationed around the world today protecting us with a blanket weaved with the battle flags from places with names like Lexington, Concord, Gettysburg, Belleau Wood, Pearl Harbor, Coral Sea, Iwo Jima, Saint Lo, Bastogne, Chosin Reservoir, Khe Sahn, Beirut, Wadi Al-Batin, and Medina Ridge in Iraq and most recently, those taken from us in Somalia and by the brutal and cowardly bombing of Kobart Towers.

We must remember the sacrifices of those who came before us, and those whom we most recently lost—the fathers, mothers, sons, and daughters who gave their most precious of gifts, their lives, that we might continue to enjoy the freedoms we hold so dear.

We must remember them so we will focus our determination, as a nation, that on the hour of 5 p.m. on Tuesday, May 27, a pro forma session only and immediately following the prayer, the Senate stand in adjournment until 12 noon on Monday, June 2, and further that on Monday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate then proceed to a period of morning business until 1 p.m. with Senators permitted to speak for up to 10 minutes each.

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

Mr. LOTT. Mr. President, I further ask unanimous consent that at 9:30 a.m. on Tuesday, June 3, the Senate proceed to 3 hours of tributes to honor our most distinguished President pro tempore, who will break the all-time Senate record on Sunday, May 25, for the longest Senate service. I know all of our colleagues will want to particpate in this worthy tribute to the distinguished Senator from South Carolina, Senator Thurmond.

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

Mr. LOTT. Mr. President, I further ask unanimous consent that committees have between 10 a.m. and 1 p.m. on Wednesday, May 28, to file reports to accompany legislative or executive items.

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

PROGRAM

Mr. LOTT. For the information of all Senators, it is the hope of the leadership that the budget conference report will be available for Senate consideration on Tuesday, June 3. Therefore, all Senators can expect a call vote on passage of the budget conference report on Tuesday, June 3, hopefully, early in the evening rather than going late into the night.

Mr. LOTT. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order, following the remarks of Senator Craig of Idaho.

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

The Senator from Idaho.

Mr. CRAIG. Mr. President, I thank the majority leader for allowing me this time, and I also want to recognize his leadership in the efforts we have just concluded in bringing about a budget and a budget solution. I think our majority leader, Trent Lott, is to be congratulated for a very positive and gallant effort.

TRIBUTE TO NORMAN G. ARSENEAULT

Mr. CRAIG. Mr. President, I would like to ask a few moments to recognize a member of my staff who will be retiring next Friday after many years of service to me, the State of Idaho, the Senate, and the Nation.

Norman G. Arseneault came to my office as an American Political Science Association fellow from the Forest Service, USDA more than 6 years ago. He served with distinction in that fellowship program, taking on numerous natural resources problems facing the State of Idaho and working diligently to find solutions. When he completed the fellowship, he returned to the Forest Service to resume what I am sure would have been a distinguished career.

Shortly after he had returned to the Forest Service, it became clear to me that solutions to the natural resources problems we faced—the wilderness debate in my State, endangered species listing, and a host of others—would benefit from Norm's skills. I offered him a permanent staff position, and, fortunately for Idaho, he accepted.

Since then, all in my office have benefited from Norm Arseneault's professionalism, good humor, and integrity. He has developed a reputation on the Hill and in the State of Idaho for honesty, straightforwardness, fairness, and competence. It has been my good fortune to have been among those who have known and worked with him on a day-to-day basis.

As Norm moves on to a new phase in his life, I know the traits that have made him so effective in my office over the past 6 years will service him well in his future endeavors. I am proud to know Norm Arseneault, and to have called him friend. I speak for all in my office when I say he will be dearly missed. We wish him the best and God speed.

MEMORIAL DAY, 1997

Mr. CRAIG. Mr. President, on Monday, many of us will be about the land, speaking to veterans on Memorial Day. Throughout this Nation's history and
NOMINATIONS

Executive nominations received by the Senate May 23, 1997:

DEPARTMENT OF STATE

JAMES P. RUBEN, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF STATE, VICE THOMAS R. DONILON.

IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States to the grade indicated under title 10, United States Code, section 602, are so recommended:

To be general

BRIG. GEN. PHILIP R. ANDERSON, 0000.
BRIG. GEN. BURWELL B. BELL III, 0000.
BRIG. GEN. JULIAN R. HUBNS, JR., 0000.
BRIG. GEN. MICHAEL S. KERR, 0000.
BRIG. GEN. JOHN C. HALLIDAY, JR., 0000.
BRIG. GEN. CARL E. FREEMAN, 0000.
BRIG. GEN. PHILIP B. KENSINGER, JR., 0000.
BRIG. GEN. DONALD L. KENRICKE, 0000.
BRIG. GEN. LARRY J. LUST, 0000.
BRIG. GEN. JOHN J. MARCELLO, 0000.
BRIG. GEN. TIMOTHY J. MAUDE, 0000.
BRIG. GEN. DAN K. MCNEILL, 0000.
BRIG. GEN. PAUL T. MIKOLASHEK, 0000.
BRIG. GEN. MARY E. MORGAN, 0000.
BRIG. GEN. BRUCE R. NEAPLES, 0000.
BRIG. GEN. JERBY L. SNN, 0000.
BRIG. GEN. JACOB M. STEWART, 0000.
BRIG. GEN. EDWARD SOHAN, 0000.
BRIG. GEN. JULIAN A. SULLIVAN, JR., 0000.
BRIG. GEN. JOHN P. TROXEL, 0000.
BRIG. GEN. WILLIAM J. VON KAENEL, 0000.
BRIG. GEN. WILLIAM E. WARD, 0000.
BRIG. GEN. DAVID S. WEDMAN, 0000.

IN THE NAVY CORPS

The following-named officer for appointment in the U.S. Marine Corps to the grade indicated while assigned to duty of importance and responsibility under title 10, U.S.C., section 602:

To be general

LT. GEN. ANTHONY C. ZINNI, 7104.

NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD

PAUL SIMON, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING SEPTEMBER 22, 1998, VICE SHARON DARBIN, TERM EXPIRED.

FEDERAL COMMUNICATIONS COMMISSION

HAROLD W. FURCHTGOTT-ROTH, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION FOR A TERM OF FIVE YEARS FROM JULY 1, 1995, VICE ANDREW CAMP BARRITT, RE- SIGNED.

WILLIAM E. KENNARD, OF CALIFORNIA, TO BE A MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION FOR A TERM OF FIVE YEARS FROM JULY 1, 1996, VICE JAMBS R. QUINL, TERM EXPIRED.

DEPARTMENT OF STATE

DONN R. COHEN, OF THE DISTRICT OF COLUMBIA, TO BE AN UNDER SECRETARY OF STATE, VICE RICHARD MINFEE MOOSE.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 23, 1997:

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DONNA HOLT CUNNINGHAME, OF MARYLAND, TO BE CHIEF FINANCIAL OFFICER FOR NATIONAL AND COMMUNITY SERVICE.

NATIONAL COUNCIL ON DISABILITY

DAVE NOLAN BROWN, OF WASHINGTON, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1998.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

ARTHUR I. BLAUSTEIN, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2002.
ETHAN SMITH, OF MONTANA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING AUGUST 31, 2002.
NATHAN LEVYENTHAL, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING SEPTEMBER 3, 2002.

ADDENDUM UNTIL 10 A.M.

TUESDAY, MAY 27, 1997

The PRESIDING OFFICER. Under a previous order, the Senate now stands in recess until 10 a.m., Tuesday, May 27, 1997.

Thereupon, the Senate, at 3:40 p.m., adjourned until Tuesday, May 27, 1997, at 10 a.m.
James Catherwood Hormel, of California, to be an alternate representative of the United States of America to the fifty-first session of the General Assembly of the United Nations.

Frederick R. Robinson, of North Carolina, to be an alternate representative of the United States of America to the fifty-first session of the General Assembly of the United Nations.

Department of Transportation

Kenneth M. Mead, of Virginia, to be Inspector General, Department of Transportation.

General Services Administration

David J. Barram, of California, to be Administrator of General Services.

The above nominations were approved subject to the nominees’ commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

The Judiciary

Donald M. Middlebrooks, of Florida, to be United States District Judge for the Southern District of Florida.

Jeffrey T. Miller, of California, to be United States District Judge for the Southern District of California.

Robert W. Platt, of Iowa, to be United States District Judge for the Southern District of Iowa.

In the Air Force

The following-named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general


To be brigadier general

Col. Richard W. Hammond, 0000.

Col. John E. Tindall, Jr., 0000.

Col. Gary C. Watters, 0000.

In the Marine Corps

The following-named officers for appointment in the United States Marine Corps to the grade indicated under title 10, United States Code, section 624:

To be major general


To be brigadier general

Col. Richard W. Hammond, 0000.

Col. John E. Tindall, Jr., 0000.

Col. Gary C. Watters, 0000.

In the Navy

The following-named officers for appointment in the United States Navy to the grade indicated under title 10, United States Code, section 624:

To be rear admiral

Rear Adm. (LH) Joan M. Engil, 0000.

Rear Adm. (LH) Jerry K. Johnson, 0000.

In the Air Force

Air Force nominations beginning Neal A. Andersen, and ending Kenneth P. Moorefield, which nominations were received by the Senate and appeared in the Congressional Record on January 28, 1997.

In the Army

Army nominations beginning James A. Adkins, and ending Murray James D. Wernick, which nominations were received by the Senate and appeared in the Congressional Record on January 28, 1997.

Foreign Service

Foreign Service nominations beginning Kathleen Therese Austin, and ending Renee S. Zander, which nominations were received by the Senate and appeared in the Congressional Record on January 28, 1997.

In the Public Health Service

Public Health Service nominations beginning Thomas D. Yavorski, and ending Francis J. Tarrant, which nominations were received by the Senate and appeared in the Congressional Record on January 28, 1997.

In the Navy

Navy nominations beginning Thomas D. Yavorski, and ending Francis J. Tarrant, which nominations were received by the Senate and appeared in the Congressional Record on January 28, 1997.
Mr. CRANE. Mr. Speaker, remember that old excuse “the check is in the mail”? In days gone by, that excuse could be used more easily than today because no other options were available to pay bills or to send written messages. With the telecommunications, computer, and information technology revolution, however, there are a variety of options at the public’s fingertips to send documents and payments, such as e-mail, electronic financial transfers, and facsimile transmissions. As these technological advancements are used more routinely in everyday life, it is putting increased downward pressure on the U.S. Post- al Service’s [USPS] revenue stream. Unless we take action to unleash the Postal Service from its current constraints, it is likely to become, to the 21st century, what the horse-drawn carriage became to the 20th century.

It is clear that we live in a rapidly changing world. In recent years, we have witnessed an explosion of technological innovations that have enabled people to do much more at home and at work faster than they ever could before. In today’s highly competitive global economy, those who can do more, faster, have an edge over their competition. And so, market forces drive the computer and information technology revolution to continue to surpass previous limitations and speeds. As the world continues to seek ways of getting the job done more efficiently, traditional mailbox delivery service is being left behind.

In a 1995 speech, Postmaster General Marvin Runyon said that the legislative framework governing the USPS is no longer in tune with the Nation’s long-term postal needs. A major reason cited by the Postmaster General was the competition the USPS is facing from e-mail, electronic financial transfers, and fax machines. He went on to point out that the USPS had already lost 33 percent of its financial mail in the previous 5 years and 33 percent of its business mail to alternative forms of communication and transmission.

Even the Federal Government has recognized the advantages of alternative methods of making payments and issuing benefits. By the end of 1999, the U.S. Department of the Treasury plans to collect $1 trillion in tax payments via computers. Already, the Treasury Department says that 55 percent of all payments made by the Federal Government are now sent electronically. In less than 2 years, all current and future Social Security beneficiaries will have their money directly deposited into their bank accounts. The savings to the taxpayers from these electronic transfers become apparent when you consider that it costs the Government 43 cents to send a payment by check versus 2 cents per payment to send funds electronically. In the economy overall, a recent study, by Arthur D. Little, forecast that by the year 2000, electronic correspondence and transactions may overtake traditional mail in market share. Clearly, fundamental change is necessary to enable the USPS to adapt and compete in a rapidly changing environment.

Generally speaking, I am convinced that the vast majority of USPS employees are conscientious, hard-working individuals, who want to provide competitive, top notch service. For the most part, the problem is not so much with them, as it is with the system in which they have to work. Put simply, the system lacks the incentives necessary to bring about the gains in productivity and customer service that are essential for the USPS to live up to the public’s expectations and needs. For one thing, the USPS is insulated against competition in the delivery of first-class mail, which means customers need not be won over, but can be taken for granted. For another, it is subsidized by the Federal Government, through its ability to borrow from the Treasury, when and if it so chooses, that it does not have to pay taxes, which means there is less pressure to be efficient. A third reason lies in the fact that the USPS does not have to operate under any bottom-line incentives, such as a profit motive, which serve as the underlying motivator in making private companies more productive.

For this reason, I am reintroducing legislation today which would convert the USPS into a totally private corporation owned by postal employees. My bill calls for this transition to be implemented over a 5-year period, after which the USPS’ current monopoly over the delivery of first-class mail would end. To make the prospects for success of the new private corporation even more likely and attractive, my legislation calls for the cost-free transfer of the assets held by the USPS to the employee-owned corporation. Not only would a privatized Postal Service inherit a tremendous infrastructure advantage to assist in this transition, it would be free to develop entirely new products and services quickly to respond to market needs and demands. Moreover, as owners of the Postal Service, the employees would benefit from having a stake in the corporations success and profitability.

In the past, the major objection that the USPS has raised to privatization and the repeal of its monopoly has been that it would result in a loss of money being lost by USPS competitors of metropolitan areas, leaving the USPS with the financially troublesome prospect of being left with only rural and bulk mail to deliver. However, the logic behind such an argument overlooks the significance of the telecommunications and computer revolution underway. With the rapid growth in the use of facsimile machines, modems, internet, electronic mail, the truth is the USPS is more likely to be left with rural and bulk mail to deliver if it does not privatize than if it does. For this reason, I hope that the fine men and women of the USPS might seriously consider this proposal and examine its merits. I hope, too, that my colleagues might join me in this effort because only by keeping up with the times and the competition can the USPS hope to thrive in the future.

Mr. M C COLLUM. Mr. Speaker, with all due respect to the Republican leadership and many of my colleagues who earnestly and sincerely worked on and believe in the recently passed budget bill, I voted against it because as a conservative Republican I believe it is a terribly flawed product.

Incredibly, this budget will produce for fiscal year 1998 a $70 billion, or 4.3-percent spending increase from 1997, which is a bigger increase than Democratic Congresses passed in fiscal years 1993, 1994, or 1995. It is $5 billion more than even President Clinton requested.

As for the long haul in getting to balance by the year 2002, spending will rise from $1.6 trillion to $1.9 trillion. The assumption of this budget is that Federal tax receipts will rise from $1.5 trillion in 1997 to $1.9 trillion in 2002. Sure enough, this would make a balanced budget, but it would be a budget balanced by a huge increase in spending and an even bigger increase in taxes taken from the American people. I am for a balanced budget, but how it’s balanced is as important as getting to balance.

The accompanying May 22, 1997, editorial of the Wall Street Journal and the op-ed piece by James K. Glassman that I am entering into the RECORD show in great detail just how bad this budget is. The Journal editorial points out that the budget dealmakers have agreed to continue through 2002 the rule that requires any tax cuts be offset by either tax increases or cuts in entitlements; they can’t be offset by cuts in discretionary spending. As the Journal states: “the practical effect of this is to make future tax cuts all but impossible as a political matter.”

Considered in this light, the minor tax adjustments that have been called cuts in this budget are simply not worth the price being paid. Congress should be eliminating the tax on capital gains and the estate taxes altogether. Because of the practical difficulty of doing this in the immediate future, prior to this budget deal Republicans had called for a reduction in the capital gains tax rate to a level of about 20 percent, an increase in the estate tax exemption from $600,000 to $1.2 million, and a $500 per child tax credit. It appears highly unlikely that anything approaching these adjustments can be made under the budget deal, and even if it were, the price being paid is still too high.

When it was first announced, the Republican leadership’s principle selling point was...
that over 10 years this budget would save the taxpayers about $950 billion. By the time the debate on the floor took place, that figure was down to a little over $600 billion. The fact is there are baseline savings, that is, actual spending will increase a lot every single year for the next 10 years but not by as much as it is projected here. This is labeled as "spending reduction." It sounds good, but the truth is spending will continue to increase big time.

And the proponents extrapolated 5 years beyond the budget deal to make the claimed savings sound better. Historically the only thing that has happened in a budget deal is in the first year, because Congress passes a new budget every year and changes the mix.

The other point the budget dealmakers have tried to sell is that this budget has finally gotten control of runaway Medicare spending. That is where all the savings are supposed to come from. But the Medicare proposal is very flawed too. It assumes a shift of the cost of home health care from Medicare part A (the trust fund financed by the payroll tax) into Medicare part B (financed by general revenues) in 5 years, making the costs of Medicare more sustainable by delaying payment.

This will postpone the day of reckoning of the solvency of the trust fund of Medicare part A, but does nothing to solve the underlying problems of Medicare. Fundamental reforms of Medicare—that promote more competition among HMOs, offer recipients new options, and create medical savings accounts which permit retirees to purchase low cost, high deductible catastrophic health insurance policies with Medicare contributing annually into the individual's savings account to cover the deductible—were not only omitted from this budget deal, but made less likely in the foreseeable future.

Furthermore, the budget deal will force unspecified price controls on the Health Care Financing Administration that will result in more irrational outlays in services through regulations such as the one that now deny reimbursement for routine preventive checkup tests. Cutting Medicare spending without fundamental reform is bound to reduce benefits and make Medicare worse.

For these reasons and more, as the Washington Post headline on James K. Glassman's column said, the budget deal I voted against is bad for everyone. I wish it weren't so, but that's the way I see it.

[From the Washington Post]

BAD FOR EVERYONE

(By James K. Glassman)

Let's not kid ourselves. The budget that Congress is set to pass this week may succeed in showing a zero deficit on paper in the year 2002, but it fails miserably in its most important function—holding down federal spending.

In the latest Washington orgy of self-congratulation, Rep. John Kasich (R-Ohio), the House Budget Chairman, proclaimed, "Cooperation between Congress and the president is resulting in smaller government."

No, it's not. The way to get smaller government is by spending less money. In fact, federal spending will rise sharply in fiscal year 1998—that's the year that starts on Oct. 1, 1997, and the only budget year that has any real meaning. All the other years are sheer fantasy. As anyone who runs a business knows, the only figure you can possibly control is next year's spending. And that's it.

Also, when the government spends (whether it gets its funds through borrowing or taxing), it is extracting money from the private sector, money that could be used for capital investment, for creating new businesses and better jobs.

To paraphrase James Carville: It's the spending, stupid—not the deficit.

And how much will federal spending increase next year? That's a question that I haven't been able to find an answer to since May 2, when the original deal was announced. Finally, I've managed to get the answer (from other high-level GOP sources). For fiscal 1998, spending will be $1.692 trillion. For this year, spending is estimated at $1.622 trillion, so the government will be spending $70 billion more—an increase of 4.32 percent.

How big is that increase?

—It's the largest since Bill Clinton became president, large enough to make any one of the years when the Democrats controlled Congress.

—It's $5 billion more than Clinton asked for in the budget he submitted in February. (By the way, the new budget also calls for spending of $1.889 trillion in 2000, Clinton sought only $1.880 trillion.)

—It's well ahead of inflation, which is estimated for 1998 at 2.7 percent and 2.9 percent. This increase is about 1.5 percentage points (or half again) higher.

These are hard facts. What you hear from politicians simply to obscure them. For instance, Kasich bragged last week, "Over the next 10 years, passage of this plan will save taxpayers over $950 billion." What he means is that the government is now planning to spend about $1 trillion less in the next decade (out of a total of about $20 trillion) than it was planning to spend the last time it made plans. That earlier plan is called the "baseline," and it's a device that both Congress and the president use to make it look as if they're accomplishing more than they really are.

Many conservatives—including Kasich—use to criticize the use of the baseline as a deception. Indeed, they once proposed legislation to outlaw its use. Now they use it themselves, with trumpets.

The reason that the federal deficit is projected at zero under the new budget is not that government will be smaller, but that revenues from the taxpayers will be larger—much larger. According to the president's estimates, about $650 billion is expected to collect $1.5 trillion from citizens and businesses in 1997. According to the new bipartisan budget, that figure will rise to $1.9 trillion in 2002. All of this will rise from $1.6 trillion to $1.9 trillion. And there you have it: a balanced budget.

But here's another idea. Why don't we simply increase spending from $1.5 trillion to $1.8 trillion, and taxes from $1.6 trillion to $1.8 trillion again, the deficit would be zero, but the economy—and individual Americans—would be much better off.

Instead, Congress is choosing a more familiar route—spend more and tax a lot more, and frame the debate around deficits.

This is the same route we have been traveling for the past four years, despite all the jabbering about "smaller government." In a January report, the Congressional Budget Office looked at the dramatic decline in the deficit—from $200 billion in 1992 to $107 billion in 1996—and asked, "How did this happen?"

The answer wasn't reduced spending. In fact, spending rose 13 percent, roughly the rate of inflation. Instead, the deficit fell because of higher revenues—a phenomenal increase of 33 percent.

Yes, the budget does call for tax cuts, but they are minuscule—and, again, the word "tax" is a misnomer. About $50 billion is that the Treasury will collect $85 billion less over five years than it expected to collect with the original baseline. That's $85 billion out of total tax collections of more than $9 trillion, or less than one percent.

But far worse is that the new budget calls for further acceleration in beyond-inflation. It includes $32 billion in new initiatives demanded by Clinton, including health coverage for children in low-income families, increased Medicare spending (for those covered by Medicaid) families, restoration of welfare benefits for legal immigrants and more Medicare subsidies for seniors.

The only way to pay for those increases is increased spending for Head Start, the Job Corps, child literacy, etc., etc. As for actually reducing government programs, don't hold your breath. Those are lost forever in the budget of killing Amtrak or the National Endowment for the Arts or the Advanced Technology Program, which provides $225 million in annual subsidies to groups that want to conduct research that they would undoubtedly fund on their own.

But to cut spending is hard. To collect more taxes is easier. Some publicists want anyone rationally telling the truth about their transformation into Democrats. New Gingrich, John Kasich and company have become Clintonian in their ability to call a square circle.

Mr. Kasich, the House budget chairman and likely Presidential candidate in 2000, recently issued several Beltway deceptions as phony "cuts" proposed against imaginary budget "baselines." But now he's invoking the same old self. "Over the next 10 years, passage of this plan will save taxpayers over $950 billion," Mr. Kasich said the other day.

The only problem with that sentence is that it is not meant to be taken literally. The 10-year period is fanciful, since as countless budget deals have taught us the only year that really matters is the current one. In this case Fiscal Year 1998. The 10-year boast allows politicians to claim fiscal austerity, while putting off all the spending cuts for some future Congress.

"Save taxpayers' savings" is also worthy of our current President. Mr. Kasich's "savings" are nothing more than reductions against the automatic spending increases included in a "baseline" that rises each year. This is an invention of Democratic Congresses that designed it to more easily grow the government; they knew they would be able to announce any reductions from the baseline as "cuts." Republicans only last year griped about this when Democrats used it to deplore their Medicare "cuts," but now Mr. Kasich is using it.

This is no doubt because it lets him avoid talking about the real budget issue, which is spending. The bipartisan deal proposes to spend $70 billion more in 2002 than even President Clinton requested. That's a $70 billion, or 4.3%, increase from spending.
1997, a bigger increase than Democratic Congresses passed in fiscal years 1993, 1994 or 1995. This is compromise? Republicans are even agreeing to bust the caps on non-defense discretionary spending that George Mitchell, Dick Gephardt and President Clinton were forced to agree to in 1993. A nod to the left for Mr. Kasich; friends have agreed to continue, through 2002, the rule that requires that any tax cuts be offset either by tax increases or cuts in entitlements. They can’t be offset with deficit cuts in “discretionary” spending accounts such as arts funding or legal services.

The practical effect of this is to make future tax cuts all but impossible as a political matter. Republicans will never try to cut taxes by cutting entitlements, or at least they’ll never try through public process. It also makes discretionary cuts that much more difficult to pass, because it means such cuts can’t be used to return money to taxpayers. Instead, if Congress ever does zero out, say, the National Endowment for the Arts, the money will merely get absorbed back into the broader budget. So why should Congress bother to cut any spending, since all of the political pressure will come from those who oppose the cuts?

As for entitlements, we’ve already written about the lack of any real Medicare reform. But we can’t let pass without notice that Republicans have agreed to accept the same Trust Fund deal that the unmanagers proposed when the President proposed it in February. This is the transfer of fast-growing home care costs away from the Trust Fund (financed by the payroll tax) onto the general revenue budget. This ruse allows the pols to claim the trust fund is “secure for 10 years” when all they’ve done is rephrase the account and put the financial burden onto all taxpayers.

And, lest we forget, Mr. Kasich and friends are helping to sell the country on a deal’s $85 billion in “badly needed tax relief." But that number is so small, in comparison with $8 trillion in federal revenue over five years, that Republicans are still saying in private that satisfying their constituents. Mr. Gingrich has been privately promising “historically accurate” scoring for the tax cuts, which would mean that the total cost of the cuts would increase more than the tax cut itself. We believe that’s an accurate and fair assessment of the situation. Republicans will never try to cut entitlements, or at least they’ll never try through public process. It also makes discretionary cuts that much more difficult to pass, because it means such cuts can’t be used to return money to taxpayers. Instead, if Congress ever does zero out, say, the National Endowment for the Arts, the money will merely get absorbed back into the broader budget. So why should Congress bother to cut any spending, since all of the political pressure will come from those who oppose the cuts?

HONORING CAPT. LEROY A. FARR, A LEADER WITH FEW EQUALS, A GREAT AMERICAN

HON. CHRISTOPHER H. SMITH
OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1997

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to honor a very special friend and a true military leader, an all-American hero, U.S. Navy Capt. Leroy Farr. Capt. Farr is retiring from the Navy after 30 years of outstanding service to our country. He will be missed.

Mr. Speaker, I have deep respect and admiration for Capt. Farr’s character, commitment, and dedication. He’s a doer, highly competent, yet not one to talk about himself. He’s just a good human being, the kind you can trust.

Capt. Farr has a diverse background in naval aviation and a distinguished one. Test pilot; landing signal officer; operations and maintenance officer; squadron commanding officer; air boss; program manager, and inspector general of several programs he has held. The veteran aviator graduated from the U.S. Naval Academy in 1967. He majored in mathematics and aeronautical engineering.

Ensign Farr attended North Carolina State University, receiving his master’s degree in mechanical engineering in 1968. In April 1969, he earned the coveted naval aviation wings and entered the Light Attack community flying the A-7B. Lieutenant Farr served with VA-46, deploying twice with U.S.S. John F. Kennedy (CV-67). In 1972, he was selected to attend the U.S. Air Force Test Pilot School at Edwards AFB, CA. In 1976, Lieutenant Farr attended the Armed Forces Staff College, Norfolk, VA. He went on to serve as project test pilot at the Navy Test Pilot Office, Point Mugu, CA.

He returned to the A–7 Light Attack community for a tour with VA–83 at NAS Cecil Field, FL where he deployed with U.S.S. Forrestal (CV–59). In 1979, Lieutenant Commander Farr returned to shore duty with VA–174, the A–7 Fleet Training Squadron.


Commander Farr was assigned to Naval Air Systems Command headquarters in Washington, DC in 1985. There he served as a branch head in the Test and Evaluation Division, then as air boss of unmanned air vehicle systems division in Weapons Engineering Division.

From 1987 through 1990, Captain Farr commanded the Naval Weapons Evaluation Facility in Albuquerque, NM. He was again assigned to Naval Air Systems Command headquarters as head in the Test and Evaluation Division, then as head of the Ship and Shore Installations Division. In July 1992, Captain Farr was named program manager for the new established Aircraft Launch and Recovery Equipment Program (PMA251).

He became commanding officer of the Naval Air Warfare Center Aircraft Division Lakehurst, June 1993. I am especially grateful for the critical role he played in saving Lakehurst from closing.

Lakehurst, Mr. Speaker, is the heart of naval aviation. It is a unique, one-of-its-kind, world-class facility whose primary function is to ensure that aircraft safely land and lift off. Thus, Lakehurst is a critical manufacturing, design, and research that goes on at Lakehurst was to be split apart and relocated at other bases.

As commanding officer of Lakehurst, Capt. Farr was undoubtedly between a rock and a hard place. He knew the facts. But as a Navy officer, Capt. Farr could not and would not violate his chain of command. At the same time, as a captain, a pilot, a former air boss and the current commanding officer of Navy Lakehurst, Capt. Farr knew better than any- one just how devastating the close Lakehurst situation would be for national security and pilot safety.

It was an unusual situation where one’s own military command was supporting a plan not in
forward to watching the growth and development of Greenwood County over the next 100 years.

SURFACE TRANSPORTATION SAFETY ACT OF 1997

HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1997

Mr. DINGELL. Mr. Speaker, today the distinguished ranking member of the Committee on Transportation and Infrastructure, Mr. OBERSTAR, and I are introducing, at the request of the President, the Surface Transportation Safety Act of 1997. This legislation, which complements the national Economic Crossroads Transportation Efficiency Act of 1997, is designed to improve safety in a variety of transportation areas. In some cases, the provisions make important improvements in existing safety programs. In other cases, new approaches are taken. Other provisions make technical changes to reduce paperwork burdens on industries and Government. Introducing this bill by request, I do not necessarily endorse each provision, but I believe that this comprehensive bill is a serious effort to save lives in the transportation field. I would encourage the appropriate committees of the House to give these provisions the attention they deserve.

As is the case in any comprehensive bill, the provisions fall in three categories -- those of committee jurisdictions. Various committees may wish to move certain sections or titles separately as they see fit to expedite consideration. As I briefly describe the provisions of the bill, I will also indicate the committees of jurisdiction for each provision, based upon consultations with the Office of the Parliamentarian.

As a second part of NEXTEA, the bill begins with title IX, which makes a number of amendments to our traffic safety laws. Perhaps the most important change is found in section 9001, dealing with primary safety belt use. The provision within the jurisdiction of the Committee on Transportation and Infrastructure, would transfer certain highway funds to occupant protection programs in any State which failed to enact a law requiring the use of safety belts. The connection between traffic safety and seat belt use is clear and convincing. No other engineering feat can match the safety provided by seat belts. The Department of Transportation estimates that over 75,000 lives were saved by safety belts between 1982 and 1995.

A study by the National Highway Traffic Safety Administration in 1995 found that in States with a primary enforcement law, seat belt use increased by about 15 percent. This increase translates to a 5.9-percent decline in fatalities. For example, in California and Louisiana, States that recently upgraded their laws to provide for primary enforcement, safety belt use increased by 13 and 17 percentage points respectively.

Sections 9002 through 9005, within the jurisdiction of the Commerce Committee, would make a variety of minor changes to various auto safety laws. One provision would allow an expansion of a program to allow manufacturers to seek waivers of various safety standards to adopt more innovative safety approaches that would provide greater safety protection.

Section 9006, primarily within the jurisdiction of the Commerce Committee, with jurisdiction also in the Judiciary Committee, seeks to improve standardization in State titling requirements to alert consumers when they are buying newly damaged vehicles. More damsaged vehicles are rebuilt for sale, but they continue to pose a serious safety risk.

Title X of the bill would authorize hazardous materials programs within the jurisdiction of the Transportation and Infrastructure Committees.

Title XI of the bill, within the jurisdiction of the Committee on Transportation and Infrastructure and the Committee on Commerce, would upgrade programs to prevent excavator damage to underground utilities, such as natural gas pipelines. In the past decade, 98 people have lost their lives and 425 others were injured from accidents to pipelines caused by excavation. The bill would seek to reduce these accidents by enhancing one-call programs at the State level. One-call programs provide excavators a simple and effective way of avoiding pipelines.

Title XII, would clarify and reallocate responsibilities for ensuring food transportation safety among the Departments of Health and Human Services, Transportation and Agriculture. The provision, within the jurisdiction of the Committee on Commerce and the Committee on Transportation and Infrastructure, seeks to improve food safety by giving a primary role to the Department of Health and Human Services.

Title XIII, within the jurisdiction of the Judiciary Committee, would create criminal sanctions for violent attacks against railroads similar to the sanctions against attacks against airlines. Unfortunately, we have seen increased terrorist attacks against railroads, such as the attacks on Amtrak passenger trains near Santa Fe in 1996, near Hyder, AZ in 1995, near Opa-Locka, FL in 1993, and at Newport News, VA in 1992. The new provisions would make these intentional attacks on trains a Federal crime subject to penalties associated with attacks on airlines.

Title XIV, within the jurisdiction of the Committee on Transportation and Infrastructure, would amend certain rail and mass transportation programs to require certain safety considerations to be made in grants.

In summary, Mr. Speaker, this bill represents a comprehensive approach to transportation safety that will undoubtedly save many lives and prevent tragic injuries. The provisions deserve careful consideration by this Congress.

CHARLTON, NY, FIRE DEPARTMENT NO. 1 CELEBRATES 75TH ANNIVERSARY

HON. GERALD B.H. SOLOMON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1997

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 22nd District of South Carolina.
New York. The town of Charlton is certainly not different.

The trait which makes 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 such places great places to live and raise a family. This concept of community service is exemplified by the devoted service of the Charlton Volunteer Fire Department 1. For 75 years now, this organization has provided critical services for the citizens of a volunteer basis. As a former volunteer fireman myself, I understand and appreciate, the commitment required to perform such vital public duties.

It has become 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 Charlton, the members of their volunteer fire department continue to selflessly perform their duty without remiss. I can’t say enough about the countless lives and millions of dollars in property they have saved by doing so over the course of their 75-year history.

That’s why I am so glad to have this opportunity to pay tribute to them today. And for that matter, the residents of their community will have the opportunity to show their appreciation at their Founder’s Day Parade marking this momentous occasion on Sunday, June 1, 1997.

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 this fire company, both past and present, are truly distinguished. What I am proud of this organization because it typifies the spirit of voluntarism 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 Fire Department No. 1 in Charlton. To that end, it is with a sense of pride, Mr. Speaker, that I ask all Members to join me in paying tribute to them on the occasion of their 75th anniversary.

TRIBUTE TO THE ELDRIDGE SALMON
HON. PETE SESSIONS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 29, 1996

Mr. SESSIONS. Mr. Speaker, on November 29, 1996, Texas lost a distinguished businessman and philanthropist, C. Eldridge Salmon, at the age of 73. He was born in the community of Salmon on September 26, 1923, to G.C. and Arbell Garrison Salmon, and though he moved to Houston as a child, he maintained an abiding commitment to the east Texas community throughout his lifetime.

A University of Houston graduate, Mr. Salmon was employed for more than 20 years as an auditor with Texaco Oil Co., during which time he earned the respect and admiration of his colleagues for his expertise, hard work, and dedication.

This distinguished gentleman amassed an extensive collection of artwork during his lifetime, and he generously donated many of his holdings to institutions in east Texas to enable others to enjoy fine art. He gave 176 pieces to the library at Palestine High School, and his altruism further benefited Sam Houston State University, Gruapeland High School, and public libraries in a number of communities in the area as well.

Eldridge Salmon left an indelible mark on the east Texas community during his lifetime, and though he has gone from us now, his memory will long endure in the many contributions he has left behind.

On behalf of all Texans, I pay tribute to the life of C. Eldridge Salmon and extend sincere sympathy to the members of his family, Dorothy Ernestine Salmon of Houston, Cleon Salmon of Gruapeland, and H.L. Garrison of Palestine, and to the many other friends and relatives of his distinguished gentleman.

GLOBAL CLIMATE CHANGE
HON. VIC FAZIO
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1997

Mr. FAZIO. Mr. Speaker, complex issues take not only courage but discipline and foresight to address. Global climate change is such an issue. While we know the precise answers, we do know the fragility of the environment around us and the importance of embarking on the journey to find those answers.

It is in that spirit that the chief executive of British Petroleum, E. John Browne addressed global climate change in a speech this week at Stanford University. Mr. Browne took a bold step in asserting that the possibility that a link exists between human activity and climate change, that in fact we need to consider solutions now—while we have time to responsibly act. Mr. Browne’s speech is grounded in reason. It provides a framework for moving forward in a constructive fashion on global climate change.

His is a refreshing approach to a sometimes politically contentious, sometimes emotional issue. While no one knows the precession for the rest of the world.

The concentration of carbon dioxide in the atmosphere is rising, and the temperature of the earth’s surface is increasing. A new age demands a fresh perspective of Governments, corporations and individual citizens with the right to vote. As individuals with the power to make law. As individual citizens with the right to vote. And as consumers with the power of choice. These roles overlap, of course. The people who work in BP are certainly business people, but they’re also people with beliefs and convictions. Individuals concerned with the quality of life for themselves and for their children.

When they come through the door into work every morning they don’t leave behind their convictions and their sense of responsibility.

And the same applies to our consumers. Their choices determine our success as a company. And they too have beliefs and convictions.

Now that brings us to my subject today—the global environment.

That is a subject which concerns us all—in all our various roles and capacities.

I believe we’ve now come to an important moment in our consideration of the environment. It is a moment when because of the shared interest I talked about, we need to go beyond and seek solutions and to take action. It is a moment for change and for a rethinking of corporate responsibility.

A year ago, the Second Report of the Intergovernmental Panel on Climate Change was published. That report and the discussion which has continued since its publication, shows that there is mounting concern about two stark facts.

One is the prediction of the IPCC is that the concentration of carbon dioxide in the atmosphere is rising, and the temperature of the earth’s surface is increasing.

A year ago, the Second Report of the Intergovernmental Panel on Climate Change was published. That report and the discussion which has continued since its publication, shows that there is mounting concern about two stark facts.

The concentration of carbon dioxide in the atmosphere is rising, and the temperature of the earth’s surface is increasing.

There’s a lot of noise in the data. It is hard to isolate cause and effect. But there is now an effective consensus among the world’s leading scientists and serious and well informed people outside the scientific community that there is a discernible human influence on the climate, and a link between the concentration of carbon dioxide and the increase in temperature.

The prediction of the IPCC is that over the next century temperatures might rise by a further 1 to 3 degrees centigrade, and that sea levels might rise by between 15 and 95 centimeters. Some of that impact is probably unavoidable, because it results from current emissions.

Those are wide margins of error, and there remain large elements of uncertainty—about cause and effect . . . and even more importantly about the consequences.

But it would be unwise and potentially dangerous to ignore the investing concern.

The time to consider the policy dimensions of climate change is not when the link between greenhouse gases and climate change is conclusively proven. Otherwise the possibility cannot be discounted and is taken seriously by the society of which we are part.
We in BP have reached that point. It is an important moment for us. A moment when analysis demonstrates the need for action and action now.

To be absolutely clear—we must now focus on what can and what should be done, not because we can be certain climate change is happening, but because the possibility can’t be ignored.

If we are all to take responsibility for the future of our planet, then it falls to us to begin to take precautionary action now.

But what sort of action? How should we respond to this mixture of concern and uncertainty? I think the right metaphor for the process is a journey.

Governments have started on that journey. The Rio Conference marked an important point on that journey. So was the Berlin review meeting. The Kyoto Conference scheduled for the end of this year marks another staging post.

It will be a long journey because the responsibilities faced by governments are complex, and the interests of their economies and peoples are diverse, and sometimes contradictory. But the journey has begun, and it has to continue.

The private sector has also embarked upon the journey... but now that involvement needs to be accelerated.

It will be long, hard, and complex, with different people taking different approaches. But it is a journey that must proceed.

As I see it, there are two kinds of actions that we must take in response to the challenge of climate change.

The first kind of action would be dramatic, sudden and surely wrong. Actions which, sought at a stroke, drastically to restrict carbon emissions or even to ban the use of fossil fuels would be unsustainable because they would crash into the realities of economic growth. They would also be discriminatory above all in the developing world.

The second kind of action is that of a journey taken in partnership by all those involved. A step by step process involving both action to develop solutions and continuing research that will build knowledge through experience.

BP is committed to this second approach, which was the key agreement reached at Rio based on a balance between the needs of development and environmental protection. The Rio agreements recognise the need for economic growth in the developing world. We believe we can contribute to achievement of the right balance by ensuring that we apply the technical innovations we are developing on a common basis—everywhere in the world.

What we propose to do is substantial, real and measurable. I believe it will make a difference.

Before defining that action I think it is worth establishing a factual basis from which we can work.

Of the world’s total carbon dioxide emissions only a small fraction comes from the activities of human beings, but it is that small fraction which might threaten the equilibrium between the much greater flows. You could think of it as the impact of placing an object on a weigh scale which is precisely balanced.

But in preserving the balance we have to be clear where the problem actually lies.

Of the world’s 5.5 billion tonnes of carbon dioxide emissions caused by burning fossil fuels only 20% comes from transportation.

80% of these are public uses of energy—the energy used in our homes, in industry and in power generation. Of the total 43 per cent comes from petroleum.

We are approaching the limit of using the best available data at the precise impact of our own activities.

Our operations—in exploration and in refining—produce around 8 megatonnes of carbon.

On top of that a further 1 megatonne is produced by our Chemical operations. If you add to that the carbon produced by the consumption of the products we produce—the total goes up around 95 megatonnes.

That is just the total carbon dioxide emissions which come from all human activity.

Let’s then go to another way—to be clear. Human activity accounts for a small part of the total volume of emissions of carbon—but it is that part which cold cause disequilibrium.

Only a fraction of the total emissions come from the transportation sector—as that problem is not just caused by vehicles. Any response which is not to have a real impact has to look at all the sources.

As a company, our contribution is small, and our actions alone could not resolve the problem.

But that does mean we should do nothing.

We have to look at the way we use energy... to ensure we are working with maximum efficiency... and at how our products are used.

That means ensuring or own house is in order. In addition it means contributing to the wider analysis of the problem—through research, technology and through engagement in the search for the best public policy mechanisms which would produce the right solutions for the long term common interest.

We have a responsibility to act, and I hope that through our actions we can contribute to the much wider process which is desirable and necessary.

BP accepts that responsibility and we’re therefore taking some specific steps. To control our own emissions. To fund continuing scientific research. To take initiatives for joint implementation. To develop alternative fuels for the long term. And to contribute to the public opinion debate in search of the wider global answers to the problem.

First we will monitor and control our own carbon dioxide emissions.

This follows the commitment we’ve made in relation to other environmental issues. Our overall goal is to do no harm or damage to the environment. That’s an ambitious goal which we approach systematically.

Nobody can do everything at once. Companies work by prioritizing what they do. They take the easiest steps first—picking the low hanging fruit—and then they move on to tackle the more difficult and complex problems. That is the natural business process.

Our method has been to focus on one item at a time, to identify what can be delivered, and to establish processes and targets as part of our internal management system and to put in place an external commitment and agreement to deliver.

In most cases the approach has meant that we’ve been able to go well beyond the regulatory requirements.

That’s what we’ve done with emissions to water and air.

In the North Sea, for instance, we’ve gone well beyond the legal requirements in reducing oil discharges to the sea.

And now at our crude oil export terminal in Scotland—at Hound Point—which handles 10% of Europe’s oil supplies—we’re investing $100 m to eliminate emissions of volatile organic compounds.

These VOCs would themselves produce carbon dioxide by oxidation in the atmosphere.

It will be a long journey because the re-learning is cumulative and I think it will have a substantial impact.

We have already taken some steps in the right direction.

In Norway, for example, we’ve reduced flaring to less than 20% of 1991 levels, primarily as a result of very simple, low cost measures.

The operation there is now close to the technical minimum flare rate which is dictated by safety consider.

Our experience in Norway is being transferred elsewhere—starting with fields in the UK sector of the North Sea and that should produce further progressive reductions in emissions.

Our goal is to eliminate flaring except in emergency cases.

That is one specific goal within the set of targets which we will establish.

Some are straightforward matters of efficient operation—such as the reduction of flaring and venting.

Others require the use of advanced technology in the form of improved manufacturing and separation processes that produce less waste and demand less energy.

Other steps will require investment to make existing facilities more energy efficient. For instance we’re researching ways in which we can remove the carbon dioxide from customers’ compressors and inject it to improve oil recovery. That would bring a double benefit—a cut in emissions and an improvement in production efficiency.

The task is particularly challenging in the refineries where the production of cleaner products requires more extensive processing and a higher energy demand for each unit of output.

That means that to make gasoline cleaner, with lower sulfur levels, takes more energy at the manufacturing stage. That’s the trade off.

In each case our aim will be to establish a data base, including benchmark data; to create monitoring processes; arrange to develop targets for improvements through operational line management.

Monitoring and controlling emissions is one direction.

The second is to increase the level of support we give to the continuing scientific work which is needed.

As I said a few moments ago, there are still areas of significant uncertainty around the subject of climate change. Those who tell us, they know all the answers are fools or knaves.

More research is needed—on the detail of cause and effect; on the consequences of the various actions which can be taken.
We will increase our support for that work. That support will be focused on finding solutions and will be directed to work of high quality which we believe can address the key outstanding questions.

Specifically, we've joined a partnership to design the right technology strategy to deal with climate change. That partnership which will work without discrimination includes the Electric Power Research Institute and the U.S. Department of Energy. We're also supporting work being done at MIT in Cambridge and through the Royal Society in London.

We're also joining the Greenhouse gas program at the International Energy Agency which is analysing technologies for reducing and offsetting greenhouse gas emissions from fossil fuels.

The third area is the transfer of technology and the process of joint implementation which is the technical term for projects which bring different parties together to limit and reduce net emission levels of greenhouse gases.

Joint implementation is only in its infancy, but we believe it has great potential to contribute to the resolution of the climate change problem. It can increase the impact of reduction technology by lowering the overall cost of abatement actions.

We need to experiment and to learn . . . and we'd welcome further partners in the process. The aim of the learning process must be to make joint implementation a viable and reliable concept that can be included in international commitments.

We've begun by entering into some specific programmes of reforestation and forest conservation programmes in Turkey and now in Bolivia, and we're in discussion on a number of other technology based joint implementation projects.

The Bolivian example I think shows what can be done.

It's a programme to conserve 1.5 million hectares of forests in the province of Santa Cruz. It is sponsored by the Nature Conservancy and American Electric Power and sanctioned by the U.S. Government.

We're delighted to be involved, and to have the chance to transfer the learning from this project to others in which we are involved. Forest conservation projects are not easy or simple and that learning process is very important.

Technology transfer is part of the joint implementation process but it should go wider and we need to engage in an intensive dialogue with all the parties who are seeking answers to the climate change problem.

So those are three steps we can take—monitoring and controlling our own emissions, supporting the existing scientific work and encouraging new work, and developing experiments in joint implementation and technology trade-offs.

Why are we doing all those things? Simply because the oil industry is going to remain the world's predominant supplier of energy for the foreseeable future.

Given that role we have to play a positive and responsible part in identifying solutions to a problem which is potentially very serious.

The fourth step—the development of alternative energy—is related but distinct. Looking ahead it seems clear that the combination of markets and technology will shift the energy mix.

The world's population is growing by 100 million every year. By 2000 just since I started speaking.

Prosperity is spreading. By the end of the century 60 per cent of the world's economic activity will take place in the South—in areas which ten years ago we thought of as Third World countries.

Both these factors will shape a growing level of demand for energy.

At the same time technology moves on. The sort of change in the context—with continuing expansion of semiconductor capacity is exceptional but not unique.

I think it is a reasonable assumption that the technology of alternative energy supplies will also continue to move forward.

One or more of those alternatives will take a greater share of the energy market as we go into the next century.

But let me be clear. That is not instead of oil and gas. It is additional.

We've been looking at alternative energies for a long time, and our conclusion is that one source which is likely to make a significant contribution.

At the moment solar is not commercially viable for either peak or base load power generation. The best technology produces electricity at something like double the cost of conventional sources for peak demand.

But technology is advancing, and with appropriate public support and investment I'm convinced that we can make solar competitive in supplying peak electricity demand much sooner than we might have thought. Taking the whole period from the time we began re-search work, that 25 to 30 years will have elapsed.

For this industry that is the appropriate timescale on which to work. We explore for oil and gas in a number of areas where production today wouldn't be commercial.

Thirty years ago we did that in Alaska. We take that approach because we believe that markets and technology do move, and that the frontier of commercial viability is always changing.

We've been in solar power for a number of years and we have a 10 per cent share of the world market.

The business operates across the world—"with operations in 16 countries. Our aim now is to extend that reach—not least in the developing world, where energy demand is growing rapidly.

We also want to transfer our distinctive technologies into production, to increase manufacturing capacity and to position the business to reach $2bn in sales over the next decade.

I am happy to report that there will be significant investment in the USA and we'll be commissioning an optoelectronics manufacturing facility here in California before the end of this year.

The result of all that is gradually but progressively solar will make a contribution to the resolution of the problem of carbon dioxide emissions and climate change.

So a series of steps on the journey. These are the initial steps. We're examining what else we should do, and I hope to be able to announce some further steps later in the year.

Of course, as I said at the beginning, nothing we can do alone will resolve the concern about climate change. We can contribute, working together, towards the elimination of emissions from our own operations and a substantial reduction in the emissions which come from the use of our products.

The subject of climate change, however, is a matter of wider public policy.

We believe that policy change is important. We support that debate, and we're engaged in it, through the World Business Council on Sustainable Development . . . through the President's own Council here in the United States . . . and in the UK where the Government is committed to making significant progress on the subject.

Knowledge in this area is not proprietary, and we will share our expertise openly and freely.

Our instinct is that once clear objectives have been agreed, market based solutions are more likely to produce innovative and creative responses than an approach based on regulation alone.

Those market based solutions need to be as wide ranging in scope as possible because this is a global problem which has to be re-solved around the world and without denying the peoples of the developing world the right to improve their living standards.

To try to do that would be arrogant and unrealistic. What we need are solutions which are inclusive, and which work through cooperation across national and industry boundaries.

There have been a number of experiments—all of them partial, but many of them interesting because they show the way in which effective markets can change behaviour.

We're working, for instance, with the Environmental Defence Fund to develop a voluntary emissions trading system for greenhouse gases, modelled on the system already in place in respect of sulphur.

Of course, a system which just operates here in the United States is only a part of the solution. Ideally such structures should be much wider.

But change begins with the first step and the development of successful systems here will set a standard which will spread.

Ladies and Gentlemen, I began with the issue of corporate responsibility. The need for action is in a new and important way.

No company can be really successful unless it is sustainable, unless it has capacity to keep using its skills and to keep growing its business.

And of course, that requires a competitive financial performance.

But it does require something more, perhaps particularly in the oil industry.

The whole industry is growing because world demand is growing. The world now uses almost 73 million barrels of oil a day—16% more than it did 10 years ago.

In another ten years because of the growth of population and prosperity that figure is likely to be over 85mbd, and that is a cautious estimate. Some people say it will be more.

For efficient, competitive companies that growth will be very profitable.

But sustainability is about more than profits. High profitability is necessary but not sufficient.

Real sustainability is about simultaneously being profitable and responding to the reality and the concerns of the world in which you operate. We're not separate from the world. It's our world as well.

I disagree with some members of the environmental movement who say we have to abandon the use of oil and gas. They think it is the oil and gas industry which has reached the end of history.

I disagree because I think that view underestimates the potential for creative and positive action.

But that disagreement doesn't mean that we can ignore the mounting evidence about climate change and the growing concern.

As business people, when our customers are concerned, we'd better take notice.

To be sustainable, companies need a sustainable world. That means a world where the environmental equilibrium is maintained but also a world whose population can all enjoy the heat, light and mobility which we take for granted and which the oil industry helps to provide.

I don't believe those are incompatible goals.

But everything I've said today—all the actions we're taking and will take are directed to ensuring that they are not incompatible.

May 23, 1997 CONGRESSIONAL RECORD — Extensions of Remarks E 1057
There are no easy answers. No silver bullets. Just steps on a journey which we should take together because we all have a vital interest in finding the answers. The cultures of politics... and science... and of enterprise, must work together if we are to match and master the challenges we face all far.

I started by talking about the end of history. Of course it hasn’t ended. It’s moved on.

Francis Fukuyama who coined that phrase described the future in terms of the need for a social order—a network of interdependence which goes beyond the contractual. An order driven by the sense of common human interest. What societies this.

Nowhere is the need for that sort of social order—at the global level—more important than in this area. The achievement of that has to be our common goal.

Thank you very much.

WORK OPPORTUNITY TAX CREDIT RENEWAL AND MODIFICATION

HON. AMO HOUGHTON
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1997

Mr. HOUGHTON. Mr. Speaker, today I am joined by my colleague, Mr. RANGEL, in introducing legislation to renew the Work Opportunity Tax Credit [WOTC]. This program was first enacted last year after extensive consultations between the Congress and administration. It replaces the old targeted jobs tax credit and is designed to address the major criticism raised against that program by requiring employers to prescreen for eligibility based predominantly upon participation in means tested public assistance programs. The WOTC helps provide transitional assistance for those going from welfare to work by giving businesses incentives to offset the added costs of hiring them.

Unfortunately, the participation and outreach by employers has not reached the level we anticipated, and falls far short of what is needed if we are to achieve the goal of moving millions of Americans from welfare dependency to self-sufficiency. Many companies are fast concluding that the hiring and training costs are too high, and the risks of working with assistance recipients have to assume indirect costs such as accommodation of complex work schedules, child care, transportation needs, and contact with multiple social service agencies. Any business, especially one that is willing to assume the additional costs of hiring and training assistance recipients must remain profitable if they are to play a role in welfare reform.

To respond to the real world concerns expressed to us, Mr. RANGEL and I propose the following modifications often KOTC which will improve its effectiveness and viability.

First, our bill would modify the minimum number of hours of work required for WOTC eligibility. Currently, those eligible for WOTC must complete 400 hours of work in order for the employer to receive any tax credit. However, since many entry level workers tend to switch jobs voluntarily as they seek their place in the work force, they do not meet the 400-hour requirement. In those cases, employers never see a tax credit to offset the costs that they incurred in hiring and training these workers. A more equitable distribution of the costs must be developed, or the pool of employers willing to take this risk will continue to decline.

The current tax credit provided to employers for hiring those eligible is 35 percent of the first $6,000 in wages, but only when the employee completes his work. Those who qualify include persons on AFDC for 9 consecutive months out of the previous 18 months; 18- to 24-year-olds who live in empowerment zones [EZ] or enterprise community [EC]; 18- to 24-year-olds who are members of families receiving food stamps for the last 6 months; veterans on food stamps; vocational rehabilitation referrals; low-income felons; and 16- and 17-year-olds in EZ’s and EC’s are eligible for summer employment.

We propose to create a two-tiered credit: 25 percent of the wages earned from the date of hire for those who work between 120 hours and 399 hours, and 40 percent of wages earned from the date of hire for those who work at least 400 hours. This would result in a more equitable distribution of the risk due to the fact that the longer the employers use the training and experience by their first employee to advance into jobs that are better paying, provide longer hours, or which are more conveniently located.

The second change to WOTC that this legislation provides would be to redefine the period during which a person must be receiving public assistance in order to qualify. The current interpretation requires an employee to have spent 9 consecutive months out of the last 18 months on welfare in order for a business to qualify. We propose to change that requirement to any 9 of the previous 18 months. Such a change would allow for the short periods of time off welfare or food stamps which often results from a failure to comply with regulations such as filing updated paperwork or appearing for an interview. It makes no sense to deny employers willing to hire those on public assistance a tax incentive merely because the job applicant was off welfare for a short period of time.

The third and final change we propose is a 3-year extension of the WOTC Program. This will allow those partnerships built on an improved WOTC Program to level the playing field which is currently tilted against those on welfare that most employers are unwilling even to consider hiring because of the extra costs and difficulties involved. Without a strong public-private partnership built on an improved WOTC Program, it will remain unprofitable if they are to play a role in welfare reform.

These changes, taken together, should help to level the playing field which is currently so tilted against those on welfare that most employers are unwilling even to consider hiring them because of the extra costs and difficulties involved. Without a strong public-private partnership built on an improved WOTC Program, it will remain unprofitable if they are to play a role in welfare reform.

In honor of the late, great Rep. Silvio Conte (R-Mass), they call it the “joy of politics” award. Conte was a man who relished a good joke, who loved to win but never bashed his opponents in the face to do so, and who cherished the institution of Congress above all. And you can see from the photographs on page three of today’s Roll Call that Members of Congress from both parties last week were having a blast at the fun—and eminently civil—event celebrating Conte’s legacy. Civility doesn’t mean boring, and it also doesn’t mean an end to the partisan clashes that liven up the otherwise humdrum Congressional business of passing the nation’s laws and overseeing their implementation.

But instead of joy, there is much more cancer these days on the House floor—as a very unConte-like event last week demonstrated...
yet again. The finger-pointing, epithet-throwing fracas between Majority Whip Tom DeLay (R-Texas) and Appropriations ranking member David Obey (D-Wis) demoralized Members just back from Easter recess, mak-
ing the much-ballyhooed bipartisan retreat to Hershey, Pa., last month seem like just another empty feel-good session. These are senior Members, leaders in their respective parties. If they can't get along, who can?

The truth is: There's no joy in Mudville. Civility has struck out. Deadly serious dis-
dain for the other party is the prevailing emotion, and total, no-holds-barred, take-no-
niners' warfare is the mode of combat en-
couraged, if not led, by leaders in their parties. The crusade of Democratic Whip David Bonior (Mich) against Speaker Newt Gingrich (R-Ga), Gingrich's own history as a backbench guerrilla warrior, and the revolu-
tionary fervor of the GOP class of 1994 all contribute to this toxic atmosphere. It's no wonder that the recommended reading in the House Republican Conference these days is the Army's field manual.

It's also no wonder, then, that DeLay and Obey won't even apologize to each other for the incidents of last they say is that they regret it occurred. More regretful than the combatants themselves are many other Members who have been reluctant to launch a grassroots civility movement inside the House. The Hersheyites, led by Reps. Ray LaHood (R-Ill) and David Skaggs (D-Colo), are trying to put the contremtes behind them with a full schedule of meetings, brief-
ings for other Members, and reform propos-
als in the works. To that end, Rep. David Dreier (R-Calif) will even host a hearing next week on whether changes in the House schedule—such as moving highly partisan one-minute speeches to the end of the day—can improve the 105th Congress's civility quotient.

But the civility hounds face daunting ob-
stacles that we're not sure scheduling changes can fix. Members who so obviously detest each other will continue to do so—whether they spar on the House floor at 10 a.m. or 10 p.m. Hearings into Clinton White House fundraising this summer will raise the decibel level. Budget posturing will bring ex-
tremists from both parties into a pitch of rhetorical excess. And the list of challenges to civility go on.

Maybe the answer is for Members not to take themselves so seriously. Silvio Conte never did, and he actually liked his job. He didn't like the 104th Congress, and he cer-
tainly didn't detest Members on the other side of the aisle because their party designa-
tion was different from his. Conte's secret was that he had fun on Capitol Hill. It's time to put the joy back into politics.

TRIBUTE TO THE RETIREMENT OF
HON. ED BRYANT
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1997

Mr. BRYANT. Mr. Speaker, according to Pa-
ricia Pair of The Shelby Sun Times, one of Germantown, Tennessee's newspapers, John T. Williams "has had a full, interesting life." Friends and colleagues call him John T., which is to say he's called nothing but John T. John T. became a public figure when he served as mayor of the town of Trezevant, TN. There, he chartered the town's first Boy Scout Troop. After a few years, John T. moved his family to Paris, TN, where he helped charter the community's first Chamber of Commerce. In fact, John T. served as the Paris Chamber of Commerce's first president, and is one of two living charter members of that organization.

In 1953, John T. sold his insurance business and moved his family to Jackson, TN. During that period, John T. was appointed by then President Dwight Eisenhower to serve as a U.S. marshal for the western district of Ten-
nessee, serving from 1955 to 1960 with dis-
tinction and honor.

But serving as U.S. marshal was not to be John T.'s last task in government service. He ran for Congress, hiring as his campaign man-\nger someone whom we all know as a U.S. Senator but in those days was still a little-
known FRED THOMPSON. After his congres-
sional bid and tutelage of young THOMPSON, John T. served on the civil service commission for the city of Memphis, and would go on to lend his vast skills and services to former Congressmen Robin Beard and Don Sund-
quist, as well as myself.

John T. has been a part of numerous communities across west Tennessee. His record of public service stands as an impec-
cable example for all public servants. Along with those who have had the opportunity and pleasure of working and associating with John T., it has been an honor to have had him as one of my employees. John T., though we'll always have with us your many feats of vol-
unteerism and helping hands, enjoy your re-
tirement. You certainly have earned it.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1998

SPEECH OF
HON. COLLIN C. PETERSON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 20, 1997

The House in Committee of the Whole on the State of the Union had under consideration the concurrent resolution (H. Con. Res. 84) establishing the congressional budget for the U.S. Government for the fiscal year 1998 and setting forth appropriate budg-

Mr. PETERSON of Minnesota, Mr. Chair-
man, I support the Balanced Budget Agree-
ment of 1997. I want to commend the chair-
man of the Budget Committee, Mr. KASICH, and the ranking member, Mr. SPRATT, Mem-
bers on both sides of the aisle for their hard work in putting together this bipartisan agree-
ment, and especially my "Blue Dog" colle-
grales in the coalition. Most everyone around here knows that this legislation couldn't have been developed without the centrists foundation we provided in the Blue Dogs' commonsense balanced budget plan.

Mr. Chairman, the American people want this to get done, and I intend to lend my sup-
port to passing this resolution through the process. A balanced budget is long overdue. I'm not happy with all of the details, but the moment is at hand and we need to pass this now.

I would rather be supporting the Blue Dog budget, but nobody got everything they want-
ed in this process, and I understand that. However, I am very disappointed by the Re-
publican leadership's refusal to allow the coali-
tion Democrats to offer the alternative resolu-
tion we wanted to offer, which was the Repub-
lican bill plus strong budget enforcement lan-
guage. As it is, I am concerned that this resolu-
tion lacks the strong enforcement language necessary to ensure that the spending caps and deficit targets are met and that we do in fact reach balance by the year 2002. It's one thing to say you will balance the budg-
et by 2002—it is clearly another thing to actu-
alize it. A strong enforcement mechanism is necessary to require the Congress and the President to take action if this plan goes off course, and the budget fails to meet its targets for spending and revenues. We should have had the opportunity to strengthen the enforce-
ment provisions of the resolution we are now supporting. I am sure a majority of Members would have voted for stronger enforcement if they had been given the chance. Hopefully, this shortcoming can be remedied by the con-
ference committee.

Two years ago when the Blue Dogs first of-
fered their own alternative budget, I told peo-
ple it was the sensible, middle ground and the foundation for a bipartisan agreement. Two years later, after a lot of hard work by all the Blue Dogs, as well as other Members and the President, we have essentially arrived right were the Blue Dogs started—on the sensible, middle ground, where compromise and biparti-
sanship have finally delivered what the Amer-
ican people have wanted for a long time—a balanced Federal budget.

Again, I wish this Congress was going to give a chance to vote on the Blue Dog budget, but I recognize that democracy requires com-
promise, and that's what it will take from all of us to keep this process moving in the right di-
rection.

This budget resolution is only a broad out-
line, and I know the Blue Dogs will continue working with Members on both sides of the aisle when the real work begins on a Medicare bill, a Medicaid bill, a tax bill, a possible budg-
et reconciliation bill, and all of the 13 appro-
priations bills.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1998

SPEECH OF
HON. RALPH M. HALL
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1997

The House in Committee of the Whole on the State of the Union had under consideration the concurrent resolution (H. Con. Res. 84) establishing the congressional budget for the U.S. Government for the fiscal year 1998 and setting forth budg-

Mr. HALL of Texas. Mr. Chairman, I have had the privilege of serving in this body since 1973, and one of the most important 16 years ago was a balanced budget. This is a goal that I have worked for year after year—
and it is a goal that has eluded us until now. So I am gratified that the Congress has taken a dramatic first step this week toward achiev-
ing that goal by passing this budget resolution.

It has taken us years to come this far—and it is a testament to the hard work and dedica-
tion of many current and former Members of
Congress that this goal is finally within our grasp. We have a chance to return fiscal ac-
countability and responsibility to the Federal Government and set a course that will ensure our Nation's well-being into the 21st century.

We have a chance to preserve the American dream for our children and grandchildren and help ensure that their future is as bright as with -promise as ours is.

I thank all my colleagues who have worked so hard to achieve this goal, and I commend the coalition leadership which has played an important role in this endeavor in both the 104th and 105th Congresses. But we must be careful that what we do in the final analysis will be fair to all Americans, will be equitable, and will be enforceable. The tough choices lie ahead in the coming weeks, so we have much work yet to do. This week marks an important beginning—but a beginning that has an achievable end in sight.

Mr. Speaker, I want to commend my col-
leagues for their commitment to balancing the budget and their work thus far, and I want to urge continued bipartisan support as we try to make the right choices in the coming weeks and choose the best means to accomplish that goal.

TRIBUTE TO AN ELOQUENT AND REASONED VOICE

HON. DAVID DREIER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1997

Mr. DREIER. Mr. Speaker, on Monday, May 19, the San Gabriel Valley lost one of its most eloquent and reasoned voices when longtime resident and business leader F. Al Totter passed away. Following is an article from the San Gabriel Valley Tribune, where Al Totter served as publisher for nearly 24 years:

F. Al Totter, who served as publisher of the San Gabriel Valley Tribune for nearly 24 years and led the development of a major suburban newspaper group, died Monday of complications from pneumonia at the Citrus Valley Medical Center, Queen of the Valley campus. He was 66.

Totter was known as one of the best worked at the Tribune as a classified ads manager on its first day of publication in 1955, served as publisher from 1966 to 1982. The Tribune's success—and that of its now sister paper the San Gabriel Star-News and the Whittier Daily News, along with small community papers—reflected the residential and industrial boom of the region that it served.

“More than any other person, Al Totter was responsible for the strength and the growth of our group, especially of the San Gabriel Valley Tribune,” said Ike Massey, publisher and chief executive officer of the San Gabriel Valley Newspaper Group. “I know I will be missed by many in the community.”

Rep. David Dreier, R-San Dimas, a long-time Totter friend, said the region had lost its most eloquent and reasoned voice—a Stylist of the San Gabriel Valley Tribune,” said Ike Massey, publisher and chief executive officer of the San Gabriel Valley Newspaper Group. “I know I will be missed by many in the community.”

“Very few newspaper publishers supported the cause of environmental protection as did Totter,” Dreier said. “He walked fast, he thought fast, he talked fast and to most of his employees he was a very intimidating, imposing figure.”

But Totter never hesitated to let his politi-
cal know when he disagreed with them and definitely knew his facts. Tennant recalled when the two clashed over a plan to install waste-burning, energy-producing fa-
cility in Irwindale during the mid-1980s.

“He was a fiscal conservative who espoused family values . . . He did not apologize for his views,” Antonovich said.

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“He was a fiscal conservative who espoused family values . . . He did not apologize for his views,” Antonovich said.

“He was a very good businessman, and the community will miss him,” Dreier said.

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CONGRESSIONAL RECORD — Extensions of Remarks

May 23, 1997

MFN TRADE STATUS IS OUR BEST TOOL FOR IMPROVING HUMAN RIGHTS IN CHINA

HON. PHILIP M. CRANE
OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 22, 1997

Mr. CRANE. Mr. Speaker, the President recently announced his intention to recommend the extension of most favored nation (MFN) trade status for China, a decision which I strongly support. A failure on America's part to extend MFN would be a grave error which would harm Chinese citizens, the very people MFN opponents want to help. The United States has numerous areas of conflict and disagreement with the Chinese Government, but all of these issues will be addressed more effectively in the context of maintaining normal trade relations. It is important for us to remember that, in the last 15 years, China has witnessed a dramatic improvement in its standard of living. Such improvement is due in no small part to the free-market economic reforms which are supported by our expanding trade relationship.

As the House begins the annual debate on China's MFN status, I want to call Members' attention to an excellent article by Congressman DAVID DREEGER, Vice Chairman of the Rules Committee and a leader on trade matters in the House. Congressman DREEGER makes a strong case in favor of promoting normal trade relations with China. The article, which was published in the May 19 issue of Insight magazine, discusses the benefits that economic reform has brought to the Chinese people and illustrates the dire need for this reform to continue.

[From Insight, May 19, 1997]

SANCTIONS WOULD UNDERMINE THE MARKET REFORMS THAT HAVE INITIATED POSITIVE CHANGE

(By David Dreier)

Fostering freedom and human rights around the world is a universal foreign-policy goal in Congress. That was the case in 1989, when I joined nearly a dozen of my colleagues in Democratic and Republican States' Rights Caucus in a march to the front door of the Chinese Embassy to protest the brutal massacre of student protesters in Beijing's Tiananmen Square. It remains a bipartisan priority today because support for freedom and democracy is part and parcel of what it means to be American. The current debate in Congress is not about the goal of ending human-rights abuses in China but about the effectiveness of economic sanctions as a means to achieve that goal. It would be a mistake for China's leaders to interpret this debate as a weakening of our resolve.

In looking at conditions in China during the last 20 years, the key to democracy of numerous countries around the globe and the effectiveness of unilateral economic sanctions to improve human rights for people living under the boot of other repressive regimes, it becomes unmistakably clear that such sanctions will not improve human rights in China. If anything, economic sanctions will set back the welfare of the Chinese people and tilt the scale toward more repression.

Achieving greater human freedom in China is an important priority if for no other reason than the fact that one-fifth of the human race resides in that repressive regime. For the Chinese people, individual rights, political freedom and freedom of speech, religion,
assistance and the press. Even the most basic human freedom of childbearing is regulated by the authoritarian national government.

When looking at repression in China, however, I am reminded of the ancient saying that, in the land of the blind, the one-eyed man is king. It does no good to evaluate programs in China by comparing it with the United States or any other democracy. Instead, a historical perspective is needed.

While China offers a 4,000-year story of political repression, some of its bleakest days have come in the last generation. More than 60 million people were killed or forced to die of starvation during Mao Tse-tung’s disastrous Great Leap Forward, and another million were murdered by the Communists during the international isolationist Cultural Revolution. The Chinese were scarred by these brutal events, and no one wants to return to the terror of economic calamity and starvation.

Stapleton Roy, the former American ambassador to China, put the current conditions in China in the following perspective: “If you look at the 150 years of modern Chinese history, you can’t avoid the conclusion that the last 15 years are the best 15 years in China’s modern history. And of those 15 years, the last two years are the best two years in the modern Chinese history.”

The Chinese media, while strictly censored, increasingly report on issues and debates that previously were taboo. Dissidents are kept under closer watch, but the walls around the Chinese people.

As reported in the March 4 New York Times, Zhu Wenjun, a woman living outside Shanghai, has seen her life improve dramatically due to economic reform. Zhu, 45, quit a teaching job and moved to Dongguan, a town in Guangdong province. Through her small clock shop in Dongguan, she makes enough to end this violation of basic human rights. The economic reforms are so powerful that they have overthrown the bureaucratic state with its extensive bureaucracy.

Economic reform in China has helped to lift hundreds of millions of Chinese out of poverty. The Chinese are learning firsthand one of the great truths of the late 20th century: Market-oriented reforms promote private enterprise, which encourages trade, which creates wealth and a greater degree of personal freedom. Furthermore, the Chinese government also is recognizing that market reforms that have been the single most powerful force for positive change in the world.

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I believe that three points need to be implemented in order for students to receive this opportunity:

First, encouraging schools to build partnerships with the private sector in order to prepare trade school-oriented students for alternative career opportunities. The formation of school committees is crucial because it will allow students to incorporate their technical training with real work experience.

Second, the national vocational should be replaced by a more positive name in order to dispel the negativity usually associated with vocational education (e.g., technological/trade education). Vocational education is technical/trade education which focuses on the development of specific hands-on skills.

Third, creating a positive awareness within the general public and among educators of technology and trade education. Our society needs to recognize trade education as a necessary component of our educational system.

In closing, I urge all of my colleagues to consider trade and technological education as a priority in our national education agenda. Our country cannot afford this choice, because only by giving them these opportunities will they be able to empower themselves.

UNITED STATES-CANADA RELATIONS IN THE PACIFIC COUNTRY

HON. ENI F.H. FALEOMAVAEGA
OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES
Thursday, May 22, 1997

Mr. FALEOMAVAEGA. Mr. Speaker, it is indeed an honor to speak before you during this month celebrating the rich and diverse heritage of Asian-Pacific Americans.

I am aware of the deep and enduring contributions of my fellow Americans—those whose roots extend from the soil of nations in Asia and the Pacific islands.

I have served on the House Committee dealing with Foreign Affairs for 8 years, and as a member of the Asia-Pacific Affairs Subcommittee, I have long argued that U.S. foreign policy has been overly preoccupied with Europe and the Middle East—to the neglect of the Asia-Pacific region. With two-thirds of the world's population and gross domestic product originating from the Asia-Pacific, America cannot afford to neglect its interests in this important part of the globe.

Looking at the Asia-Pacific region today, perhaps no country figures to have a greater impact on the United States than the People's Republic of China. The emergence of China as a major world power is one of the historic events of the late 20th century. As we enter the 21st century, the Pacific century, China is projected to become a true great power. Thus, it fitting that we take this occasion to examine the very complex subject of Sino-American relations.

While not so long ago Asia-Pacific issues were being given short shrift, now, the region is buffeted by a whirlwind of attention from Washington. At the center of the vortex is China, where suddenly all roads seem to lead. Vice President Gore recently traveled to China, the first visit of an American President or Vice President since 1989. Last month, the highest ranking official in the House of Representatives, Speaker Newt Gingrich, lead a congressional delegation to China. Preceding their visits was that of Secretary of State Albright. And President Clinton will also visit China, shortly after his summit meeting with Chinese President Jiang Zemin in Washington later this year.

All of this attention on China is well-founded. With 1.3 billion people, China is the most populous nation and the most promising market on the planet. With the world's third largest economy and over 10 percent growth for several years running, China possesses foreign exchange reserves exceeding $100 billion—second only to Japan. With the world's largest military, over 3.2 million strong, which is undergoing modernization and has nuclear arms, China is a force not to be taken lightly.

All of these factors underscore why America's relationship with China is one of the most crucial in the world, and why it is growing in importance.

CHINA ENGAGEMENT

I have long been a supporter of maintaining broad and comprehensive relations with the People's Republic of China. This policy of China engagement has been upheld in a bipartisan fashion by five previous administrations and I support President Clinton in his efforts now for comprehensive engagement with China. We cannot allow America's board-ranging, multifaceted relationship with China to be held hostage to my particular issue or interest.

As for those that advocate a policy of China containment, I believe that this is dangerous and shortsighted. China is not what the former Soviet Union was—a military and expansionist threat to democracies around the world, that was also closed to external trade. United States attempts to isolate China will not be supported by our allies and will only result in friction with our trading partners. Moreover, a containment policy would result in China responding with hostility and noncooperation directly targeted toward the United States. Our World War II ally, China, is not our enemy and we should not force China into responding like one to protect itself. The quickest way to transform China from friend to foe would be adoption of a containment policy.

It is in America's national interest to have a productive relationship with a China that is strong, stable, open, and prosperous—a China that is increasingly integrated into the international community and global marketplace as a responsible and accountable partner.

Since China opened her doors to the West in the 1970's with President Nixon's initiative, we have seen tremendous strides forward on several fronts. Business, social, and political ties with the West have been strengthened, allowing a torrent of information, technology, and Western values to stream into China. This has resulted in a profound improvement of life for the Chinese people, giving them new-found freedoms in employment, travel, and housing, with expanded access to information and democratic participation in village elections. For the last two decades, political and individual freedoms, along with an increased standard of living, have significantly changed for the better for the average Chinese.

While in our eyes much remains to be done for human rights, there is no need to forget that it was not so long ago—during Mao's rule and the cultural revolution—that hundreds of thousands of Chinese were murdered or imprisoned from political persecution; while untold numbers fought starvation, sometimes through desperate acts of cannibalism.

The progress from the China of Mao Tsetung, yesterday, to the China of President Jiang Zemin, today, is, indeed remarkable. China may be the first example of a Communist system that will succeed in meeting the long-term economic needs of her people. Feeding China's 1.3 billion hungry people—five times more than all the people in America—has by itself been a monumental accomplishment. In a nation of such huge size, which adds 12 million new mouths each year, I can understand why some say that providing food and shelter and stability may be preservation of the most basic yet important of human rights, particularly at this stage of China's development.

Clearly, America's engagement with China has played an invaluable role in this transition. It has been a long road from the 1950's and 1960's, when China opposed all United States foreign policy goals. Then, China supported North Korea's attack on the south and ultimately entered the conflict to fight against us. It fired artillery at Taiwan on its islands of Quemoy and Matsu. China fought with India in the 1962 conflict. And it attempted to subvert nations friendly to us by sponsoring revolutionary movements in Africa, Thailand, Indonesia, Malaysia, and the Philippines.

Today, the picture is very different. In Korea, China has played a crucial role in providing stability on the Peninsula, including assistance to stop North Korea's nuclear weapons program and diplomatic efforts to prevent the outbreak of a war between the Koreas. Far from subverting its neighbors, China now seeks investment from their business leaders. Rather than oppose our foreign policy goals, it has acceded to the nuclear nonproliferation treaty, signed onto the comprehensive test ban treaty, taken part in the security dialogue at the APEC summit forums, worked toward international environmental protection accords and cooperated with us at the U.N. Security Council. With strong ties to the West, China is evolving into a more open society with a government that is increasingly sensitive to international opinion and works to work with fellow nations and the United States.

Hong Kong

One of the most important issues to soon test United States-Sino relations is the transfer of Hong Kong from Britain to China this July.

America has substantial interests in Hong Kong, including $14 billion in United States investment and two-way trade exceeding $2 billion. Some 37,000 Americans reside in Hong Kong, including 80 port calls a year. The Government of Hong Kong works closely with the United States to combat narcotics trafficking, alien smuggling, and organized crime.

Under the joint declaration signed in 1984, Britain and China agreed for Hong Kong's reversion to Chinese rule and for the orderly transfer of power. The agreement holds that for 50 years China will extend Hong Kong a high degree of autonomy to control its own affairs, except in the areas of national defense and foreign relations. China's policy has been dubbed the "one country, two systems" approach. It is designed to preserve the unique economic environment that has made Hong Kong a capitalist success story, and permits activities and
freedoms in Hong Kong that are not allowed in the rest of China.

While some in Washington bemoan the reversion of Hong Kong to Chinese control and predict Hong Kong’s demise, I am not one of those. I view the return of Hong Kong to China just, proper, and long overdue. It is the end to a long period of national humiliation for China.

For 157 years, the British have ruled over the Chinese People of Hong Kong as a colony of imperialism. It began in the 1840’s, when China resisted Britain’s efforts to sell China opium. Rebuffed, England started a war, called the opium war, which China lost and for which Britain took Hong Kong Island as a Prize. Twenty years later, England initiated another conflict, the arrow war, and defeated China again. Its prize this time was Kowloon, the mainland part of Hong Kong. In 1898, Britain gained another large amount of land by 99-year lease, the new territories, which is vital to Hong Kong’s operations. With the expiration of that lease this July, the British had no choice legally but to return Hong Kong to its rightful owners, China.

While China is undergoing accusations of undermining democracy in Hong Kong, I find it ironic that no one said anything during the 150 years of British Imperial rule when democracy never existed in Hong Kong. The Governor of Hong Kong was always British, appointed by London, without an election nor the input of the citizens of Hong Kong. There was no democratically elected legislative council. All of the top civil servants were British. And the major companies in Hong Kong were kept in English hands. The British were the elite, and the native Chinese were second-class citizens in their own homeland.

It was not until recently in 1990, at the 11th hour before Hong Kong’s return to China, that Britain took steps to turn Hong Kong into a democracy. After a century-and-a-half of colonial rule and imperialism, I find it hypocritical that Britain is preaching to China about preserving democracy. While some have argued that these late democratic reforms were in response to the Tiananmen Square tragedy, others in that they were carefully taken solely to dress up Britain’s legacy in Hong Kong; to make Britain look good in history after being forced to leave its colony—a practice repeated with its other former colonies.

The Western media have focused on the disbanding of the existing elected legislative council for a provisional legislature and the effort to retrace the 1992 civil rights ordinances as signaling Hong Kong’s looming problems. What is often not mentioned, however, is that Britain had already taken early steps to implement reforms and legislative changes in violation of the 1984 joint declaration with China, which held Hong Kong’s legal system in existence then was not to be changed. Britain’s unilateral action was perceived as an arrogant insult to China, reopening wounds on an already sensitive matter. In The New York Times, it reported that “Britain has taken the liberty of allowing a bill to be passed by Parliament that would give police more power to detain suspects without charging them.” This is a clear indication that Britain’s actions are counterproductive.

In short, I don’t think we’ll be seeing any time soon Chinese PLA troops on the streets of Hong Kong beating demonstrators. Congress passed the Hong Kong Policy Act in 1992 and the Hong Kong Reversion Act just months ago. They send the message to China that the United States is concerned about Hong Kong’s freedoms, that we are monitoring the transition, and will take steps to terminate our relationship with Hong Kong if it is no longer authoritarian. While I supported these bills, we must be careful not to intervene too much in Hong Kong, a matter that is totally within China’s sovereign right. Maintaining sovereignty is a key condition for the transition process to proceed smoothly. At this point, I think we need to step back and give China and the new Hong Kong Government of Chief Executive Tung room to breathe. Certainly, Mr. Tung deserves the opportunity to prove that effectively lead Hong Kong and China must be given the chance to demonstrate that it will keep its promises.
Americans. Wang laboratories, the innovative business enterprise in computer research and development, was founded in 1955 by Chinese-American, An Wang. This Nation’s largest tungsten refinery was built in 1953 by industrialist K.C. Li and his company, the Wah Chang Corp. And, in 1964, an immigrant from Shanghai, China, Gerald Tsai, started from scratch an investment firm, the Manhattan Fund, which today has well over $270 million in assets.

In the entertainment and sports fields, American Martial Arts Expert Bruce Lee entered the movie audiences of this Nation, while destroying the stereotype of the passive, quiet Asian male. World-class Conductor Seiji Ozawa has lead the San Francisco Symphony through brilliant performances over the years. A native-Hawaiian named Duke Kahanamoku shocked the world by winning the Olympic Gold Medal in swimming seven decades ago; followed by Dr. Sammy Lee, a Korean-American who won the Olympic Gold Medal in high diving. Then there was Tommy Kono of Olympic Gold medalist in weightlifting. And, yes, perhaps the greatest Olympic diver ever known to the world, a Samoan-American by the name of Greg Louganis—whose record in gold medals and national championships will be in the books for a long time. Japanese-American Kristi Yamaguchi’s enthralling gold medal ice-skating performance at the Winter Olympics continues the legacy of milestone achievements by Asian-Pacific Americans.

In professional sports, of course, we have Michael Chang blazing new paths in tennis, Pacific-Islanders Brian Williams and Michael Jones of world rugby, and the tens of dozens of Polynesian-Americans—like All-Pro Samoan Linebacker, Junior Seau, and Jesse Sapulu of the San Francisco Forty-Niners—who have made their mark as players in the National Football League.

We also have Asian-Pacific Americans who are making their mark on history, not in our country, but in the Far East. Samoan-American Saleavea Atisanoe is a 578-pound Sumo wrestler who goes by the name of Leitani—known in Japan as Musashimaru—has also gained prominence as a Sumo wrestler. Native-Hawaiian Chad Rowen, or Akebono as he is known in Japan, has scaled even greater heights by attaining the exalted status of Yokozuna or grand champion. Until this Polynesian-American arrived on the scene, no foreigner had ever been permitted to fill this sacred position, as the Japanese associate the Yokozuna with the essence of Shinto’s guardian spirits. The ascendancy to grand champion status goes to the heart of the Japanese religion and culture.

In honoring Asian-Pacific Americans that have served to enrich our country, I would be remiss, as a Vietnam veteran, if I did not honor the contributions of the Japanese-Americans who served in the United States Army’s 100th Battalion and 442d Infantry Combat Group. History speaks for itself in document- ing that none have shed their blood more val- iantly for America than the Japanese-American that served in these units while fighting enemy forces in Europe during World War II.

The records of the 100th and 442d Infantry are without equal. These Japanese-American units suffered an unprecedented casualty rate of 314 percent, and received over 18,000 individual decorations, many post-humously awarded, for valor in battle.

With the tremendous sacrifice of lives, a high number of medals were given the unit. I find it unusual, however, that only one medal of honor was awarded, while 52 Distinguished Service Crosses, 560 Silver Stars, and 9,480 Purple Hearts were given. The great number of Japanese-American lives lost should have resulted in more of these ultimate symbols of sacrifice being awarded. Nonetheless, the 442d Combat Group emerged as the most decorated combat unit of its size in the history of the U.S. Army. President Truman was so moved by their bravery in the field of battle, as well as that of black American soldiers During World War II, that he issued an executive order to desegregate the armed services.

I am proud to say that we can count the honorable Daniel K. Inouye and the late, highly-respected Senator, Spark Matsunaga, both from Hawaii, as Members from Congress that distinguished themselves in battle as soldiers with the 100th Battalion and 442d Infantry. It was while fighting in Europe that Sena- tor Inouye lost his arm and was awarded the Distinguished Service Cross, the second highest medal for bravery.

These Japanese-Americans paid their dues in blood to protect our Nation from its enemies. It is a shameful black mark on the history of our country that when the patriotic sur- vivors of the 100th Battalion and 442d Infantry returned to the United States, many were re- united with families that were locked up behind barbed-wire fences in concentration camps. You might be interested to know, my colleagues on the Hill, Congressman Robert Matsui and former Representative Nor- man Mineta, were children of the concentra- tion camps.

The wholesale and arbitrary abolishment of the constitutional rights of these loyal Japa- nese-Americans will forever serve as a re- minder and testament that this must never be allowed to occur again. When the miscarriage of justice unfolded during World War II, Ameri- cans of German and Italian ancestry were not similarly jilied en masse. Some declare the in- cident as an example of outright racism and bigotry in its ugliest form. After viewing the Holocaust Museum in Washington, I under- stand better why the genocide of 6 million Jews has prompted the cry, “never again.”

Likewise, I sincerely hope that mass intern- ments on the basis of race will never again darken the history of our great Nation.

To those that say, well that occurred de- cades ago, I say we must continue to be vigi- lant in guarding against such evil today.
In concluding, I think Bruce Yamashita’s case and the hysteria surrounding Asian-Pacific Americans political contributions bear implications not just for the military and the media but for our society as a whole. It asks the question, how long do we have to endure the attitude of those who consider Asian-Pacific Americans and other minorities as lesser Americans?

I applaud Captain Yamashita and others like him who have spoken out to ensure that racial discrimination is not tolerated. During this month as we recognize the diverse experiences and contributions of the Asian-Pacific Americans community to our great Nation, I would hope that we all take inspiration from his example.

With that in mind, I would like to close my remarks by asking what is America all about? I think it could not have been said better than on the steps of the Lincoln Memorial when Martin Luther King said, “I have a dream. My dream is that one day my children will be judged not by the color of their skin but by the content of their character.”

That is what America is all about, and Asian-Pacific Americans wish to find a just and equitable place in our society that will allow them—like all Americans—to grow, succeed achieve, and contribute to the advancement of this great Nation as we enter the “Pacific century.”
Friday, May 23, 1997

Daily Digest

HIGHLIGHTS

Senate agreed to First Congressional Budget Resolution.

Senate

Chamber Action

Routine Proceedings, pages S5023–S5151

Measures Introduced: Twenty bills and seven resolutions were introduced, as follows: S. 799–818, S. Con. Res. 29–30, and S. Res. 90–94.

Measures Reported: Reports were made as follows:

- S. 462, to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, with an amendment in the nature of a substitute. (S. Rept. No. 105–21)

Measures Passed:

- Concurrent Budget Resolution: By 78 yeas to 22 nays (Vote No. 92), Senate agreed to H. Con. Res. 84, establishing the congressional budget for the United States Government for fiscal year 1998 and setting forth appropriate budgetary levels for fiscal years 1999, 2000, 2001, and 2002, after striking all after the resolving clause and inserting in lieu thereof the text of S. Con. Res. 27, Senate companion measure, after taking action on further amendments proposed thereto, as follows:

Adopted:

- By 84 yeas to 15 nays (Vote No. 86) McCain/Hollings Amendment No. 326, to express the sense of the Senate that the Congress shall take such steps as necessary to reconcile the difference between actual revenues raised and estimates made and shall reduce spending accordingly if Spectrum Auctions raise less revenue than projected.

- McCain/Mack Amendment No. 327, to express the sense of the Senate with respect to certain highway demonstration projects.

- Domenici (for Coverdell) Modified Amendment No. 347, to provide for parental involvement in prevention of drug use by children.

- McCain/Mack Amendment No. 333, to express the sense of the Senate regarding the use of budget savings.

- Lautenberg (for Moseley-Braun) Amendment No. 334, to express the sense of the Senate regarding the value of the social security system for future retirees.

- By 56 yeas to 44 nays (Vote No. 88) Abraham Amendment No. 316, to express the sense of the Senate that, to the extent that future revenues exceed the revenue aggregates, those additional revenues should be reserved for deficit reduction and tax cuts only.

- Wellstone Modified Amendment No. 313, to provide for increases in funding for Headstart and Earlystart, child nutrition programs, and school construction, which will be paid for by reducing tax benefits to the top 2 percent of income earners in the United States as well as by reducing tax benefits that are characterized as corporate welfare or tax loopholes.

- By 51 yeas to 49 nays (Vote No. 89) Domenici (for Coverdell) Amendment No. 357 (to Amendment No. 313), to allow children who have been victims of violent crime the ability to transfer to another
school by allowing states and local educational agencies to use Federal education funds in the jurisdiction of the Labor Committee to assist such victims in attending any other school of their choice.

Wellstone Amendment No. 314, to provide that Pell Grants for needy students should be increased.

Pages S5024, S5033-35

Domenici (for Snowe) Amendment No. 358 (to Amendment No. 314), to provide for provisions to encourage parents and students to save for higher education expenses and that provide relief from the debt burden associated with borrowing to pay for a postsecondary education.

Pages S5034-35

Domenici/Lautenberg Amendment No. 359, to make technical corrections.

Page S5036

Kerry Amendment No. 309, to allocate funds for early childhood development programs for children ages zero to six.

Pages S5024, S5036

Rejected:

Domenici (for Grams) Amendment No. 346, to require that the $225 billion CBO revenue receipt windfall be used for deficit reduction and tax relief, and that non-defense discretionary spending be kept at a freeze baseline level. (By 73 yeas to 27 nays (Vote No. 90), Senate tabled the amendment.

Pages S5024, S5033

Specter Amendment No. 340, to restore funding within the discretionary health function to maintain progress in medical research, offset by reductions in Federal agency administrative costs. (By 63 yeas to 37 nays (Vote No. 91), Senate tabled the amendment.

Pages S5024, S5035-36

Withdrawn:

Dorgan Amendment No. 310, to express the sense of the Senate that the Congress should continue efforts to reduce the on-budget deficit without counting social security surpluses.

Pages S5024, S5054

Gramm Amendment No. 319, to ensure that the discretionary limits provided in the budget resolution shall apply in all years.

Pages S5024, S5036

Specter Amendment No. 338, to provide for a reduction in mandatory spending and an increase in discretionary spending relating to children's health.

Pages S5024, S5054

Specter Amendment No. 339, to provide for a reduction in mandatory spending and an increase in discretionary spending relating to children's health.

Pages S5024, S5054

Domenici (for Snowe/Coverdell) Amendment No. 349, to express the sense of the Senate relative to higher education tax relief and higher education expenses.

Pages S5024, S5054

By 66 yeas to 33 nays (Vote No. 87), three-fifths of those Senators duly chosen and sworn having voted in the affirmative, Senate, pursuant to section 904(c) of the Congressional Budget Act of 1974, agreed to a motion to waive section 601(b) of the Congressional Budget Act and, pursuant to section 24(b) of H. Con. Res. 218 (FY 1995 Budget Resolution), agreed to waive section 24(a) of H. Con. Res. 218 for the consideration of this concurrent resolution for fiscal year 1998 as reported, and any amendment to the House companion measure (H. Con. Res. 84) and any conference report thereon. Subsequently, a point of order that the resolution was in violation of section 601(b) of the Congressional Budget Act was not sustained and thus fell.

Pages S5029-30

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair was authorized to appoint conferees.

Pages S5065

Subsequently, S. Con. Res. 27 was returned to the Senate Calendar.

Pages S5103

Chemical Weapons Convention Implementation Act: Senate passed S. 610, to implement the obligations of the United States under the Chemical Weapons Convention, after agreeing to a committee amendment in the nature of a substitute.

Pages S5070-80

Printing Authorization: Senate agreed to S. Res. 90, authorizing the printing of the publication entitled "Dedication and Unveiling of the Statue of Richard Brevard Russell, Jr.

Pages S5033-04

Private Relief: Senate passed S. 768, for the relief of Michel Christopher Meili, Giuseppina Meili, Mirjam Naomi Meili, and Davide Meili.

Page S5104

Lewis and Clark Expedition Bicentennial: Senate agreed to S. Res. 57, to support the commemoration of the bicentennial of the Lewis and Clark Expedition, after agreeing to committee amendments.

Pages S5104-06

Production of Intelligence Records Authorization: Senate agreed to S. Res. 91, to authorize the production of records by the Select Committee on Intelligence.

Pages S5106

Honoring American Patriots: Committee on the Judiciary was discharged from further consideration of S. Res. 76, proclaiming a nationwide moment of remembrance, to be observed on Memorial Day, May 26, 1997, in order to appropriately honor American patriots lost in the pursuit of peace of liberty around the world, and the resolution was then agreed to, after agreeing to the following amendment proposed thereto:

Pages S5106-07
Lott (for Thurmond) Amendment No. 360, to clarify the designated time for a moment of remembrance.

Family Friendly Workplace Act-Amendment: A unanimous-consent agreement was reached providing for the further consideration of S. 4, to amend the Fair Labor Standards Act of 1938 to provide for private sector employees the same opportunities for time-and-a-half compensatory time off, biweekly work programs, and flexible credit hour programs as Federal employees currently enjoy to help balance the demands and need of work and family, to clarify the provisions relating to exemptions of certain professionals from the minimum wage and overtime requirements of the Fair Labor Standards Act of 1938, on Monday, June 2, 1997 at 1 p.m.

Authority for committees: All committees were authorized to file executive and legislative reports during the adjournment of the Senate on Wednesday, May 28, 1997, from 10 a.m. to 3 p.m.

Nominations Confirmed: Senate confirmed the following nominations:

- Donald M. Middlebrooks, of Florida, to be United States District Judge for the Southern District of Florida.
- Jeffrey T. Miller, of California, to be United States District Judge for the Southern District of California.
- Robert W. Pratt, of Iowa, to be United States District Judge for the Southern District of Iowa.
- Donna Holt Cunningham, of Maryland, to be Chief Financial Officer, Corporation for National and Community Service, (New Position), to which position she was appointed during the last recess of the Senate.
- Donald Rappaport, of the District of Columbia, to be Chief Financial Officer, Department of Education.
- Karen Shepherd, of Utah, to be United States Director of the European Bank for Reconstruction and Development.
- Arthur I. Blaustein, of California, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.
- Dave Nolan Brown, of Washington, to be a Member of the National Council on Disability for a term expiring September 17, 1998.
- Lorraine Weiss Frank, of Arizona, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.
- Hans M. Mark, of Texas, to be a Member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring April 17, 2002. (Reappointment)
- Susan Ford Wiltshire, of Tennessee, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.
- Lowell Lee Junkins, of Iowa, to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation.
- Triruvarur R. Lakshmanan, of New Hampshire, to be Director of the Bureau of Transportation Statistics, Department of Transportation, for the term of four years.
- Jerry M. Melillo, of Massachusetts, to be an Associate Director of the Office of Science and Technology Policy.
- Kerri-Ann Jones, of Maryland, to be an Associate Director of the Office of Science and Technology Policy.
- D. Michael Rappoport, of Arizona, to be a Member of the Board of Trustees of the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation for a term expiring October 6, 2002.
- Judith M. Espinosa, of New Mexico, to be a Member of the Board of Trustees of the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation for a term of four years.
- David J. Barram, of California, to be Administrator of General Services.
- Gerald N. Tirozzi, of Connecticut, to be Assistant Secretary for Elementary and Secondary Education, Department of Education.
- Nathan Leventhal, of New York, to be a Member of the National Council on the Arts for a term expiring September 3, 2002.
- Jon Deveaux, of New York, to be a Member of the National Institute for Literacy Advisory Board for a term expiring October 12, 1998.
- Anthony R. Sarmiento, of Maryland, to be a Member of the National Institute for Literacy Advisory Board for a term expiring September 22, 1998.
- Magdalena G. Jacobsen, of Oregon, to be a Member of the National Mediation Board for a term expiring July 1, 1999.
- Susan E. Trees, of Massachusetts, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.
- Ann Jorgenson, of Iowa, to be a Member of the Farm Credit Administration Board, Farm Credit Administration for a term expiring May 21, 2002.
- Marsha Mason, of New Mexico, to be a Member of the National Council on the Arts for a term expiring September 3, 2002.
James Catherwood Hormel, of California, to be an Alternate Representative of the United States of America to the Fifty-first Session of the General Assembly of the United Nations.


Stuart E. Eizenstat, of Maryland, to be an Under Secretary of State.

Kenneth M. Mead, of Virginia, to be Inspector General, Department of Transportation.

Thomas R. Pickering, of New Jersey, to be an Under Secretary of State.

Andrew J. Pincus, of New York, to be General Counsel of the Department of Commerce.

1 Air Force nomination in the rank of general.

7 Army nominations in the rank of general.

1 Marine Corps nomination in the rank of general.

2 Navy nominations in the rank of admiral.


Nominations Received:

Nominations Received: Senate received the following nominations:

1 James P. Rubin, of New York, to be an Assistant Secretary of State.

1 Paul Simon, of Illinois, to be a Member of the National Institute for Literacy Advisory Board for a term expiring September 22, 1998.

Harold W. Fuchtgott-Roth, of the District of Columbia, to be a Member of the Federal Communications Commission for a term of five years from July 1, 1995.

William E. Kennard, of California, to be a Member of the Federal Communications Commission for a term of five years from July 1, 1996.

Bonnie R. Cohen, of District of Columbia, to be an Under Secretary of State.

28 Army nominations in the rank of general.

1 Marine Corps nomination in the rank of general.

Communications:

Statements on Introduced Bills:

Additional Cosponsors:

Amendments Submitted:

Additional Statements:

Record Votes: Seven record votes were taken today. (Total—92)

Adjournment: Senate convened at 9:30 a.m., and adjourned at 3:40 p.m., until 10 a.m., on Tuesday, May 27, 1997, for a pro forma session. (For Senate's program, see the remarks of the Majority Leader in today's Record on page S5149.)

Committee Meetings

No committee meetings were held.

House of Representatives

Chamber Action

The House was not in session today. It will next meet on Tuesday, May 27.

Committee Meetings

No committee meetings were held.
Next Meeting of the SENATE
10 a.m., Tuesday, May 27

Program for Tuesday: Senate will meet in pro forma session.

Next Meeting of the HOUSE OF REPRESENTATIVES
10 a.m., Tuesday, May 27

Program for Tuesday: No Legislative Business.

Extensions of Remarks, as inserted in this issue

HOUSE
Bryant, Ed, Tenn., -E1059
Crane, Philip M., Ill., -E1051, E1061
Dingell, John D., Mich., -E1054
Dreier, David, Calif., -E1060
Faleomavaega, Eni F.H., American Samoa, -E1063
Fazio, Vic, Calif., -E1055
Fowler, Tillie K., Fla., -E1063
Graham, Lindsey O., S.C., -E1054
Hall, Ralph M., Tex., -E1059
Houghton, Amo, N.Y., -E1058
Johnson, Eddie Bernice, Tex., -E1062
Livingston, Bob, La., -E1058
McCollum, Bill, Fla., -E1051
Payne, Donald M., N.J., -E1061
Peterson, Collin C., Minn., -E1059
Sessions, Pete, Tex., -E1055
Smith, Christopher H., N.J., -E1053
Solomon, Gerald B.H., N.Y., -E1054