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House of Representatives

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

On this day we are aware of all Your gifts to us, O gracious God, those gifts that brighten our days, that warm our hearts, and strengthen our spirits. We are especially conscious of the gift of friendship and those relationships that help bind us one to the other and give us a sense of unity in a common bond. With all the distractions that pull us from a noble vision of life, we are enthused that there are people who inspire and encourage us, whose loving concern lifts us up and helps point us in the way. For the gift of friendship that provides harmony and support in our lives, we offer this prayer of thanksgiving and praise. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Ohio [Mr. TRAFICANT] come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

CONGRATULATIONS TO CONGRESSMAN AND MRS. CHET EDWARDS ON BIRTH OF SECOND SON

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

Mr. GREEN. Mr. Speaker, I rise today to congratulate our colleague and our friend, the gentleman from Texas [Mr. EDWARDS], and his wife Lea Ann, and their son John Thomas on the birth of their second son, Garrison Alexander. Garrison Alexander was born at 10:32 on Sunday, July 6 at Hillcrest Baptist Hospital in Waco, TX. He weighed 6 pounds and 1 ounce.

Garrison Alexander is named in honor of his two grandmothers, Shirley Garrison Edwards and Patricia Alexander Wood. His 1½-year-old brother that all of us know as J.T. is named in honor of his two grandfathers, Rev. John A. Wood and Thomas Edwards.

I have had the pleasure of working with the gentleman from Texas [Mr. EDWARDS] on many issues that affect Texas and our Nation, and he represents his constituents with the highest degree of integrity. He is a devoted family man, and he will be a terrific father to Garrison, just like he has been to J.T. Both Edwards boys are very lucky to have such a loving family with CHET and Lea Ann.

I am also privileged to have the opportunity to play this small part with the Edwards family. We all wish heartfelt congratulations to the proud parents and hope the rest of Congress joins me in welcoming Garrison Alexander into this world. I want to thank CHET and Lea Ann as we celebrate bringing another Texan in to serve our Nation.

GIVING CREDIT WHERE CREDIT IS DUE

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

Mr. BALLENGER. Mr. Speaker, it is time to give credit where credit is due. In today's Washington Post on the front page there is an article announcing that the budget could be balanced ahead of schedule. The budget could be balanced as early as next year. How can we explain this good news? Let us recall a little history.

In 1993, the President submitted a budget with huge deficits as far as the eye can see. In 1994, the President submitted a budget with huge deficits as far as the eye can see. In 1995, the President submitted three budgets with huge deficits as far as the eye can see.

But in 1995 a big change came to Washington. Republicans came to town promising to balance the budget and they were serious. They insisted that the President join us in an effort to balance the budget, and the President finally agreed. Our determination and seriousness is now paying off. We are perhaps only 1 year away from a balanced budget. That is a victory that all Americans should celebrate.

CLEVELAND SHINES AS HOST OF ALL-STAR GAME

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

Mr. KUCINICH. Mr. Speaker, I rise to celebrate my city, Cleveland, OH, for its outstanding debut as America's All-Star city last night when the American League beat the National League 3 to 1 at Cleveland's Jacobs Field.

The All-Star victory was brought about through a dramatic two-run home run by Cleveland Indian Sandy Alomar, who was named the game's most valuable player. The midsummer night's classic showed Cleveland at its best, an All-Star city, a still-shining new Jacobs Field, the most enthusiastic fans anywhere, a first-rate, first-place team, the most valuable players.

When Sandy Alomar hit a home run to win the All-Star Game, he showed that Cleveland hits a home run every time it steps up to the plate nationally. Baseball, what a sport. The All-Star Game, what a game. Cleveland, what a city.

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TAX CUTS ON GILLIGAN'S ISLAND

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

Mr. HEFLEY. Mr. Speaker, the debate we are hearing these days about tax cuts for people who pay no taxes is worthy of a scene from Gilligan's Island. One can just imagine Gilligan complaining to the Skipper and asking him why he is not getting a tax cut.

At this point the Skipper would have already taken off his cap and smacked Gilligan over the head and cried with exasperation, ''Gilligan, don't be ridiculous!''

Then the Skipper, in his usual condescending way, would try to explain to his slow ''Little Buddy'' that it is impossible to cut taxes for someone who pays no taxes.

Gilligan would not need the Professor to explain to him the metaphysical impossibility of such a preposterous proposition, even though Gilligan lived in a fantasy land. All he would need is a good rap on the chest, a little common sense, and the advice, ''Gilligan, don't be ridiculous!''

□ 1015

LET US START CARING ABOUT AMERICAN KIDS

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

Mr. TRAFICANT. Mr. Speaker, Mexico's top narcotics organization has threatened to kidnap and murder American officials. The FBI said the Arellanno-Felix organization, in an effort to protect their drug shipments on our borders, will come in America and will kill.

Unbelievable here. America is overrun with heroin and cocaine, we have got kids dying in Chicago, Los Angeles, New York, and who cares, Congress? Who really cares?

And there is now a group of people trying to take the Traficant language out of the defense bill that authorizes, but not mandates, the use of the troops on our borders.

Are they nuts? Are they inhaling or what? Wake up, Congress. What has to happen? Will one of these narcotics organizations have to kidnap our drug czar?

America has no program, none, zero, and our borders are wide open.

Let us start caring for American kids.

CONSERVATIVE MAJORITY TO DELIVER TAX CUTS FOR THE AMERICAN PEOPLE

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

Mr. HAYWORTH. Mr. Speaker, it was good to be back home in the Sixth District of Arizona last week, being outside of the beltway and all of the speculation and all the imagined conversation, and to talk to honest to goodness Americans and Arizonans, people who are pleased at long last, Mr. Speaker, that this conservative majority will deliver on promises that should have been realized a long time ago: tax cuts for the American people, the first tax cuts in over a decade and a half.

Mr. Speaker, the people of the Sixth District viewed with alarm, concern and outright curiosity the claims by some about the notion of giving income tax cuts to people who do not pay income taxes. They said it in Show Low, Arizona, they said it in Eagar and Overgaard: How do we give an income tax cut to someone who does not pay income taxes? How indeed, Mr. Speaker?

The good news is, over 70 percent of our tax cuts go to middle income families, working Americans. We realize the value of work, we realize the value of individual initiative, and Mr. Speaker, we realize the value of having hard-working Americans keep more of their own money in their pockets and send less of it here to Washington.

URGING SUPPORT FOR RESTRICTIONS ON GUN TRAFFICKERS

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

Mr. BLAGOJEVICH. Mr. Speaker, now that the U.S. Supreme Court has struck down the background check provision of the Brady law, it is imperative that we have Federal legislation so that States with strong gun laws cannot be undermined by those with weak gun laws.

Take my home State of Illinois, for example. Illinois has tough gun laws, including background checks. Other States, unfortunately, are not as tough on guns.

One of Chicago's major highways, Interstate 55, runs through four States with gun laws a recent study described as very weak. I–55 is otherwise known as the iron pipeline. These States are irresistible to Chicago's street gangs and drug dealers who need firearms to protect their turf. It brings a whole new meaning to the phrase, ''Have gun, will travel.''

We can take steps to shut the valve on the iron pipeline and on other interstate highways that have become virtual firearm freeways. Join me in supporting the bill of the gentleman from New York [Mr. SCHUMER] that would give out mandatory 3-year prison sentences to convicted gun smugglers and limit people to one handgun purchase per month.

ANY EXCUSE IS A GOOD EXCUSE

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

Mr. TIAHRT. Mr. Speaker, any excuse is a good excuse if someone does not want to do something. The liberals do not want to vote for tax relief, so any excuse will do. The most frequent excuse is that tax relief will only go to the rich.

In today's Washington Post in the James K. Glassman column it says the Democratic Policy Committee recently sent an outraged fax to radio talk show hosts around the country. Under the current GOP proposal, this is a quote, ''The top 1 percent of Americans would receive more benefits than the combined bottom 60 percent in tax cuts.''

The IRS reports that the top 1 percent of Americans paid 29 percent of the Nation's income tax bill, and the bottom 60 percent paid just 9 percent. So to be fair, the top 1 percent should get triple the cuts as the bottom 60 percent.

But that is not the plan. The plan is targeted tax relief for the middle class. That is what we passed in this House.

But any excuse is a good excuse if someone does not want to vote for tax relief.

TRIBUTE TO CHARLES KURALT

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

Mr. ETHERIDGE. Mr. Speaker, I rise today to pay tribute to a North Carolina hero who made us all proud to be Americans. Yesterday Charles Kuralt was laid to rest in Chapel Hill, NC. His award winning-broadcast career celebrated not the lifestyle of the rich and famous, but regular ordinary Americans off the beaten path. He inspired us not with stories of glitzy stars or flashy celebrities, but the common men and women whose everyday lives and work made this country great.

It was North Carolina's values that sent Charles Kuralt on the road to discovery, and it was our good fortune that he took us along for the ride.

Born in Wilmington, raised in Charlotte and educated in Chapel Hill, Charles Kuralt lived and breathed North Carolina even as he reported to us from around the country and across the world. He took North Carolina values with him wherever he went, and his road was our road.

Yesterday under a scorching sky of Tarheel blue this North Carolina hero made his final trip.

Rest in peace, Charles Kuralt.

WHO REALLY BENEFITS FROM A CAPITAL GAINS TAX CUT?

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

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, who owns stock and who will benefit from the capital gains tax relief that the Republicans are attempting to provide? Well, it is time

for some surprising news, and this news flatly refutes the Democrat catch phrase: Tax cuts for the wealthy.

According to a recent stock market survey, stock ownership doubled over the past 7 years to 43 percent of the adult population. Forty-seven percent of all investors are women. Fifty-five percent are under the age of 50. Fifty percent are not college graduates.

So let us think about that and compare it to the absurd stereotypes perpetuated by the liberals. Almost half of all American adults own at least one share of stock. Slightly under half of all shareholders are women. More than half of all investors are not yet 50, and half of all those with a stake in investments are not college graduates.

Are the liberals really against helping these people? Are they sure that cutting taxes on savings and investments only helps the rich? Maybe it is about time the liberals updated their stereotypes.

REPUBLICAN BUDGET FAILS TO PROVIDE HEALTH COVERAGE FOR MOST CHILDREN

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

Mr. DOGGETT. Mr. Speaker, over 10 million American children lack health insurance. They lack the ordinary means to gain access to the health care system.

Unfortunately, Texas leads the Nation with 46 percent of our children, almost one in two, lacking health insurance. These are the kids that do not see a doctor when they are sick, unless they get so sick they have to be rushed to the hospital emergency room. They are the children of the working parents who are struggling to make ends meet but get no health insurance at their job.

Some 5 million of these kids were supposed to be covered by this great Republican budget bill that we have heard ballyhooed here this morning.

Well, last week the Congressional Budget Office that this Republican crowd hired reported that they left off a zero in their great plan; they are only going to cover 500,000, not 5 million new kids in America.

In politics they say half a loaf is better than no loaf at all, but for those many kids who need health care and health insurance the Gingrich Republicans are only providing a heel.

A BRIGHT FUTURE FOR AMERICA

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

Mr. NEUMANN. Mr. Speaker, I rise this morning to call attention to what is happening in Washington out here. We are about to conclude legislation that balances the budget, restores Medicare, and reduces taxes on the American people.

The front page of the Washington Post this morning says that the budget may be balanced as soon as 1998, and they credit a robust economy, but they forget to mention that in addition to a robust economy we have a new group of people in Washington that is curtailing the growth of Government spending. When the government spends less, that means they have a lower deficit, and that means they borrow less money out of the private sector. More money available in the private sector means the interest rates stay lower, and when the interest rates stay lower, people buy more houses and cars, and of course people have to go to work to build those houses and cars, and that means they leave the welfare rolls and they go into the work force and that creates a strong economy.

That is what is going on in this country today, a balanced budget, Medicare restored, lower taxes on the American people. That is a bright future for America. That is a bright future for our children and our grandchildren.

CHILD TAX CREDIT DENIED WORKING FAMILIES

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

Mr. BONIOR. Mr. Speaker, it is wrong to deny tax relief to America's working families, and what we are seeing here again is the Republicans and their rich and wealthy friends bashing working Americans and their families. Compared to the President's proposal, the Republicans' proposal, 4 million working families will be largely denied a child tax credit under their plan. These are people who make between $20,000 and $30,000 a year.

An example: Consider a family of four with two children, living in a medium-sized southern city. The father is a rookie police officer. He makes $23,000 a year. Mother takes a few years off to take care of the kids. What happens under their plan? Zero. Zero for that family. Under the President's plan, $767.

They take their credits and they give it to the wealthy in the form of tax relief on corporate minimum tax, a $22 billion giveaway. They give it to relief with respect to capital gains and indexing, $650 billion that explodes in the outyears.

They are bashing working people, and they are doing it to take care of their wealthy friends. It is wrong, it is outrageous, and we need to stop it.

TAX REDUCTION FOR THE MIDDLE CLASS

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

Mr. COBURN. Mr. Speaker, I do not usually get up here and talk, but there is a lot of absences that we did not hear just a minute ago, a lot of things that were left out.

There are 4 million people today who are receiving Federal income money who earn no money. It is called the earned income tax credit. It is 36 percent of the claims for that are fraud. It is the most abused system that we have.

It is not about leaving those people out. It is about creating an opportunity for them to join the rest of America through a tax reduction that is for middle class America. They are already granted earned income tax credits.

What we are saying is, if they work and pay taxes, they ought to get a tax cut. If they do not work and we are already giving them a payment, maybe we should not give them more so we can encourage them to work.

SURVIVAL OF THE FITTEST?

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

Mr. STRICKLAND. Mr. Speaker, in all due respect to the previous speaker, only people who work qualify for the earned income tax credit. This is not money going to people who do not work. If they do not work, they do not qualify.

Sadly, my colleagues on the other side of the aisle seem to embrace a survival of the fittest mentality. If people are wealthy, if they are healthy, they are deemed to be good and worthy. If they are old or sick or poor, somehow they do not deserve a part of the American dream. They do not deserve a tax break.

We are going to get a tax bill, but I hope the American people are watching us, because this tax bill must be a fair bill. Under the Republican bill, if a family has four children and makes $18,000 a year, they will get nothing, nothing under the child tax credit provision. But if a similar family makes $80,000 a year, they will get $2,000. Nothing for the poor family; $2,000 for the well-to-do family.

The Republican bill takes care of the well-to-do. We have got a responsibility to stand up for America's working families.

TAX CREDITS FOR TAXPAYERS

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

Mr. KINGSTON. Well, Mr. Speaker, it is only 10:30 and the Democrats are already confused. No surprise, but usually they make it to 11 o'clock.

Here is the idea of nothing for the poor. Let us examine the case of a person who is poor who does not work. Their children get WIC, their children and they get food stamps, they get Medicaid, they get public transportation, they get college education, they get free housing.

Now on top of that the Clinton Democrat liberals want to take $500 per

child tax credit from a single working woman with a 14-year-old and 16-year-old, and instead of giving that single working woman a $1,000 tax credit for her 14-year-old and 16-year-old, they want to say no, she does not get any of it, and give it to somebody who is not working and who is not paying taxes.

There is no discussion here about the poor not getting anything. What we are discussing here is taking the money from middle class working people and giving it to those who are not paying taxes. This is a tax credit. Tax credit goes to those who pay taxes.

We are not debating taking away public assistance benefits which are secure, which will continue to go to the poor.

□ 1030

MIDDLE-INCOME AMERICANS SHOULD GET TAX CUTS

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

Ms. KILPATRICK. Mr. Speaker, in 1993, when President Clinton took over, the deficit was over $250 billion. In 1993, with the President and all the Democrats in the Congress, not one single Republican voted on a deficit reduction plan. Today that deficit is $45 billion. The deficit is indeed coming down.

This Congress voted for an $85 billion tax cut. That tax cut goes only to people who are working and who pay taxes. That is the Democratic plan. The question is, who will get those tax cuts? We believe that middle-income Americans ought to get those tax cuts; that they ought to receive deductions for education for their children, that they ought to receive child tax credits. The Democratic plan says that.

Do not be confused. The facts are simple. Who should get the tax cuts? Democrats and the President believe those tax cuts ought to go to middle-income people for deductions for their children's education and for child tax credits. Check the facts. Members should know what they have before them. We believe that $5 billion ought to go to hard-working Americans and yes, people must work to get the tax credit.

REPUBLICANS ARE COMMITTED TO TAX CUTS

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

Ms. PRYCE of Ohio. Mr. Speaker, while liberal Democrats are busier than a White House shredder coming up with excuses why they are against tax cuts, Republicans in Congress remain committed to passing the first tax cuts in 16 years. Let us recall that Congress would not even be talking about tax cuts were it not for the Republicans in control. After all, prior to 1994 the Democrats were in power for decades. They had their chance to give average families tax relief. They chose instead to pass President Clinton's tax increase, the largest tax increase in U.S. history. Now I hear the other side making claims that they really are for tax relief, only they are not for the Republican tax package.

With all due respect, those claims are about as credible as the White House claims that no one can remember who hired Craig Livingstone. No, the sad truth is that Democrats have not stood for tax relief since President John F. Kennedy. The proof is in the pudding.

REPUBLICAN PLAN BENEFITS THE WEALTHY

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

Mr. MILLER of California. Mr. Speaker, according to all of the news services, the public understands very well what is going on. Sixty-one percent of the American people now understand that the Republican tax bill gives most of the benefits to wealthy corporations and to wealthy individuals.

What is the Republicans' response to this fact? The response is to go out and hire a new public relations firm to try to tell a new story about their tax bill. It is not to change their tax bill, to take care of working families, it is not to change their tax bill to take care of the children of working families, but it is to change the public relations firm.

What the Republicans ought to do is start sharing some of the benefits of that tax bill with people who wake up every morning and go to work and work hard but do not make a lot of money. They, too, would like to take care of their children. They, too, would like to be able to educate their children. But the Republicans do not do that. They decide in fact that corporations should no longer have to pay the alternative minimum tax. They decide in fact that people who clip coupons should pay 15 percent of taxes while people who go to work should pay 28 percent on their taxes.

DEMOCRATIC TAX PLAN IS WELFARE

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

Mr. CHABOT. Mr. Speaker, well, the liberals in this place have finally done it. After 40 years of building the welfare state, the liberals have finally come up with the ultimate welfare policy. They have discovered a way to try to turn a tax cut into a welfare program. Under the Republican plan, 75 percent of the tax cuts go to people who make less than $75,000. Liberals want to give welfare to people who are not paying any taxes at all and then call it a tax cut. Welcome to liberalism in the 1990's.

Taking money from the taxpayers and giving it to people who do not pay any taxes at all is not a tax cut at all. That is welfare. Let us call it what it really is. In fact, it is so ridiculous that I dare anyone on the other side to try to come and explain it to my constituents with a straight face. Good luck.

TAX CUTS

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

Mr. LEVIN. Mr. Speaker, while the gentleman is here who just spoke, the President's proposal would give a child credit only to those who work and pay Federal taxes, income or withholding, Social Security, period. So do not come here and distort the truth.

Second, in 1993 I voted for that package. I am proud of it. We have now a deficit that may be disappearing. Why? Because we Democrats had the guts in 1993 to stand up.

Third, this 75 percent figure going to those who earn under $71,000, it is a 5-year analysis at best. Give us a 10-year analysis. They do not give it to us because it will show that most of the tax cut would go to very wealthy families, and I would say here to Mr. Kies of the Joint Committee on Taxation, today come up with a 10-year analysis. He does not because he hides the fact who will benefit, and that it would explode the deficit after 5 years.

STRENGTHENING FEDERAL LAWS AGAINST CRIMINALS WHO COMMIT CRIMES AGAINST CHILDREN

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

Mr. FRANKS of New Jersey. Mr. Speaker, today I am introducing the Joan's Law Act of 1997. This legislation will reflect the recently enacted New Jersey Joan's Law.

I introduced this bill on behalf of the family and friends of Joan D'Alesandro, a 7-year-old Hillsdale, NJ, girl who was raped and murdered in 1973. Joan's murderer, who lived across the street and participated in the family's search for their daughter, was sentenced to 20 years in prison. Now eligible for parole, he has twice sought release since his incarceration.

Mr. Speaker, my bill states that any person who is convicted of a Federal offense defined as a serious violent felony should be sentenced either to death or imprisonment for life when the victim of the crime is 14 years of age or younger and dies as a result of the offense. This bill sends the strongest possible message to anyone who would take the life of a child: If you do so, you will either forfeit your own life or live out all your remaining days in a Federal prison.

I urge my colleagues to cosponsor this legislation.

AS USUAL, REPUBLICAN TAX CUTS ARE FOR THE WEALTHY

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

Mr. OLVER. Mr. Speaker, life in America is always changing these days, but one thing that Americans know never changes. That is, when Republicans say cut taxes for the middle class, they really mean cut taxes for the wealthy. Of course, they want us to believe that their tax cut is fair and that it is for the middle class, but their plan says otherwise.

The fact of their plan is that one-third of all the tax cut goes to the top 5 percent of the American people. Two-thirds of their tax cut goes to the top 20 percent. By contrast, in the President's plan two-thirds of the tax cut goes to the middle class, of the 60 percent of Americans whose income lies between $15,000 and $75,000 a year. Under the Republican plan, the rich become very much richer. Under their plan, the crumbs from the plate go to the middle class, that broad middle class of 60 percent, and the poor lose their shirts. That is not fair. In fact, it is even class warfare.

CONFUSION AND DISHONESTY IN DISCUSSION ON TAX CUTS

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

Mr. THUNE. Mr. Speaker, there seems to be a lot of confusion in the Chamber this morning. To me it is really quite simple. If you pay Federal income taxes, you are going to get a lower tax burden. If you do not, you do not get lower taxes. I think that is a pretty clear distinction.

But we have a problem here because there is a lot of confusion and distortion about what the facts are. The Treasury Department states that there are 21.2 million families or people in America who are making more than $75,000 a year. That is double the census number.

I am going to tell the Members why. Because in their number they include not only adjusted gross income, but IRA's and Keogh, Social Security, life insurance, inside buildup pensions, employer-provided fringe benefits, and imputed rental income that you would get if you rented your house that you are currently living in.

Talk about doctoring the numbers. All we are talking about is adjusted gross income as adjusted gross income. We have to talk honestly if we are going to have an honest debate. There is a lot of dishonesty in this town right now. Frankly, anybody who buys into that kind of funky bookkeeping must be growing a very long nose.

DEMOCRATS HAVE THE FAIRER TAX PROPOSAL

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

Mr. WATT of North Carolina. Mr. Speaker, this chart tells the whole story. This is the percentage of the tax cut benefit that goes to the middle 60 percent of the people in this country, 60 percent of the people who work every single day. They are not on welfare. They work.

Under the President's tax proposal, 67 percent of the benefit of his proposal would go to those people. Under the House version of the tax bill, 32 percent of the benefit would go to that 60 percent of the people. Under the Senate version of the bill, 34 percent of the benefit would go to that 60 percent of the people. Now, tell me which tax cut proposal is fairer? What happens to the benefit that is not shown here in the Republican's proposal? It goes to the top 20 percent of the people.

REPUBLICANS' TAX PLAN TARGETS TAX CUTS TO AMERICANS WHO PAY TAXES

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

Mr. GANSKE. Mr. Speaker, I just want to provide a few facts for this debate on tax cuts for the wealthy, quote unquote. I do not normally quote from Albert Hunt's column in the Wall Street Journal but I am going to today, because I think he has his numbers right.

If we take a family of four with two children that are earning $23,000 a year, they would pay approximately $700 in Federal income tax. That would be what they would owe the Government in Federal income tax. However, under current law they would qualify for an earned income tax credit of about $1,700. So if we deduct what they owe the Government from the amount that they get back from the Government, they are getting a check back from the Government for $1,000.

Our tax bill is focused and targeted on families who are still sending funds in to the Government for their taxes. That is why those families that are getting a check back from the Government do not qualify under the Republican plan. I think that is what the majority of people in my district want.

THE DEMOCRATIC TAX PACKAGE ACKNOWLEDGES WORKING AMERICANS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thought that we could civilly discuss this very important issue of taxes. Unfortunately, Al Hunt also in that article said that a police officer making $23,000 a year would get nothing under the House and Senate proposal.

But let me really focus the Members. A single mother lives with her 7-year-old daughter in Texas. She has been working as a bank teller for several years. She gets $20,000 a year. She tallies up her tax. She pays $1,200 in Federal income tax. She gets a $1,150 earned income tax credit. However, she pays $1,500 in payroll taxes, not to mention what her company pays for her.

How does the gentleman dare say this working woman making $20,000 should not get the $500 a year tax credit and claim that she is on welfare? How dare he insult those single working mothers who are every day taking care of their children? I am ashamed. The Democratic alternative, the President's bill, acknowledges working Americans.

Let me just simply say that the OTA, and that is the Treasury Office, its tax analysis, an independent body has said, provides a more comprehensive measure, more consistent with how economists would measure the bill's benefits to individuals, meaning the President's calculus is more accurate than the Republicans.

This is a ridiculous debate. Vote for working men and women and vote for the Democratic plan.

DEMOCRAT CLASS WARFARE WARRIORS ARE AT IT AGAIN

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

Mr. PAXON. Mr. Speaker, the Democrat class warfare warriors are at it again. They want to talk about tax cuts for the rich. They seem to define the rich as anyone who pays income taxes. We do not need fancy charts from OMB or CBO or the Treasury to determine if one benefits under our Republican tax plan. It is rather easy.

No. 1, if you pay income taxes and you have children under 17, or you pay college tuition or you are trying to save for the future, or you are trying to sell your small business or your family farm, or you are trying to keep that small business or family farm in your family, you will benefit from tax relief provided under the Republican plan.

□ 1045

It is time to put class warfare aside. The class warfare warriors in the Democratic Party need to take a rest. Our Republican tax relief plan is for all Americans at all stages of their lives.

A REPUBLICAN TAX BILL THAT BENEFITS THE RICH

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

Ms. DELAURO. Mr. Speaker, this debate about the tax bill is about who benefits. My Republican colleagues once again are trying to pass a tax bill that benefits the wealthiest of Americans and forgets about average middle-class families. And once again, only people who work and pay taxes are eligible for a tax cut. Do not let them distort the facts.

I will tell my colleagues that 61 percent of the people in this country are not buying their distortions because they believe that the Republican Congress is out of touch with the American people. Do not take my word for it. Newsweek magazine, an article by Jonathan Alter, said the following: A new CNN/USA Today poll shows 61 percent believing the GOP Congress is out of touch. And that is before middle-class voters even learn that the GOP wants to give a chunk of their tax cut to Donald Trump.

Donald Trump, one of the richest men in the world. They would provide a tax cut for the richest corporations in this country, yielding some of those folks a zero tax break.

Class warfare? Yes, indeed, Mr. Speaker, the Republican Party, the Republican majority in this House has declared war on middle-class America. Let us not let them get away with it.

CLASS WARFARE

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

Mr. DREIER. Mr. Speaker, class warfare is exactly what it is, and they are engaging in it. It seems to me that as we listen to this vitriolic attack on the capital gains tax cut, which God forbid Donald Trump might benefit from, let us look at who really benefits from reducing that top rate on capital gains.

Over a 7-year period, the average family of four would see an increase in their take-home pay of $1,500 per year. We continue to hear talk about how $1,500 is going to be cut from the average family with this package. Baloney. We need to realize that a capital gains tax cut is what the American people need to help those who want to emerge from middle-class status and frankly become wealthier. So they are the ones who are trying to engage in this us-versus-them argument. We are the ones who recognize that we are all in this together; because the fact of the matter is, Paul Tsongas was absolutely right when he described his political party and said, you know, the Democrats unfortunately love employees but they hate employers. We are all in this together, Mr. Speaker. Let us support the Republican tax plan.

QUINCY LIBRARY GROUP FOREST RECOVERY AND ECONOMIC STABILITY ACT OF 1997

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 180 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 180

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 858) to direct the Secretary of Agriculture to conduct a pilot project on designated lands within Plumas, Lassen, and Tahoe National Forests in the State of California to demonstrate the effectiveness of the resource management activities proposed by the Quincy Library Group and to amend current land and resource management plans for these national forests to consider the incorporation of these resource management activities. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Resources. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment recommended by the Committee on Resources now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute printed in the Congressional Record and numbered 1 pursuant to clause 6 of rule XXIII. That amendment shall be considered as read. Points of order against that amendment for failure to comply with clause 7 of rule XVI or clause 5(a) of rule XXI are waived. No amendment to that amendment shall be in order except an amendment printed in the Congressional Record pursuant to clause 6 of rule XXIII, which may be offered only by Representative Miller of California or his designee, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. MILLER of Florida). The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my very good friend, the gentleman from Dayton, OH [Mr. HALL], and, pending that, I yield myself such time as I may consume. All time yielded is for the purpose of debate only.

(Mr. DREIER asked and was given permission to revise and extend his remarks and to include extraneous material.)

Mr. DREIER. Mr. Speaker, this rule makes in order H.R. 858, the Quincy Library Group Forest Recovery and Economic Stability Act of 1997 under a modified closed rule. While I share the sentiments of the minority that bills of this nature should be considered under an open amendment process, I believe a modified closed rule in this instance is appropriate and justified.

The Quincy Library Group is a 41-member coalition of local environmental organizations, the timber industry and local officials that met in Quincy, CA. In 1993, the group developed an innovative consensus-based pilot program to permit local management of 2.5 million acres of three national forests in California. It is a responsible plan that emphasizes local cooperation and balances environmental protection with local economic needs.

H.R. 858 is intended to end the 4-year stalemate over the implementation of environmentally sound management practices for the Plumas, Lassen, and Tahoe National Forests that are aimed at preventing wildfires that are a serious threat to life and property.

The Committee on Resources has been negotiating for 8 weeks with environmental groups, the Clinton administration and even our California colleagues over in the Senate to address their substantive concerns.

The amendment in the nature of a substitute that is made in order by the rule addresses all of their concerns except the concern over local control, which is the primary purpose of this bill. In particular, the substitute amendment specifically states that the pilot project is subject to all existing environmental laws and reviews. Let me underscore that again, Mr. Speaker. The pilot project is subject to all existing Federal environmental laws and reviews.

The amendment in the nature of a substitute accurately reflects the plan that was painstakingly negotiated by this 41-member coalition. There is a legitimate concern that efforts to substantively revise that plan could cause that coalition to unravel.

The Quincy Library Group bill has bipartisan support. To strengthen that support, the rule affords the respected ranking minority member of the Committee on Resources, my colleague, the gentleman from California [Mr. MILLER], to offer a germane amendment to further address additional concerns that, in the unlikely event, may be overlooked in the substitute amendment.

The rule, Mr. Speaker, ensures ample debate by providing 1 hour of debate on the Miller amendment in addition to the 1 hour of general debate. So Mr. Speaker, this is a responsible rule that will ensure the integrity of the Quincy Library Group while allowing for an innovative and responsible forest management plan, a pilot plan to be developed by local consensus so that we can move forward.

For these reasons, Mr. Speaker, I urge adoption of the rule and of the bill itself.

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

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume. I thank my colleague from California, Mr. DREIER, for yielding to me this time.

This resolution 180 is a modified closed rule. It will allow for the consideration of H.R. 858. This is a bill that directs the Secretary of Agriculture to conduct a 5-year pilot project for the management of lands within three national forests in the Sierra Nevada Mountains in the State of California.

As my colleague has described, this rule provides for 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Resources. This modified closed rule makes in order one amendment offered by the gentleman from California [Mr. MILLER], the ranking minority member of the Committee on Resources. No other amendments may be offered.

Reluctantly, I oppose the rule because it is an unnecessary restriction of the rights of House Members to offer amendments to this bill on the floor.

During the hearing of the Committee on Rules last night, the gentleman from California [Mr. MILLER] testified that this is a controversial bill. It is opposed by State and local California environmental groups, and furthermore he testified that his concerns could be taken care of with about a half a dozen amendments.

My principal opposition to the rule is not based on the procedure up to this point. During the Committee on Rules hearing, the gentleman from Alaska [Mr. YOUNG], chairman of the Committee on Resources, testified that numerous changes had been made in the bill to accommodate the opposition. In general, the committee process has been followed. The controversy that has resulted is part of the normal process when basic disagreements continue to exist after fair debate at the subcommittee and committee level.

The next step, which this rule will not permit, is to carry those disagreements to the House floor. Members should have the right to continue the perfecting process before the House in full view of the American public. Instead, Members are offered the right to vote on only one amendment and then to consider the bill on a take-it-or-leave-it basis.

House tradition and custom encourage full and fair debate on the House floor whenever possible. That tradition is particularly strong in the Committee on Resources, which has rarely requested a restricted rule. Supporters of this restrictive, modified closed rule have failed to make the case that an exception should be made now, and as crowded as the floor schedule is for this month, surely room could have been found to take up the half dozen amendments that might be offered.

While the fire protections in the bill are needed soon by the people of California, this bill has already been in development for 4 years. The extra debate time to consider amendments will make little difference.

Mr. Speaker, this legislation is about the management of the national forests supported at taxpayers' expense to protect environmental resources that belong to all Americans. The representatives of the people should have the right to shape this legislation on the House floor. I oppose this rule.

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

Mr. DREIER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Sanibel, FL [Mr. GOSS], chairman of the Subcommittee on Legislative and Budget Process and chairman of the House Permanent Select Committee on Intelligence.

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

Mr. GOSS. Mr. Speaker, I thank the distinguished gentleman from California, vice chairman of the Committee on Rules, acting chairman today in the absence of the chairman, for yielding me this time.

I rise in support of what I think is a very fair rule for a very important subject that I think in some ways is a bellwether to be used again and again and again as a model in this controversy we have between private property rights and the preservation of our natural resources, which we generally speak of in terms of our environmental legislation.

Obviously we are never going to entirely have a winner on one side or the other of that debate. We are always going to have protection of our natural resources because our quality of life demands it, and we are always going to have private property rights because they are guaranteed, as they should be, in the Constitution of the United States.

Finding ways to work out solutions when they come in conflict is what this bill is about in one narrow specific area of the United States. I believe that the rule we have crafted works out quite well. It is a modified closed rule. It ensures that the minority opposed to some aspects of this bill, which I understand was reported out of the committee nearly unanimously; that nevertheless there was a minority and that that minority has the opportunity to improve the bill in their view through a single amendment and, of course, through the traditional motion to recommit. I am told, frankly, that this legislation is a result of 4 years of discussion by the interested party, the Quincy Library Group, which is a coalition of the environmental leaders, timber industry officials, local citizens and other interested parties in the area who would be immediately affected.

□ 1100

It would be unfortunate, I think, to allow the diligent work they have done to be compromised by misunderstanding here by those of us who were not there or, frankly, to be derailed by mischief making in Washington which, strangely enough, happens every now and then.

This rule does not shut off the amendment process but it does provide for expedited consideration of this long-awaited bill and is supported by local groups representing all ranges of the ideological spectrum. The Quincy Library Group, in my view, should be commended. They have been the conflict resolution forum for a compromise that has been tailored and shaped to resolve a longstanding specific controversy in their area.

In effect, H.R. 858 implements a locally conceived management plan for three national forests in northern California. It establishes a 5-year pilot program designed to conserve forest resources, protect wildlife habitat, and provide economic stability for the region; jobs and quality of life together. Most importantly, it represents a step away from the Washington knows best mentality that has plagued our environmental policy over the years.

This bill presents a long overdue cooperative, locally driven approach to protect our precious resources and our jobs and well-being. It is a fresh approach to land management. I applaud it. It is one that empowers local folks to make decisions and find solutions that work for them.

I urge my colleagues to support this rule, which I think preserves the package, allows for the amendment if the minority wishes to make it, and allows us to get on to reflect our own views on how we will vote on the final bill, which I also urge support for.

Mr. Speaker, I thank the gentleman from California for being so generous with his time.

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

Mr. VENTO. Mr. Speaker, I rise in opposition to the rule. The fact is that, I suppose in a sense, based on the past consideration of our timber policies in the last Congress and this Congress, that this represents a great liberalization of our opportunities to vote and debate on issues that affect our national forests. The fact is we have not had many votes on such national forest policies.

The last session, we had the discussion on the timber rider, as it became known, the infamous timber rider, the salvage timber rider which, under the auspices of timber salvage, basically opened up many of our national forests to really an unregulated adventure in terms of harvesting timber in the name of trying to suppress fires and so forth, all with good words of intent; but the consequence of it was that not just salvage operations, which are ongoing and an administrative function of the Forest Service, was in place, but in fact they ran counter to what would be sound forest health practices.

This measure that is before us and this rule, of course, does not provide for the open-ended open amendments. I

do not know of any effort to offer a significant number of amendments that would derail this particular bill, but it is an effort to overcontrol and overmanage what should be an open process on this floor. If there was a bill that could have an open amendment process, this would be it.

I do not know the outcome, but I would just suggest to the Members on the substance of this bill, because many Members have discussed the substance, this is not an argument over private property rights; this is a question of how we are going to manage three national forests all public lands, three national forests and a land mass of about 2½ million acres. So it comprises a significant portion of our national forests, the public domain not owned by private land holders.

Two-and-a-half million acres, and an area that has been of significant controversy in the Pacific Northwest with regard to the policy path for our timber harvest. The fact is that Congress has had heavy hands in this area in terms of mandating legislative timber cuts for a long time.

Finally, when the reality of an ecological crash really occurred with regard to species and diversity of wildlife and so forth in the Pacific Northwest, that resulted in lawsuits and a whole series of efforts that basically denied the problem during the Bush administration, this Clinton administration worked very hard to put in place a sound forest plan, a forest plan or planning process that has been difficult for everyone, concerned in terms of accepting the types of harvest and limits that were necessary because of new scientific information.

Now, with these key forests, a group got together, and I think all of us respect local input and respect the virtue of that, but this Quincy group has not formulated fully all of the ideas in terms of how this should be managed. The question is, should national forests be controlled strictly by local policies based upon generalized guidelines? A 22-page document that raises more questions than it answers.

If we are going to replace the NFS with such a local group, Quincy Library Group, in place of the Forest Service, which is significant national policy change, are the guidelines in place that will in fact best conserve and utilize the national forest resources, preserve the resources of these 2.5 million acres, three national forests? My answer to that is no. I think we need the Forest Service as a full partner at the table. I think we need the existing laws in place, not set aside.

The effort here to pass this law is to in fact superimpose this over the existing mosaic of Federal laws that guide the use of these national lands. Not private lands, national public lands. This effort, in my judgment, is an effort to hijack what is the Quincy Library Group, the local input, to try to superimpose it and to use it for other purposes. The end result here is to basically circumvent many of the existing environmental laws that we have, in fact, superimpose this particular policy path over such laws.

It is called a pilot project but, as I said, it involves 2½ million acres of land. It is not a pilot project. This is an effort to, in fact, circumvent the existing limits, court decisions, other factors that have provided a policy path today that in the Northwest is working, admittedly not with controversy.

Now, I think the Quincy Library effort is an admirable effort. I respect the people involved in it. I think they add significantly to the policies that are being pursued in these areas, but I think the idea is not fully developed. I think the Forest Service has not completed some of the negotiations, furthermore, trying to allocate nearly $100 million to the management of this plan for this particular group is expensive and it will take away from many of the other functions the National Forest Service is responsible for. While there is no new authorization in this bill, the expectation is that that hundred million dollars has to come out of the general budget of the forests involved and the hide of the Forest Service.

I would suggest the rule is inappropriate, not necessary, it should be opposed, as should this bill in its present form or with the amendments that are being proffered by the majority at this time.

Mr. DREIER. Mr. Speaker, may I inquire of the Chair how much time is remaining on both sides?

The SPEAKER pro tempore (Mr. MILLER of Florida). The gentleman from California [Mr. DREIER] has 23½ minutes remaining and the gentleman from Ohio [Mr. HALL] has 22 minutes remaining.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to the gentleman from Pleasantville, PA [Mr. PETERSON].

Mr. PETERSON of Pennsylvania. Mr. Speaker, I want to thank the gentleman from California for the chance to speak on this rule. As a member of the Committee on Resources, I am proud to stand here today to support the Quincy Library Group Forest Recovery and Economic Stability Act, and to support the rule that has been designed to preserve the locally generated compromise.

For more than 4 years this group has been meeting to find common ground on the policy governing management of these forests. The title of this bill is an accurate description of the proposal's intent to recover forest health and to achieve economic stability.

Why would a Member from Pennsylvania be interested in this measure? I support this bill because it serves to move the environmental debate away from passion-driven arguments toward science-based and consensus-based approaches to forest health issues and to the management of all of our national forests.

In the Fifth District of Pennsylvania, where I serve, we have the Allegheny National Forest, 520,000 acres, a forest that in no way is similar to these forests in northern California, but the Allegheny National Forest in Pennsylvania is 520,000 acres of the highest quality hardwoods in the world. Unfortunately, in the past, the Forest Service and this Congress has often tried to manage our national forests in one-size-fits-all.

There is a great difference between the western forests and the eastern forests. I am not as familiar with the western forests as I would like to be, but I believe there is probably a difference in the California forests and maybe the Montana and Wyoming forests, but yet in the past we have tried to manage one-size-fits-all.

H.R. 858 steers us toward sound science and conflict resolution in order to provide habitat protection for the California spotted owl, preservation of the roadless areas for the length of the pilot project, reduction of the fire risks through construction of fuel breaks, and stability of the wood products industry.

My fellow colleagues, I know there has been a long-time debate on the national forests. There are those who want to lock them up. There are those who think we should just look at them. I believe these investments were made years ago for many reasons and for many multiple uses. I believe we should always support locally generated solutions when we can have them.

I think this proposal steers us in a new direction of managing our national forests in a way that suits the region upon which they are in, in a way that protects the taxpayers of the great investment we made and preserves the high quality of these forests. When local wisdom and cooperation offer a solution to complicated emotional issues, I am doubtful a federal government is better equipped to make these decisions.

This is a good issue that has been worked out locally in northern California and I, from Pennsylvania, urge all of those from the East to look seriously at this compromise and accept it as a new way, a new direction to go in managing our national forests.

Mr. HALL of Ohio. Mr. Speaker, I yield 7 minutes to the gentleman from California [Mr. MILLER].

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, first of all let me speak to the rule. I think this rule is incredibly unfair given the complexity and the controversy surrounding this legislation that the Committee on Rules would deem that we can only have one amendment when in fact this is a multifaceted bill which now requires that we put all of the problems with this legislation in one amendment and accept it up or down, when in fact

there are parts of this bill that may very well be able to be fixed on individual votes but we are not allowed that opportunity.

I want to say that in the future, I think that when the ranking members of committees come before the Committee on Rules and ask for the opportunity to present differences in the form of amendments and those are not granted, I think we should just assume that the Committee on Rules then owes us time. If we need five amendments and they give us one, they owe us 4 hours of time. And we should take it out in terms of motions to rise or motions to adjourn or whatever it is to take up and get back that time, because this is unacceptable, an unacceptable practice of shutting down the voices of many Members of Congress that represent a different view on the reported legislation, and yet they are not entitled to offer those amendments or to seek to have the House record itself on those differences.

Now, to this legislation. This legislation is brought forth as a suggestion that somehow this embodies the Quincy Library Group, which was a group that was formed to try and see whether or not we could pull together the disparate forces and interests in our national forests, to see whether or not we could come up with a management plan for those forests. Somewhere between the Quincy Library Group and the floor of the House of Representatives today this process was hijacked. This process was hijacked by those who were interested in cutting trees, not in truly managing the forest.

That is why this legislation has very, very serious problems, problems that are highlighted by the administration in its statement of administrative positions, and that is why this legislation has terrible problems with not only many, many environmental organizations within the State of California but of the national environmental organizations.

Let us understand what we are talking about. One of the previous speakers got up and talked about private property or something. We are talking here about the public's resources. We are talking about the national forests of this Nation. These lands belong to the public. We want to encourage, and in fact the administration is already administratively doing a number of the things suggested in this legislation to work with local groups, but we must understand that as a Congress of the United States we are the stewards of those public lands and we cannot let people willy-nilly do what they want with those lands because they think, well, this would be good for me.

The fact of the matter is that this legislation exempts this pilot project of 2½ million acres of the public's lands from the environmental laws. It is not consistent with the environmental laws of this Nation that all other plans have to be governed by, and that is why the administration is opposed to this legislation at this time.

This legislation, in fact, contains the very same timber salvage rider that got this Congress into so much trouble with the American public when they saw that the cutting of trees took precedence over every other multiple use in the forest, whether it was fisheries or recreation or species protection or riparian protection, all of a sudden we found out that we could cut the trees without those considerations. This is a rerun of that language. If we read the language from the salvage rider and we read the language in this legislation, in fact, they are identical.

This legislation would exempt this pilot project if we complete the changes in the forest management plan for these particular forests, the Plumas and Lassen and Tahoe National Forests. It would exempt them from that if in fact they were done prior to the 5 years.

□ 1115

So if we find in all of the studies and all of the science that this is contrary to the best interest of these forests, they can continue to go forward; they can continue to go forward with this plan even if the new forest plans are put in place. Those are the kinds of terrible inconsistencies that shall threaten this forest.

Now, let us understand something about the Sierra Nevada Mountains. The Sierra Nevada Mountains in California are under incredible stress. There has been a huge infusion of population, of use, of very bad logging practices in the past. We have now been told in major study after major study that the entire forest system is at risk, that we have got to take care of it, that we have got to do it in a comprehensive fashion.

The President, I believe, is going out to Tahoe to look at the Tahoe National Forest which is part of this plan, to see whether or not there is a way in which we can secure the longevity of the Tahoe National Forest and the Sierras and not destroy the watersheds of Tahoe, one of the national jewels of this Nation, not destroy the watersheds of the rivers of these forests.

So my colleagues have to take it in that context when they look at this pilot project. But this pilot project, while well intentioned and hard worked on and federally financed, and it is going to probably spend about $80 million in Federal dollars to carry out the intent of this, we have got to make sure that this is, in fact, consistent with the environmental laws and with the other activities that are necessary in these forests.

A lot of those activities are driven now, in fact, by population. They are driven by people who want to use these forests for off-road vehicles, who want to use them for camping, for hiking, for biking, all of these other activities, and want to make sure that the watersheds are protected so that we, in fact, can continue to restore the fisheries and the recreational activities in the great rivers of northern California.

That is what is at stake in this legislation, and that is what this legislation does not address. I will be offering an amendment that will take the administration's objections and address them in this legislation and provide for the riparian protection. If that amendment is, in fact, adopted, I will support this legislation.

I believe, then, that this legislation is headed in the right direction and can achieve its goals. But absent that amendment, this legislation is seriously flawed with respect to the integrity of the environmental laws, to the forest plans, and to the multiple uses of these forests in the most populous State in this Nation.

These mountains and these forests are important to millions of Californians, and we will not delegate the right to destroy those forests to a handful of people who have decided that cutting trees is the only way that we can protect this forest. We can have clear-cuts under this legislation, we can decide that that is the most efficient way and, in fact, we can go ahead and just start clear-cutting some of the last of the big trees in California. That should not be allowed.

I would hope that the House would support my amendment. Then we can all go forward and support this legislation, because the process of the Quincy Library Group is, in fact, moral and right and should be encouraged. But this work product fails, fails to meet the needs of the State of California and of the people of this Nation.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to respond to the gentleman from California [Mr. MILLER] by saying that this measure enjoys very strong bipartisan support in this House.

My friend from West Sacramento, CA [Mr. FAZIO] is a strong supporter of this. The gentleman from Marysville, CA [Mr. HERGER] has done a spectacular job in putting this together. And it has been, frankly, in some ways over his protest said before the Committee on Rules last night, the gentleman from Fort Yukon, AK [Mr. YOUNG], the chairman of the Committee on Resources, has moved dramatically to end up supporting this measure.

Mr. Speaker, I yield such time as he may consume to the very, very compromising gentleman from Fort Yukon, AK [Mr. YOUNG].

(Mr. YOUNG of Alaska asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Alaska. Mr. Speaker, I thank the gentleman from California [Mr. DREIER] for yielding me the time.

Mr. Speaker, I was not going to speak on the rule, but I do support this rule. There is a need for this quasi-modified rule to make sure we expedite this process. But I cannot stand by and listen to my good friend, the gentleman from California [Mr. MILLER] make the statements he has made, because we have worked on this legislation for four years.

As I told the chairman of the Committee on Rules the other day, I think they have gone too far as far as this negotiation process. But this is an attempt to listen to the local people, and we have done that. In fact, the Friends of the Plumas Wilderness Society, who have filed 15 lawsuits, 15 lawsuits to stop every logging operation in this area, now support my substitute.

I have a whole list of other people that support this legislation, and not the industry itself but the community that lives there. And, yes, this forest is endangered, not from logging but because of fire and mismanagement by the U.S. Forest Service.

It has finally dawned on people, we cannot manage this from Washington, D.C. This is a national asset, but we cannot manage it from those people who live here in Washington, D.C. or even the Congress that live outside. We ought to start listening to the people. This is what we are doing in this legislation. For the first time, we are bringing all parties together, not just this Congress but the parties that live there, the environmental community.

And may I just clear one up thing. There are no clear-cuts under my substitute at all, and no tree over 31 inches can be cut under my substitute, 31 inches in diameter. By the way, the substitute of the gentleman from California [Mr. MILLER], keep in mind now he says he is doing what the Administration wants, and I am shocked. Because under my substitute, we protect the roadless areas. We protect those areas. And under the substitute of the gentleman from California [Mr. MILLER], he does not protect the wilderness areas.

Then we have the environmental impact statements. This is one thing I cannot quite understand about this administration and the gentleman from California [Mr. MILLER]. My substitute gives one EIS and four smaller EIS statements. Take a look at page 8 or 10 of my substitute. Right there is a total of 5 environmental impact statements. Under the Miller substitute, the gentleman from California [Mr. MILLER] offers one environmental impact statement. One, that is all he offers.

I never thought I would see the day the gentleman from Alaska [Mr. YOUNG] was out-environmentaling the gentleman from California [Mr. MILLER]. That shocks me to death.

We keep talking about riparian restoration. The Miller substitute removes my provision of more funding for riparian rights, riparian recovery in this bill. May I suggest, we took the exact language from the administration, the exact language Jack Ward Thomas proposed. That is the language we used, the language the administration supports, so I do not know what the gentleman from California [Mr. MILLER] is talking about.

We have communicated with the administration. We have communicated with the environmental community. We communicated with the industry itself. We communicated with the local people. We sat down with the Quincy Library Group and put together a good piece of legislation.

And may I close by saying, yes, our national forests are in terrible, deplorable shape, not because they were logged, but because this administration and, yes, other administrations decided that every area could live naturally. That may have been so many, many years ago. But look at the fires. I ask my colleagues to read the papers on fires that are occurring in California today and the fires that occur all the way around the Northwest, in Idaho, Utah, yes, even Alaska. Look at the volatility of those fires and the destruction that occurs. What happens after the fire, the soil is basically dead for our trees.

Every science that talks to us about our forests tells us we must start managing the forests, we must start looking at all alternatives, and this is what this bill does. It is a good, sound environmental bill. Remember, I remind you, the local environmentalists support this legislation.

Yes, the national environmentalists oppose it. You know why? Because they lose their control, and this is what this is all about, control. The environmental so-called community around Washington, DC, it knows nothing about the environment.

Let us start listening to the local people. Let us start listening to those that live there. Let us start saving our forests and our wildlife and the heritage we should leave to future generations.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Boise, ID [Mrs. CHENOWETH], my very, very good friend.

Mrs. CHENOWETH. Mr. Speaker, I thank the gentleman from California [Mr. DREIER] for yielding me the time.

Mr. Speaker, I, too, just wanted to clarify the record following the gentleman from Alaska [Mr. YOUNG] about some of the statements that were made by the gentleman from California [Mr. MILLER]. I just want to make it perfectly clear and back up what the gentleman from Alaska [Mr. YOUNG] said, that this issue has far less to do with the forest health and jobs.

What the debate from the gentleman from California [Mr. MILLER] was about was about control by a select environmental group here in Washington, DC, who do not understand silvicultural management, who do not really understand the dynamics of good forest management.

H.R. 858 is not at all like the salvage rider. I worked on that salvage rider, and I supported it. But this is not at all like the salvage rider that the gentleman from California [Mr. MILLER] claimed that it was. This pilot project, and let me reemphasize, it is a pilot project, is designed to reduce the risk of catastrophic fire and to prevent the need for salvage riders in the future because we will be taking care of the salvage in this particular area.

The legislation does not provide for clear-cuts. It is just the opposite. What it does call for is thinning of the forest and providing for shaded fuel breaks, in which the small trees are cut and the large trees are left to grow. That not only provides for healthy forests but healthy habitat and browse for wildlife.

In fact, the strategic fuel break system is that very system recommended in the SNEP report, the very scientific report that the gentleman from California [Mr. MILLER] wants the Forest Service to use in the Sierra Nevadas.

Mr. HALL of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume, and I simply close by saying that this is a very fair and balanced approach because of the uniqueness of this 41-member coalition that has been assembled, the Quincy Library Group. And I would like to again congratulate the chairman of the Committee on Resources who, under his self-description, has out-environmentaled the gentleman from California [Mr. MILLER].

I would also like to congratulate the gentleman from Marysville, CA [Mr. HERGER], who has done a superb job on this legislation over the past several years. And I would like to congratulate those Members on the other side of the aisle who have joined in this bipartisan coalition to ensure that we look at this issue in a very fair way.

I look forward to passage of this rule and passage of the legislation.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid upon the table.

The SPEAKER pro tempore (Mr. MILLER of Florida). Pursuant to House Resolution 180 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 858.

□ 1129

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 858) to direct the Secretary of Agriculture to conduct a pilot project on designated lands within Plumas, Lassen, and Tahoe National Forests in the State of California to demonstrate the effectiveness of the resource management activities proposed by the Quincy Library Group and to amend current land and resource management plans for these national forests to consider the incorporation of these resource management activities, with Mr. PEASE in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from Alaska [Mr. YOUNG] and the gentleman

from California [Mr. MILLER] each will control 30 minutes.

The Chair recognizes the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 858 is a good bill. It helps working people, it helps the environment, it saves the forest, and it helps wildlife. It certainly is not everything that I hoped for in terms of timber supply, and I will be the first one to say that again. But it is what the people in northern California want, and in northern California the people are directly affected, and I say all the people, and they deserve congressional help.

□ 1130

This is a pilot project. The bill is just as simple, just like the Quincy Library Group agreement. It directs the Forest Service to implement a science-based fire protection and forest health plan for three national forests in northern California. There are two cornerstones of the bill. Thinning, taking the volatility out of the forest, and fuelbreak work outside of roadless areas; and, second, a requirement to build fuelbreaks on 40,000 to 60,000 acres per year in roaded areas. This means thinning smaller trees, leaving larger trees, and generally improving the habitat and the condition of forests.

I want to stress again, everyone wins with this bill: Local environmental groups, timber workers, again the wildlife, school children, and communities throughout the region. That is why this bill has the support of heavy duty environmentalists like the Friends of Plumas Wilderness and the Plumas Audubon Society. These groups have sued to stop nearly every timber sale in northern California, but they support this bill.

Six labor organizations, like the United Brotherhood of Carpenters and the United Paperworkers, also support the bill. The California Farm Bureau, the Society of American Foresters, Governor Pete Wilson, State assembly members, California county education offices, county boards of supervisors all support the bill. I could go on and on with a list of those who support the legislation.

Frankly, Mr. Chairman, I did not think I would see the day when the staunchest people in the environmental movement, their timber company foes, the union work force, and government officials would actually agree on the timber issues in their own backyard.

That day came almost 1,500 days ago in the public library in Quincy, CA, when neighbors from all walks of life actually agreed on a forest health, land allocation, and economic stability plan. But the plan has not been implemented now for 4 years. People have tried. The Quincy Group is still trying. That is why we are here on the floor with this bill that directs the implementation of their plan.

It is a sad day, Mr. Chairman, that this Forest Service under this administration cannot do what we are directing them to do today in this plan. The management of our forests under this administration is deplorable. It is, in fact, a crime and a sin in what they have done to our forests, because there is no management.

I must say, Mr. Chairman, that the gentlewoman from Idaho [Mrs. CHENOWETH], the gentleman from California [Mr. HERGER], and I have been very, very reasonable in this bill, reasonable to the point that I am wondering whether we have made too many accommodations as I said when I spoke on the rule. It is really not what I would like. But again I want to stress it is up to the Congress to start listening to the people of America, especially those directly affected by actions of this Congress.

We have gone through 27 drafts of this bill between the 104th Congress and today. That bothers me to some extent because we are going to hear later on, ''We weren't told, we weren't notified, we weren't asked, we didn't participate.'' Twenty-seven different drafts were worked on.

No less than 50 modifications that the gentlewoman from Idaho [Mrs. CHENOWETH] shepherded through her subcommittee and then through the full committee. My substitute has 16 changes plus 11 new subsections or paragraphs. Each address one or more of the concerns about the bill.

When national environmentalists complained that the bill might allow some timber harvesting in spotted owl habitat, the gentlewoman from Idaho [Mrs. CHENOWETH] removed two entire pages of the bill that gave rise to the concern.

When some said the Quincy bill did not protect water and riparian areas, the gentlewoman from Idaho [Mrs. CHENOWETH] offered an amendment that ensured that riparian areas would be protected with the same standards in the President's Northwest Forest Plan.

Recently, riparian restoration was raised. On page 4 of my substitute, the issue is addressed with an incentive-based, cost-effective way to restore riparian areas.

Some complained that the Quincy Library Group plan has never been the subject of an environmental impact statement. If Members would look on page 9 of my substitute, we require an environmental impact statement. The library group and I drafted it together. The same environmental leaders in northern California who have sued to block hundreds of timber sales sat with the gentleman from California [Mr. HERGER] and myself to write language giving the Quincy plan an environmental impact statement.

A member of my committee said the Quincy plan would not even get a public hearing or other procedural safeguards. People are important. So in my substitute I included an assurance that there would be a 45-day public comment period.

Others said we were trying to exempt the bill from the National Environmental Policy Act. That was never true, but we included the environmental impact statement requirements and we included a subsection (m) which states, ''Nothing herein exempts this pilot project from any Federal environmental law.'' I do not think we could be any more clear than we want to follow the environmental laws.

Some said they were unsure whether the bill was consistent with the California Spotted Owl process. I am certain it is, but my substitute says that the California Owl Guidelines and any final owl guidelines will apply.

Frankly, this is an exercise in reasonableness on the part of the gentleman from California [Mr. HERGER], the gentleman from New Jersey [Mr. SAXTON], the gentleman from Maryland [Mr. GILCHREST], the other members of the Committee on Resources and Members off the committee that support the bill. The gentleman from California [Mr. CAMPBELL] has been very helpful on the environmental impact statement portion.

With all these changes, it is no wonder so many groups support the Herger bill. Only the groups on the very fringe oppose the bill and they have no rational basis to do so. We tried to get them to the table, but they refused. There are groups that will never be satisfied. That is the way they make their living. Frankly I do not understand their thinking because I thought they were environmentalists.

I know from his past statements that the Secretary of Agriculture supports the Quincy plan. I asked him 6 weeks ago to assist us in crafting any changes to accommodate his concerns, but I have not heard back from him. We have been very bipartisan and bicameral in our approach. I also asked the junior Senator from California for her suggestions, and we have accommodated the concerns that she raised.

I urge Members to support my substitute and, by the way, reject the Miller substitute because as I mentioned in debate on the rule, his does not protect the riparian part of my bill. He in fact invades the roadless areas. As I said, I never thought I would see the day when I would be out-environmentaling the gentleman from California [Mr. MILLER], but I am doing this in my substitute. Again, I say to those who might have some questions, listen to the people of America. Listen to those that are directly affected. Yes, this is a national forest, but there are people that live in, around, and with the national forest that every day they wake up, they are faced with a problem of mismanagement under this administration. It is time that this Congress listen to those people and let us try this pilot project. What is the fear of trying a pilot project when we are failing today? Let us see if this works. If it works, it will be an example and a molding of how we can for the first time in many, many years address the

forest as a total entity, not as something far away, or from Roswell, NM. That is how they are managing it today, a bunch of aliens who have no concept about the potential of the fire damage, no concept of the homes that are lost, and the destruction not only of the forest but of the wildlife. If Members do not believe me, read the newspapers today, tomorrow, and the day after. What do they say about every Western State of the fires that are occurring? Because of the lack of management. This bill takes care of that problem and recognizes the need and necessity of cooperation.

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

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me say at the outset that there is no question that the gentlewoman from Idaho and the gentleman from Alaska, the chairman of our committee, have worked very hard on this legislation, as have the people of the Quincy Library Group worked very hard on this legislation. But we are down to the point now where we have to vote and we have to decide whether or not this legislation meets the test of providing for the comprehensive protection of these forests or whether it does not.

The suggestion that somehow that these forests are in trouble because of this administration is just ludicrous. The fact of the matter is what has happened is this administration has had to go around and clean up after the previous administrations that decided they would not administer the forests at all, and we saw almost the entire Northwest and a good portion of California starting to be shut down economically because of the spotted owl. We now see that in fact resources are again being opened up under this administration, that cooperative agreements are being entered into with some of the largest timber companies in the country, and supplies are being returned to the market.

But where are we with respect to the Quincy Library Group? The Quincy Library Group, in their name this legislation is being put forth, and it is unfortunate to have to report to the Congress of the United States that this legislation simply does not meet the test to provide for the protection of the Sierra Nevada Forest, of the three forests that are involved in this pilot project of 2.5 million acres, that it does not comply with the environmental laws of this Nation.

I wish it did, because we have been strong supporters, many people on both sides of the aisle, of this process to try to improve and increase the voices of those people who live in the direct area. But we also have to make the bottom line decision that these forests belong to all of the people of the United States, just as Yellowstone National Park does, as Grand Canyon does, as the Appalachian forests do, of the great forests of the Midwest, of the public lands. These forests belong to the people of this Nation, and we have the stewardship obligations to make sure that these forests will be healthy, that these forests are sustainable so that future generations will have the same enjoyment, both economically, from a recreational point of view, for the use of their families, and from an environmental point of view that our generation has had.

That is the test, and that is why the Quincy Library Group exists, to see whether or not we can manage these forests on a sustained basis now, sustaining them economically and sustaining them for multiple uses. That was not the policy for the past 50 years, of both administrations, Democratic and Republican. It was that the forests were simply a crop, just cut them down and go on about your merry business. Now we find ourselves in terrible shape.

For the people of California, 33 million people, that use the Sierra Nevadas as a major recreational resource, for the millions of people who come from around the world to use the Sierra Nevada for a recreational resource, this resource is in trouble. That is why we are willing to try something like Quincy Library. But Quincy Library has got to be prepared to do it within the environmental laws of this country.

That is why the Clinton administration has sent a letter to this Congress telling us that this legislation, while they support the process, while they funded, they put $4 million into Quincy Library, that this product as it is presented to this Congress at this time is a flawed product. It is a flawed product basically because it fails and it is inconsistent with the environmental law compliance on current environmental procedures. This project is not designed so the project will be carried out consistent with the environmental laws. They state that time and again in this legislation.

My amendment is addressed to the points raised by the administration to bring this project into compliance, so that in fact when we do amend the forest plans in Plumas, the forest plans in Tahoe, this project will be brought in compliance. It will not be run if the science tells us that we are taking too many trees or we do not have the correct firebreaks or we are not protecting the streams in the right fashion. This legislation should not be able to operate outside those scientific findings, but that is what this bill allows this project to do.

I appreciate that the process is subject to environmental impact studies, but the project itself is exempted in many ways. The 2.5 million acres, the 300,000 acres of timber harvest, the riparian protections are exempted. In fact, if we go back and read Public Law 104–19, we will find language in here that saddens this Nation, that this Congress and this President at one moment said you could cut trees without consideration of the environmental laws, without the multiple use, without taking into consideration the impact of that activity on the rest of the forest.

We learned our lesson. We learned our lesson when the public told us that was unacceptable. Yet when we go to this legislation that is before us here today, we find out that the same language is present in this legislation. One of the horrible black marks on our environmental record of this Congress and this Government is now being brought back to us in this legislation.

What does that say? That language says that you can cut these trees and you never have to take into consideration the cumulative impact: Are you destroying the great rivers of northern California with siltation and debris and the fisheries? Are you having an adverse impact on Lake Tahoe? Are you having an adverse impact on the surrounding forests? Are you destroying the ability of diverse species to live in these forests? Are you causing erosion that is beyond your control and will destroy the ability of these forests to come back? Under this legislation you do not have to take that into consideration. ''The Secretary concerned shall not rely on salvage timber sales as a basis for administrative action limiting other multiple use activities.''

□ 1145

That is where we are today. It is not that we disagree with what the people of Quincy Library have tried to do and how hard they have worked. It is not that we disagree with what the chairman of this committee is trying to do and the gentlewoman from Idaho has spent so much time on this legislation. It is that this legislation needs about four or five small technical fixes which would bring it into compliance with the environmental laws and modern practices so that we do not repeat the horrendous mistakes that almost destroyed the Sierra Nevada forests of California, that have in fact destroyed the fisheries, the great fisheries, of many of the streams and rivers in northern California where we are spending hundreds of millions of dollars to try and recover those fisheries so that people can use them with their families.

And now this legislation puts 2½ million acres into a pilot project. Nothing wrong with that pilot project except that it does not comply with the laws of this Nation; it does not comply, it will not have to comply, with the amendments and the changes and the forest plans for these three forests. And unfortunately because of many, many years of neglect, we do not have a lot of trees to waste, we cannot be wrong for the next generation, or our grandchildren. Where we once enjoyed great, great forests of the West, our grandchildren will enjoy scrub bush, Manzanilla, and eroded soils.

Have my colleagues ever tried pitching a tent in that kind of area? Ever

try to enjoy that when it is 105 degrees in the foothills of California? That is not why people live in California.

This is about the future of these resources, and Quincy Library has all of the possibilities and the abilities to make a positive contribution to the protection of the Sierra Nevada forests. But that is not what this legislation does. It can be easily corrected with my amendment, and then we can all support this legislation.

I am sure there will be those who are unhappy with my amendment, that it does not go far enough, but I think it maintains the integrity of our national environmental laws, and it maintains the integrity of the Quincy Resource Group.

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

Mr. YOUNG of Alaska. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Chairman, I thank the gentleman from Alaska [Mr. YOUNG] for yielding this time to me.

Let me just say I rise in strong support of this bill, and I want to commend particularly the gentleman from California [Mr. HERGER] who has spent so much time and has dedicated so much of himself to bringing us here, to bringing us here today.

Let me say to my good friend from California, Mr. MILLER, with whom I have shared so many common positions on environmental issues, I am not going to go down the litanies of things that the gentleman pointed out in terms of where this bill may differ with other national policy that we have passed here, but I would say to the gentleman that we in this House have got to stop looking at environmental issues from a white and black point of view. There has got to be some middle ground, and I believe this bill finds that middle ground.

In fact, for the past 2½ years I have been advocating State and local participation as a means to rationally implement laws like the Endangered Species Act. Only those closest to home of endangered species can understand the impact of protecting them and the impact on local people and on local businesses, and that is why in my opinion the future of environmental protection is on State and local partnerships with the Federal Government.

Mr. Chairman, that is what this bill brings to us. H.R. 858 is a bill that puts this theory of State and local in a Federal partnership into place. H.R. 858, the Quincy Library Group Forest Recovery and Economic Stability Act of 1997, implements a 5-year pilot project, a locally conceived solution to a forest health crisis in California. This program is aimed at maintaining community stability, improving forest health and preventing wildfires and making fuelbreaks in our national forests in the district of the gentleman from California [Mr. HERGER] which are so important.

What is so unique about this bill is its origins. In direct response to President Clinton's directive at the Forest Summit in April 1993, the Quincy Library Group was formed. It was comprised of local environmental organizations, the wood products industry, citizens and local officials. They took seriously the President's charge at that April meeting when he said, ''When you leave here today, I ask you to keep working for a balanced policy that promotes economy, preserves jobs and protects the environment.'' He said, ''I hope we can stay in the conference room and out of the courtroom.''

The Quincy Library Group plan emerged, and it is based on the Sierra Nevada ecosystem project and vastly improves the odds of saving endangered species habitat from fire damage.

My colleagues may hear from some environmental groups that my friend from California was advocating, whose position he was advocating, that they are not thrilled with the bill. Some of their criticism stems from the perception that the administration did not have enough negotiating time to draft an alternative solution. I do not agree. The bill was not even drafted until the plan remained unimplemented by the Forest Service for 1,400 days. That is 4 years. And H.R. 858 was then introduced on February 22, 1997, with bipartisan support.

In conclusion, H.R. 858 shows that locally conceived environmental solutions are possible and should be encouraged by Congress, and I urge my colleagues on both sides of the aisle to support the bill.

Mr. MILLER of California. Mr. Chairman, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HERGER], the author of the bill, from the area which is directly affected.

Mr. HERGER. Mr. Chairman, for more than 15 years, environmentalists and members of the forest products industry have waged war over managing western forests, and like all wars this conflict has had its share of victims. The victims of the forest management debate include schools left with dramatically reduced funding.

Twenty-five percent of all timber sales receipts are promised by mandate to fund local education and country road programs. When sales decline, so does education. Other victims are communities faced with extreme unemployment rates and an environment clogged with unhealthy forests.

In 1993 Bill Coats, Plumas County supervisor from Quincy, CA, took up the challenge of breaking the gridlock over forest management. He did so by arranging a meeting with environmental attorney Michael Jackson and Sierra Pacific Industries forester Tom Nelson. They met in the library because they knew that there they would not be yelling at each other.

The Quincy Library Group is now a coalition of 41 local environmentalists, forest product industry representatives, public officials, and concerned citizens who met each month at the Quincy Library to discuss ways to improve local forest health.

This program has been endorsed by local environmental organizations including the Plumas Audubon Society, the Friends of the Plumas Wilderness, the Sierra Nevada Alliance, and the Shasta-Tehama Bi-regional Council. At the heart of their discussions is the overriding threat that fire will destroy the forest before any action can be taken.

Nationwide last year more than 5.8 million acres burned with total fire suppression costs of close to $1 billion of taxpayer dollars. The group turned to the best science available, including the recently released Sierra Nevada Ecosystem Project [SNEP] report which defines, among other things, the elements of a healthy forest.

H.R. 858, the Quincy Library Forest Group and Economic Stability Act of 1997, takes the first vital step toward conflict resolution of environmental issues across the United States. This legislation is all about compromise and consensus building on the local level. H.R. 858 is not about local control of national forests but about local input on forest management through implementation of a 5-year pilot project on portions of the Plumas, Lassen, and Tahoe National Forests in northern California. In short, this is all about local wisdom gaining a voice in our forests. The Federal Government still retains complete control over implementation.

The Quincy Library Group implements most of these elements through the following goals: First, reduce the risk of catastrophic wildfire; second, protect environmentally sensitive areas; third, implement critical watershed stream and water quality restoration; and fourth, provide economic stability for communities dependent on the wood products industry. These goals are accomplished through implementation of a 5-year pilot project on three of California's threatened forests. My legislation implements a strategic system of defensible fuel profile zones including shaded fuelbreaks that contain fires in the more manageable forest understory.

Again, the Quincy Library Group bill is clearly science based. It improves forest health by implementing the SNEP fuelbreak program to reduce fire risk. Its riparian protection guidelines were written by scientists led by Dr. Jack Ward Thomas, former chief of the Forest Service under the Clinton administration and architect of the science work underlying the northern spotted owl debate.

Through these elements of the program, fire suppression personnel will have the ability to contain fires before they get out of hand. The proposal also implements uneven-aged forest management prescriptions utilizing individual tree selection, and thinnings and group selection to achieve optimal forest health by creating an all-age multistory, fire-resilient forest.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 4 minutes to the gentleman from Oregon, Mr. BOB SMITH, the chairman of the Committee on Agriculture, my good friend.

Mr. SMITH of Oregon. Mr. Chairman, I thank the gentleman from Alaska for yielding this time to me.

This is finally a compromise that I have been looking for for at least 10 years. In my experience we have not hit balance in the practice of forestry in this country, and certainly that is evident by what has happened in the Pacific Northwest where we find in region 6, the States of Oregon and Washington, 85 percent of the public forests are shut down to any kind of management. For the first time in after 4 years, and of course it plays a very important part here, after 4 years the Quincy Library Group has finally found balance, I believe, and here again, if there are those of my colleagues who are concerned about the environmental impact here, there are four environmental impact studies in this legislation, four.

So do not let anybody fool us about how the environment is going to be taken advantage of here.

The issue here very simply is what happens when we lose the resource, and that is catastrophic fire. We rely upon science now. We rely upon science as the evidence of what will happen in the future if we do not manage forests. That is what Quincy Library Group did. Evidence here by Dr. Chad Oliver, including nine scientists across the country who have testified before our committee twice now, and one of the options they present is no management. What do we get when you have no management? I will tell my colleagues what is received. Received finally loss of specie, receive loss of water quality and quantity, and finally receive loss of the resource because finally it will burn, finally it will burn.

Mr. Dombeck, Chief of the Forest Service, testified before our committee that there are 40 million acres of land under stress of catastrophic fire or the possibility of catastrophic fire in this country.

□ 1200

Most of them are in the West. He testified that we are going to service only 1 million acres. I ask, 40 years later, what do we have? We have lost our forests. That is unacceptable. The Quincy Library Group addresses the issue because they manage the forests in a balanced fashion, which will manage the threat to ecosystem health crisis and catastrophic fires.

The bill obviously, as we have heard, is the wisdom of local stakeholders. We all know that that is better opportunity and better judgment than we can find even here in these hallowed halls, because the people in California understand the issue better than any of us do. They came forward, environmentalists, labor leaders, forest people, and they came with the idea that we ought to have this kind of management process.

Also, this bill is a clear issue of measurement. We must measure what happens. That is very important to the Congress and to those folks in California as well. There is an old saying, when performance is measured performance improves, and when performance is measured and reported back, the rate of improvement accelerates. We must measure what happens with Quincy Library.

Finally, the fundamental principle here is that we need to manage our forests to save them. We need to manage them to save them. If we are going to help 40 million acres in this country, this is just the beginning. This may be a pilot project, but this may be the beginning of an opening of pilot projects around the country to prove again that we should manage our forests, manage them scientifically, and manage them for every resource.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM].

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

Mr. STENHOLM. Mr. Chairman, I rise today in strong support of H.R. 858, the Quincy Library Group Health and Economic Stability Act of 1997. I would like to commend my colleague, the gentleman from California [Mr. HERGER], for his work on this legislation.

This bill would implement a community-based solution to improve the ecological and economic health of three northern California communities. Catastrophic wildfire is a chief threat to the ecological integrity of the forest system. By treating the landscape through a system of strategic fuelbreaks, this plan effectively implements the principles of ecosystem management, thereby providing forest conditions for wildlife, fish, and human beings. In addition, this bill provides interim protection of all roadless areas in the three forests.

I would like to applaud the Quincy Library Group for their efforts in developing this plan. Representatives of local environmental groups, labor unions, wood product organizations, and local government officials sat down and hammered out a plan to address the challenges facing their community. I would like to encourage more local communities to work together to find practical solutions to address their problems.

I am greatly encouraged to know that folks with such different interests can sit down and reasonably work out a solution based on sound science, bipartisan cooperation, and local expertise even on a sometimes controversial issue like forest management.

Finally, H.R. 858 is not exempt from environmental laws. It simply provides for a 5-year pilot project in which the Forest Service retains complete control of its implementation. Let us give this type of community-based bipartisan scientific approach a chance to work.

I strongly urge my colleagues to vote in support of H.R. 858, the Quincy Library Group Forest Health and Economic Stability Act of 1997.

Mr. MILLER of California. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Chairman, I rise today in support of the manager's amendment to H.R. 858, the Quincy Library Group Forest Recovery and Economic Stability Act.

In April 1993 at the Northwest Forest Summit, President Clinton put forth a challenge to a community in northern California in the midst of timber wars and litigation brought about by the listing of the northern spotted owl and a reduction of logging levels in the forests of northern California.

President Clinton said to the people in the local area of Quincy, CA: ''When you leave here today, I ask you to keep working for a balanced policy that promotes the economy, preserves jobs, and protects the environment. I hope we can stay in the conference room and out of the courtroom.''

So a group of local citizens around Quincy, CA, including the local county supervisor, timber employees, and members of the local environmental community, and they are strong environmentalists, I might say, seized the President's challenge. The group had their first meeting at the public library in Quincy because it was the only location which assured quiet, civil discussion about many difficult and contentious issues and concerns that divided the regional community.

The manager's amendment before us today is the result of 4 years of consensus building on issues that do not easily lend themselves to a consensus. We can see that here on the floor today, because we could resolve this here. I hope we will.

The bill provides a framework for managing the forests of the Sierra Nevada through fire suppression, watershed protection and riparian restoration and seeks to direct these activities toward meeting the local needs of communities dependent on these forests for economic livelihood.

Since my colleague, the gentleman from California, Mr. WALLY HERGER, introduced this bill early in this Congress, H.R. 858 has come a long way. I testified before the committee in March as a cosponsor of this bill in support of the process of local people getting together to work out problems in their community. But I also acknowledged that the bill still had a long way to go. In any attempt to put an agreement into legislative language the devil remained in the details. What followed in northern California after the committee hearing was perhaps one of the most remarkable steps forward we have seen in this country since the two sides embattled in a debate over our Nation's forests first butted their heads together.

Members of the QLG, the Forest Service, Congress and the national environmental community came together in an attempt to work out further differences. Much progress was made in the several meetings which were held during the past few months. But as is always true with consensus, not all the glitches were ironed out.

Provisions have been added which ensure compliance with environmental laws as well as interim and final California spotted owl guidelines, and there is an authorization for additional appropriations for the Forest Service to implement the Quincy Library Group proposal. But I know the administration still had a some concerns.

I am sympathetic with the amendment being offered by my colleague, the gentleman from California, Mr. GEORGE MILLER which addresses some of the issues raised and ensures a straightforward interpretation of the bill's environmental protection provisions. But here we are arguing about interpretation of language and not legislative intent, which I believe is the same, if not very similar. We can reach closure, and I hope we will, before the amendment is offered and hopefully broadly supported.

Senator FEINSTEIN has also been working with the QLG, the administration, and members of the environmental community on Senate legislation which I believe will move us closer to a bill which has something in it for just about everyone.

As I have said all along, this bill is a work in progress. But I feel certain if we continue to work together, not only on the floor today but as the bill proceeds to the Senate, we will be able to send a bill to the White House that the President will not only sign, but do so gladly.

So I urge my colleagues to enable this work in progress to move forward today by voting ''yes'' on this bill, hopefully on an amendment that has been agreed to by both sides to further clarify intent, but even without, if no agreement is reachable today. This bill deserves to be sent forward so the process of refinement can continue.

Let me simply say, I think we have to put more faith in communities that are at odds with each other but are willing to work together to come to solutions. We cannot solve every problem in Washington. We cannot solve every problem in the Forest Service without input from local people. I think what the gentleman from California, Mr. WALLY HERGER, has attempted to do and which I have joined him in the effort to accomplish is to validate that process that these local community activists have so long and thoroughly engaged in.

This is not a bill that is perfect, but it is getting close, and it deserves to be supported by a broad bipartisan coalition on this floor.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 4 minutes to the gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. Chairman, I thank my chairman, the gentleman from Alaska, for yielding time to me.

Mr. Chairman, we have heard a lot of comment here today about, what about cumulative impacts as a result of the Quincy Library Group proposal succeeding; what about cumulative impacts on rivers and streams and on wildlife; what about sedimentation and soil erosion?

Mr. Chairman, it just does not take a rocket scientist to realize that when you have uncontrollable fires in the forests, it destroys the wildlife, the little critters and the big critters. That is a horrible way to die, let us face it. It does not take a rocket scientist to understand that when we have uncontrolled forest fires that it destroys the sedimentation and we have massive erosion. That is what is causing the pollutant load in our streams and our rivers.

I am so impressed with the work of the gentleman from California [Mr. HERGER] and the work of the Quincy Library Group. I have been impressed by the way in which this unlikely coalition of individuals, each with strongly held beliefs, have worked together to achieve a common goal. That is to preserve the ecology of the forests where they work, where they live, and where they play, and to protect the jobs, economy, and the social fabric of their community. They have that right in America, and we should back them up.

For the economy, the Quincy Library Group bill means jobs. The fuelbreaks and selection harvests will generate 2,250 family-wage jobs each year, and 12,250 jobs over the life of this pilot project. This counts only the direct jobs that are produced, but the indirect jobs that are generated will more than double those figures. Mr. Chairman, that amounts to 25,000 jobs. These family-wage jobs are sorely needed in a community where we have seen at least 32 mills that have closed in just the recent years.

If now we can break the gridlock over environmental issues by implementing a locally developed solution that also puts people back to work, then we are doing the right thing. I believe if jobs are the only issue, the Quincy Library Group would not have reached the agreement on a legislative proposal, but they also agreed that something must be done to ensure a clean, safe, and healthy environment for the short- and the long-term future.

Their plan will improve the environment in the following important ways: It improves the health of the forests by thinning smaller trees and allowing better forest habitat to develop; it quickly begins to reduce the extreme fire risk in the Sierras, using a strategy described and recommended in the recent scientific report known as the SNEP report, or the Sierra Nevada Ecosystem Project report; it protects streamside areas and fisheries with the provision I added to the bill in my committee, which applies the same riparian measures that are included in the President's forest plan; and it preserves roadless areas, while focusing on thinning and forest health activities in areas that are already roaded.

It ensures that spotted owl habitat will not be entered for timber harvesting, since in committee we removed a provision that would have allowed limited harvesting after catastrophic events, and it ensures, through the manager's amendment, that the project will receive an EIS, so environmental laws apply.

While I do not necessarily believe there should be more wilderness, and I question the need for the riparian guidelines used in the President's forest plan, I recognize that the QLG plan is part of a balanced compromise based on commonsense solutions. The Quincy Library Group has convinced me that their plan will address ecological concerns, sustain a viable community, and allow people to make a living. We must now support their goal and ''just say no'' to those in the national conflict industry who oppose this bill.

As the Quincy Library Group told my subcommittee, they heeded the President's call to leave the courtroom and meet at the conference table. The result, H.R. 858, will break the timber gridlock, at least in one part of northern California. Environmental leaders, timber companies and the many others who make up the Quincy Library Group have agreed that it is not a sin to cut a tree, and it is important to move forward with a plan to protect the forests that they love.

Now it is important that we support their effort and provide the means to implement that plan by passing H.R. 858.

Mr. MILLER of California. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. BOEHLERT].

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

Mr. BOEHLERT. Mr. Chairman, I thank the distinguished minority member for yielding this time to me.

Mr. Chairman, I would like to engage in a colloquy with the chairman of the committee. I want to thank Chairman YOUNG for working with me and others who had concerns about this bill. I think we now have a bill which allows an important experiment to move forward, while ensuring that it proceeds within the framework of existing environmental law. That is very important to me and many of my colleagues in this House.

I would like to engage the chairman in a colloquy to clarify a few points.

First, under the Young substitute, I would ask the gentleman from Alaska, would an environmental impact statement have to be completed before the pilot project got underway?

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Yes, it would.

Mr. BOEHLERT. In the event that an environmental review found that the project was in some way at odds with environmental law or the spotted owl

guidelines, then the project would have to be altered accordingly?

□ 1215

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman will continue to yield, that is correct. The bill does not exempt the project from any environmental law and it explicitly references the spotted owl guidelines.

Mr. BOEHLERT. One final question, Mr. Chairman. Is there anything in this bill that would prevent the Forest Service from undertaking site-specific analysis as part of an environmental impact statement?

Mr. YOUNG of Alaska. No, there is not.

Mr. BOEHLERT. Mr. Chairman, I thank the gentleman for those assurances. I think that my colleagues can now see how this bill provides adequate environmental protection. This valuable locally developed experiment will be able to go forward to the extent that it passes muster under existing environmental law. We have provided no special dispensations but we have ensured that the initial stages of environmental review cannot be dragged on indefinitely.

I think this Congress needs to do everything possible to advance locally developed solutions to environmental issues, but those solutions must be in compliance with environmental, Federal environmental law. This bill satisfies both of those goals. This bill would advance a locally negotiated, created, worthy 5-year experiment while ensuring that the experiment moves forward only to the extent that it complies with Federal environmental law. It is exactly the right approach to the stewardship of Federal lands that belong to us all. Creative management, full-fledged protection.

In forest management in particular, this strategy has been lacking. On one side we have those who want to ban all logging in Federal forests; on the other, those who want to limit the role of environmental concerns in managing those forests. But those extremes must be rejected. This bill rejects them.

I am pleased this bill has been revised to represent a true middle ground. I want to thank all of those on both sides of the aisle who have worked so cooperatively with the Quincy Library Group. This is how the system should work. I want to commend both the gentleman from Alaska [Mr. YOUNG] and the gentleman from California [Mr. HERGER] in particular with whom I have had the privilege of working closely. I want to thank the gentleman from California [Mr. MILLER] and my colleagues on the other side of the aisle for working cooperatively with us.

With that, I urge my colleagues to support this bill.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 2½ minutes to the gentleman from California [Mr. RADANOVICH].

Mr. RADANOVICH. Mr. Chairman, as vice chairman of the Western Caucus, I rise to express my strong support for H.R. 858 and my opposition to the substitute offered by my colleague, the gentleman from California [Mr. MILLER]. In November of 1992, representatives from local environmental organizations, local foresters, local elected officials, and interested citizens began meeting at the library in Quincy, CA. The result of this effort is the legislation we have before us today, H.R. 858, a proposal that is good for forests, good for people, and good for the environment.

Using the best and most current science available, the Quincy Library Group has brought before us a 5-year forest management pilot program that strengthens the health of the forest in the Quincy region by reducing the catastrophic wildfires, restoring streams and watersheds, prohibiting timber harvesting in all designated roadless areas, and saving endangered species.

H.R. 858 represents a bold new approach to solving today's environmental problems, an approach that is long overdue. The legislation put forward by the gentleman from California [Mr. HERGER] marks the new beginning of an era of environmentalism in America, one that emphasizes local wisdom, local cooperation, and incentives not in conflict and controversy.

For too long we have placed our trust into the hands of nameless, faceless Washington bureaucrats to decide what is best for our environment and our well-being in local communities like Quincy. In order to better protect the environment, we must move beyond the outdated approaches of the past. We must replace the old Federal command and control approach to environmental protection with one that rewards local stewardship and private property incentives. H.R. 858 achieves these important objectives.

Mr. Chairman, do not let the eco-thugs destroy the environment of northern California. Vote no on the Miller amendment and yes on H.R. 858, the Quincy Library bill.

Mr. MILLER of California. Mr. Chairman, I yield 4 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding time to me as I rise in opposition to H.R. 858, the Quincy Library legislation and in support of the Miller amendment to H.R. 858.

Mr. Chairman, I rise in opposition because this committee bill, despite the valiant efforts of the distinguished chairman of the committee, whom I hold in the highest esteem, this bill is not what it appears to be. It does not provide forestry stream protection. It does not promote adequate public input. It does not provide environmental controls on logging. Indeed, in spite of the efforts of our distinguished chairman, H.R. 858 is a facade. The legislation is not even necessary.

The goals stated in this bill could easily be accomplished at less cost and with less controversy by administrative action. What may have started out as a laudable plan by a small group of concerned citizens has not resulted in fulfilling the original concept of forest protection. If Congress intends to go forward with this legislation, it should at a minimum, at a minimum, Mr. Chairman, include the Miller amendment to bring H.R. 858 into compliance with Federal environmental laws governing forest protection and particularly the protection of the spotted owl and its habitat in the region.

The Miller amendment stipulates that environmental impact statements under the legislation must be prepared in accordance with existing Federal law. The management of these vast tracts of California forest should be based on sound science and environmental policy. We should not proceed with anything less than the Miller amendment.

While the original goal of the Quincy Library Group, and indeed the distinguished chairman, was to reduce catastrophic wildfires, that is an important goal for the Quincy communities and surrounding forest, it has been lost in this debate. H.R. 858 is a drastic departure from the intended goal. Instead H.R. 858 sets a poor example for citizen involvement by allowing Federal laws to be circumvented and sends the message that the activities of local communities can be made immune from Federal laws governing Federal forests.

The echo from this message will reverberate in future forest management decisions, signalling that environmental laws can be disregarded. Let us not set a bad precedent today. I urge my colleagues to support the Miller amendment when it is offered later and to oppose final passage of this bill, if the Miller amendment is not adopted.

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think what is becoming clear in this debate is there is clearly an agreement in terms of purpose and intent, I believe, essentially among all parties to this legislation; that is, that we ought to try and see as to whether or not local communities can be involved to a greater extent, can help the Federal Government design forest practices and forest management that is consistent with the interest of those communities. When I say those communities, I mean it in the broadest regard, as is reflected in the Quincy Library where we have included the environmental community, the business communities, the forest industries community, those interested in recreation, small businesses and all of the rest, that those communities get a great deal of consideration and participation in the design of the management and the practices on our forests.

Where I think this debate departs is that in designing this pilot project, we have run into some glitches that I think are minor in terms of intent but important in terms of the law and important in terms of trying to reduce

the potential for litigation on this pilot project. My amendment seeks to address those concerns that have been raised by this administration. It has been funded, it has been championed, it has been motivating, the Quincy Library Group. I am sure that we are disappointed that we are at this stage, but they have come forth and I admit they only came forth this morning or late yesterday afternoon with the statement of administrative position clearly outlining these important changes that they sought. But we should not argue about whether or not the administration came forward on a timely basis. What we ought to do is to see whether or not, in fact, we can clear up those concerns so that we can have, in fact, here a unified position on this legislation. We will have the ability to expedite it through the Senate and have it in fact become the law so that we can get on with this process.

A number of speakers have alluded to the fact that the Quincy Library Group has been meeting for a very, very long time, that this work product, their desire, has been around a considerable period of time. It would be a shame that if after we get consideration of this in the House, then, in fact, we find out that we cannot get consideration because of these remaining controversies, we cannot get consideration of it in the Senate where it languishes and I think it is fair to say that that would be a very real problem.

I think with the acceptance of these amendments, we basically have legislation where we have the kind of agreement that allows for the expediting of this within the other body. I would hope that as I get prepared to offer my amendment, that all parties who have worked so very, very hard on this legislation would understand that I think in some cases we are talking about a difference in language, maybe not a difference of intent. It is clear that the gentlewoman from Idaho, the chairman, the gentleman from California [Mr. HERGER] and others have gone a long distance in trying to address those concerns. But now we have a clearly stated list of concerns from the administration that in fact are going to have to be addressed, whether they are addressed here or addressed later. We ought to address them here and dramatically improve the chances of this legislation becoming law so that people in Quincy Library can get on with this pilot project.

Ordinarily you would not think that this would be terribly important, when we are talking about a pilot project, but as I tried to say in my opening remarks, we are talking about a forest system in our State of California that is under a great deal of stress, a forest system that a lot of changes have to be made in, and there is not a lot of room for error, whether you are from the forest industries side of the equation or whether you are from the environmental side of the equation or whether you are a small business trying to sell gasoline and food and recreational supplies to people who come there to use it. If we do not from this date forward manage these forests correctly, we run the risk of losing these forests for many, many generations. We cannot afford to do that.

I think that is the purpose of the administration's amendments, which, again, comes from an administration that created the Quincy Library Group, has funded the Quincy Library Group, and now finds itself in a position where it has, I believe, four or five recommendations to make this bill consistent with the environmental laws of their concern. I would hope that we would be able to address those when I offer my amendment.

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

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me the time.

I have followed this process as a person who comes from a district where the forest wars have raged during my entire tenure in Congress. I have followed the Quincy Library project with great hope as a way to move away from embittered and polarized interests to some solutions that make sense. I am very concerned that we have ended up with a bill on the floor that the administration has raised strong objections to a few points of language and concerns within the bill. I am hoping that we work that out, because I would like to see this project go forward to implementation.

□ 1230

Because it is finally moving away from the forestry we have been practicing in this country since NFMA and before that, which is the approach of save and sacrifice. That is, over here we will have huge clearcuts, and over here we will put some land aside. The President's plan was an improvement, but what it did was saved more and sacrificed less. It did not look at alternative management.

This project would, over a wide and large land base, first, reserve roadless areas, reserve wilderness areas, enhance riparian protections, follow all the recommendations for the spotted owl recovery program in terms of canopy closure, but it would engage in what is called light touch, uneven aged stand management, light touch forestry, over about a quarter of this land base. Now, that, to me, is a step forward in recovering the health of this ecosystem and in beginning to turn down the temperature on these conflicts.

There are some who have vested interests in continuing the conflict, and they are going to object even if we come to a reasonable conclusion here, those at the poles of this debate. But I believe the vast majority of the people want to see us work out an agreement here that can be signed into law by the President, that will allow us to look at a different type of forest management to recover forest health and leave those areas that are already healthy alone.

That is what the Quincy Library project is about. Those were the conclusions that were reached by this local group, rather amazingly. I was very skeptical when we put forward funding for the Quincy Library project. I said we will never get strong environmentalist and strong industry advocates to sit down in a room together and agree on much of anything. Well, there has been substantial agreement, but now the disagreement has gone beyond the walls of the Quincy Library to here on the floor, where we still have a few fine points to work out so that we can ensure that we have a bill that is acceptable to the administration and that we can go forward.

Again, reserve the roadless areas, reserve the wilderness areas, enhance the protections, follow the spotted owl guidelines, but go to light touch uneven aged stand management on those lands outside of those critical areas that are not in a very healthy condition. It would definitely be a step forward in our understanding of how we might recover some of the damage that has been caused by mismanagement of Federal forestlands over the last half century here in this country.

So I am hopeful that it will be possible to come to that sort of an agreement here on the floor today. I will support the gentleman's amendment when it is offered later and am hopeful that we can work out any other differences.

Mr. FAZIO of California. Mr. Chairman, I rise today in support of the manager's amendment to H.R. 858, the Quincy Library Group Forest Recovery and Economic Stability Act.

In April 1993, at the Northwest Forest Summit, President Clinton put forth a challenge to a community in northern California in the midst of timber wars and litigation brought about by the listing of the northern spotted owl and a reduction in logging levels in the forests of northern California.

President Clinton said to the people local to the area of Quincy, CA, "When you leave here today, I ask you to keep working for a balanced policy that promotes the economy, preserves jobs and protects the environment, I hope we can stay in the conference room and out of the courtroom."

A group of local citizens around Quincy, CA—including public officials, timber employees, and members of the environmental community—seized the President's challenge.

The group had their first meeting at the public library in Quincy—the only location which assured quiet, civil discussion about many difficult and contentious issues and concerns.

The manager's amendment before us today is the result of 4 years of consensus building on issues that do not easily lend themselves to a consensus.

The bill provides a framework for managing the forests of the Sierra Nevada through fire suppression, watershed protection and riparian restoration, and seeks to direct these activities toward meeting the local needs of communities dependent on these forests for economic livelihood.

Since my colleague, WALLY HERGER, introduced this bill early in the 105th Congress, H.R. 858 has come a long way.

I testified before the committee in March as a cosponsor of this bill, in support of the process of local people getting together to work out problems in the community. But I also acknowledged that the bill still had a long way to go.

In any attempt to put an agreement into legislative language, the devil remained in the details.

What followed in northern California after the committee hearing was perhaps one of the most remarkable steps forward we have seen in this country since the two sides embattled in the debate over our Nation's forests first butted their heads together—members of the QLG, the Forest Service, Congress, and the national environmental community came together in an attempt to work out further differences.

Much progress was made in the several meetings which were held during the past few months, but as is always true with consensus, not all the glitches were ironed out.

Provisions have been added which ensure compliance with environmental laws as well as interim and final California spotted owl guidelines, and there is an authorization for additional appropriations for the Forest Service to implement the Qunicy Library Group proposal.

But I know that the administration still has some concerns, and I am supportive of the amendment being offered by my colleague GEORGE MILLER, which addresses some of the issues raised and ensures a straightforward interpretation of the bill's environmental protection provisions.

Senator FEINSTEIN has also been working with the QLG, the administration, and members of the environmental community on Senate legislation, which I believe will move us closer to a bill which has something in it for just about everyone.

As I have said all along, this bill is a work in progress.

But I feel certain that if we continue to work together, the House and the Senate will be able to send a bill to the White House that the President will sign.

I urge my colleagues to enable this work in progress to move forward today by voting yes on H.R. 858.

Mr. STARK. Mr. Chairman, I rise in support of the amendment to H.R. 858 offered by Representative MILLER which would ensure the environmental integrity of an otherwise bad bill. Based on its own merit, H.R. 858 is a bill that would have serious environmental and fiscal impacts.

Proponents of H.R. 858 have sold the bill as a consensus between environmentalists and the timber industry. In reality, no such consensus exists. Environmental organizations from the affected forests oppose this bill. To date, not a single environmental organization has endorsed the bill. Further, when the Clinton administration hosted meetings between the Quincy Library Group and environmental organizations, the Quincy Library Group ended those negotiations. So much for collaboration.

There are a number of serious concerns with the legislation. If enacted, this bill would double the amount of logging that is currently being practiced on the Lassen and Plumas National Forests and the Sierraville Ranger District of the Tahoe National Forest. Further, there are no assurances that the logging will not violate environmental law. The massive experiment consisting of up to 350,000 acres of logging over a 5-year period, would be done prior to environmental review. This is fundamentally contrary to the provisions of the National Environmental Policy Act and National Forest Management Act. The experiment could cause tremendous harm on the ground.

Finally, the bill is bad for the taxpayers. The Congressional Budget Office has stated that the implementation of the increased logging levels that would be allowed by H.R. 858 would cost taxpayers $83 million over the next 5 years. This money will come from other programs on the Lassen and Plumas National Forests. It is fiscally irresponsible to continue to spend taxpayer dollars to subsidize an increased logging program that already costs taxpayers millions of dollars each year.

Representative MILLER allows the pilot project to go forward, but simply makes sure that no environmental laws are waived or superseded. What could possibly be wrong with that?

Let's do the right thing for the environment. The environmental analysis should determine the levels of logging, not a handful of local residents who would ask the rest of the taxpayers to pay the $83 million price tag for a project that makes an end run around our country's environmental laws.

I urge my colleagues to support the Miller amendment, and if accepted, to support H.R. 858.

Mr. MILLER of California. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment numbered 1 in the CONGRESSIONAL RECORD is considered as an original bill for the purpose of amendment and is considered read.

The text of the amendment in the nature of a substitute numbered 1 is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Quincy Library Group Forest Recovery and Economic Stability Act of 1997''.

SEC. 2. PILOT PROJECT FOR PLUMAS, LASSEN, AND TAHOE NATIONAL FORESTS TO IMPLEMENT QUINCY LIBRARY GROUP PROPOSAL.

(a) DEFINITION.—For purposes of this section, the term ''Quincy Library Group-Community Stability Proposal'' means the agreement by a coalition of representatives of fisheries, timber, environmental, county government, citizen groups, and local communities that formed in northern California to develop a resource management program that promotes ecologic and economic health for certain Federal lands and communities in the Sierra Nevada area. Such proposal includes the map entitled ''QUINCY LIBRARY GROUP Community Stability Proposal'', dated June 1993, and prepared by VESTRA Resources of Redding, California.

(b) PILOT PROJECT REQUIRED.—

(1) PILOT PROJECT AND PURPOSE.—The Secretary of Agriculture (in this section referred to as the ''Secretary''), acting through the Forest Service, shall conduct a pilot project on the Federal lands described in paragraph (2) to implement and demonstrate the effectiveness of the resource management activities described in subsection (d) and the other requirements of this section, as recommended in the Quincy Library Group-Community Stability Proposal.

(2) PILOT PROJECT AREA.—The Secretary shall conduct the pilot project on the Federal lands within Plumas National Forest, Lassen National Forest, and the Sierraville Ranger District of Tahoe National Forest in the State of California designated as ''Available for Group Selection'' on the map entitled ''QUINCY LIBRARY GROUP Community Stability Proposal'', dated June 1993 (in this section referred to as the ''pilot project area''). Such map shall be on file and available for inspection in the appropriate offices of the Forest Service.

(c) EXCLUSION OF CERTAIN LANDS AND RIPARIAN PROTECTION.—

(1) EXCLUSION.—All spotted owl habitat areas and protected activity centers located within the pilot project area designated under subsection (b)(2) will be deferred from resource management activities required under subsection (d) and timber harvesting during the term of the pilot project.

(2) RIPARIAN PROTECTION.—

(A) IN GENERAL.—The Scientific Analysis Team guidelines for riparian system protection described in subparagraph (B) shall apply to all resource management activities conducted under subsection (d) and all timber harvesting activities that occur in the pilot project area during the term of the pilot project.

(B) GUIDELINES DESCRIBED.—The guidelines referred to in subparagraph (A) are those in the document entitled ''Viability Assessments and Management Considerations for Species Associated with Late-Successional and Old-Growth Forests of the Pacific Northwest'', a Forest Service research document dated March 1993 and co-authored by the Scientific Analysis Team, including Dr. Jack Ward Thomas.

(3) RIPARIAN RESTORATION.—During any fiscal year in which the resource management activities required by subsection (d) result in net revenues, the Secretary shall recommend to the authorization and appropriation committees that up to 25 percent of such net revenues be made available in the subsequent fiscal year for riparian restoration projects that are consistent with the Quincy Library Group-Community Stability Proposal within the Plumas National Forest, the Lassen National Forest, and the Sierraville Ranger District of the Tahoe National Forest. For purposes of this paragraph, net revenues are the revenues derived from activities required by subsection (d), less expenses incurred to undertake such activities (including 25 percent payment to the State of California under the Act of May 23, 1908 (Chapter 192; 35 Stat. 259; 16 U.S.C. 500, 553, 556d).

(d) RESOURCE MANAGEMENT ACTIVITIES.—During the term of the pilot project, the Secretary shall implement and carry out the following resource management activities on an acreage basis on the Federal lands included within the pilot project area designated under subsection (b)(2):

(1) FUELBREAK CONSTRUCTION.—Construction of a strategic system of defensible fuel profile zones, including shaded fuelbreaks, utilizing thinning, individual tree selection, and other methods of vegetation management consistent with the Quincy Library Group-Community Stability Proposal, on not less than 40,000, but not more than 60,000, acres per year.

(2) GROUP SELECTION AND INDIVIDUAL TREE SELECTION.—Utilization of group selection and individual tree selection uneven-aged forest management prescriptions described in the Quincy Library Group-Community

Stability Proposal to achieve a desired future condition of all-age, multistory, fire resilient forests as follows:

(A) GROUP SELECTION.—Group selection on an average acreage of .57 percent of the pilot project area land each year of the pilot project.

(B) INDIVIDUAL TREE SELECTION.—Individual tree selection may also be utilized within the pilot project area.

(3) TOTAL ACREAGE.—The total acreage on which resource management activities are implemented under this subsection shall not exceed 70,000 acres each year.

(e) COST-EFFECTIVENESS.—In conducting the pilot project, Secretary shall use the most cost-effective means available, as determined by the Secretary, to implement resource management activities described in subsection (d).

(f) EFFECT ON MULTIPLE USE ACTIVITIES.—The Secretary shall not rely on the resource management activities described in subsection (d) as a basis for administrative action limiting other multiple use activities in the Plumas National Forest, the Lassen National Forest, and the Tahoe National Forest.

(g) FUNDING.—

(1) SOURCE OF FUNDS.—In conducting the pilot project, the Secretary shall use—

(A) those funds specifically provided to the Forest Service by the Secretary to implement resource management activities according to the Quincy Library Group-Community Stability Proposal; and

(B) excess funds that are allocated for the administration and management of Plumas National Forest, Lassen National Forest, and the Sierraville Ranger District of Tahoe National Forest.

(2) PROHIBITION ON USE OF CERTAIN FUNDS.—The Secretary may not conduct the pilot project using funds appropriated for any other unit of the National Forest System.

(3) FLEXIBILITY.—During the term of the pilot project, the forest supervisors of Plumas National Forest, Lassen National Forest, and Tahoe National Forest may allocate and use all accounts that contain excess funds and all available excess funds for the administration and management of Plumas National Forest, Lassen National Forest, and the Sierraville Ranger District of Tahoe National Forest to perform the resource management activities described in subsection (d).

(4) RESTRICTION.—The Secretary or the forest supervisors, as the case may be, shall not utilize authority provided under paragraphs (1)(B) and (3) if, in their judgment, doing so will limit other nontimber related multiple use activities for which such funds were available.

(5) OVERHEAD.—Of amounts available to carry out this section—

(A) not more than 12 percent may be used or allocated for general administration or other overhead; and

(B) at least 88 percent shall be used to implement and carry out activities required by this section.

(6) AUTHORIZED SUPPLEMENTAL FUNDS.—There are authorized to be appropriated to implement and carry out the pilot project such sums as are necessary.

(h) TERM OF PILOT PROJECT.—The Secretary shall conduct the pilot project during the period beginning on the date of the enactment of this Act and ending on the later of the following:

(1) The date on which the Secretary completes amendment or revision of the land and resource management plans for Plumas National Forest, Lassen National Forest, and Tahoe National Forest pursuant to subsection (j).

(2) The date that is five years after the date of the commencement of the pilot project.

(i) EXPEDITIOUS IMPLEMENTATION AND ENVIRONMENTAL LAW COMPLIANCE.—

(1) ENVIRONMENTAL LAW REQUIREMENT.—All environmental impact statements for which a final record of decision is required to be prepared in accordance with this subsection, and all records of decision adopted under this subsection, shall comply with applicable environmental laws and the standards and guidelines for the conservation of the California spotted owl as set forth in the California Spotted Owl Province Interim Guidelines issued by the Forest Service, and subsequently issued final standards and guidelines that modify such interim guidelines when such final standards and guidelines become effective.

(2) ENVIRONMENTAL IMPACT STATEMENT FOR PILOT PROJECT AND FIRST INCREMENT.—Not later than the expiration of the 150-day period beginning on the date of the enactment of this Act, the Regional Forester for Region 5 shall, after a 45-day period for public comment on the draft environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) for all of the pilot project area specified in subsection (b)(2) that covers the resource management activities required by subsection (d) for the 5-year duration of the pilot project—

(A) adopt a final record of decision for that statement; and

(B) include as part of that statement a project level analysis of the specific resource management activities required by subsection (d) that will be carried out in an area within the pilot project area during the increment of the pilot project that begins on the day that is 150 days after enactment of this Act and ends December 31, 1998.

(3) SUBSEQUENT YEARLY ENVIRONMENTAL DOCUMENTS.—Not later than January 1 of 1999 and of each year thereafter throughout the term of the pilot project, the Regional Forester for Region 5 shall, after a 45-day public comment period, adopt a final record of decision for the environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 consisting of a project level analysis of the specific resource management activities required by subsection (d) that will be carried out during that year. A statement prepared under this paragraph shall be tiered where appropriate to the environmental impact statement referred to in paragraph (2), in accordance with regulations issued by the Council on Environmental Quality.

(4) CONSULTATION.—Each statement and analysis required by paragraphs (2) and (3) shall be prepared in consultation with the Quincy Library Group.

(5) FOREST SERVICE FOCUS.—

(A) IN GENERAL.—The Regional Forester for Region 5 shall direct that, during the period described in subparagraph (B)—

(i) any resource management activity required by subsection (d), all road building, and all timber harvesting activities shall not be conducted on the Federal lands within the Plumas National Forest, Lassen National Forest, and Sierraville Ranger District of the Tahoe National Forest in the State of California that are designated as either ''Off Base'' or ''Deferred'' on the map referred to in subsection (a); and

(ii) excess financial and human resources available to National Forests and Ranger Districts that are participating in the pilot project shall be applied to achieve the resource management activities required by subsection (d) and the other requirements of this section within the pilot project area specified in subsection (b)(2).

(B) PERIOD DESCRIBED.—The period referred to in subparagraph (A) is when the resource management activities required by subsection (d) are being carried out, or are eligible to be carried out, on the ground on a schedule that will meet the yearly acreage requirements of subsection (d) and under environmental documentation that is timely prepared under the schedule established by paragraphs (2) and (3).

(6) PROTECTION OF EXISTING WILDERNESS.—This section shall not be construed to authorize any resource management activity in any area required to be managed as part of the National Wilderness Preservation System.

(7) CONTRACTING.—The Forest Service, subject to the availability of appropriations, may carry out any (or all) of the requirements of this section using private contracts.

(j) CORRESPONDING FOREST PLAN AMENDMENTS.—Within 180 days after the date of the enactment of this Act, the Regional Forester for Region 5 shall initiate the process to amend or revise the land and resource management plans for Plumas National Forest, Lassen National Forest, and Tahoe National Forest. The process shall include preparation of at least one alternative that—

(1) incorporates the pilot project and area designations made by subsection (b), the resource management activities described in subsection (d), and other aspects of the Quincy Library Group Community Stability Proposal; and

(2) makes other changes warranted by the analyses conducted in compliance with section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)), section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604), and other applicable laws.

(k) REPORTING REQUIREMENTS.—

(1) IN GENERAL.—Not later than February 28 of each year during the term of the pilot project, the Secretary after consultation with the Quincy Library Group, shall submit to Congress a report on the status of the pilot project. The report shall include at least the following:

(A) A complete accounting of the use of funds made available under subsection (g)(1)(A) until such funds are fully expended.

(B) A complete accounting of the use of funds and accounts made available under subsection (g)(1) for the previous fiscal year, including a schedule of the amounts drawn from each account used to perform resource management activities described in subsection (d).

(C) A description of total acres treated for each of the resource management activities required under subsection (d), forest health improvements, fire risk reductions, water yield increases, and other natural resources-related benefits achieved by the implementation of the resource management activities described in subsection (d).

(D) A description of the economic benefits to local communities achieved by the implementation of the pilot project.

(E) A comparison of the revenues generated by, and costs incurred in, the implementation of the resource management activities described in subsection (d) on the Federal lands included in the pilot project area with the revenues and costs during each of the fiscal years 1992 through 1997 for timber management of such lands before their inclusion in the pilot project.

(F) A schedule for the resource management activities to be undertaken in the pilot project area during the calendar year.

(2) LIMITATION ON EXPENDITURES.—The amount of Federal funds expended on each annual report under this subsection shall not exceed $50,000.

(l) FINAL REPORT.—

(1) IN GENERAL.—Beginning after completion of 6 months of the second year of the pilot project, the Secretary shall compile a science-based assessment of, and report on, the effectiveness of the pilot project in meeting the stated goals of this pilot project. Such assessment and report—

(A) shall include watershed monitoring of lands treated under this section, that should address the following issues on a priority basis: timing of water releases, water quality changes, and water yield changes over the short and long term in the pilot project area;

(B) shall be compiled in consultation with the Quincy Library Group; and

(C) shall be submitted to the Congress by July 1, 2002.

(2) LIMITATIONS ON EXPENDITURES.—The amount of Federal funds expended for the assessment and report under this subsection, other than for watershed monitoring under paragraph (1)(A), shall not exceed $150,000. The amount of Federal funds expended for watershed monitoring under paragraph (1)(A) shall not exceed $75,000 for each of fiscal years 2000, 2001, and 2002.

(m) RELATIONSHIP TO OTHER LAWS.—Nothing in this section exempts the pilot project from any Federal environmental law.

The CHAIRMAN. No further amendment is in order except the amendment numbered 2 in the CONGRESSIONAL RECORD, which may be offered by the gentleman from California [Mr. MILLER] or his designee, shall be considered read, shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

Mr. YOUNG of Alaska. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BOEHNER) having assumed the chair, Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 858), to direct the Secretary of Agriculture to conduct a pilot project on designated lands within Plumas, Lassen, and Tahoe National Forests in the State of California to demonstrate the effectiveness of the resource management activities proposed by the Quincy Library Group and to amend current land and resource management plans for these national forests to consider the incorporation of these resource management activities, had come to no resolution thereon.

PROVIDING FOR OFFERING OF AMENDMENT IN LIEU OF MILLER OF CALIFORNIA AMENDMENT TO H.R. 858, QUINCY LIBRARY GROUP FOREST RECOVERY AND ECONOMIC STABILITY ACT OF 1997

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent that the order of business in House Resolution 180 be modified so that it shall be in order for Mr. YOUNG of Alaska to offer the amendment now at the desk in lieu of the amendment numbered 2 in the CONGRESSIONAL RECORD by Mr. MILLER of California, and that the amendment be considered under the same terms as would otherwise be applied to amendment No. 2.

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

There was no objection.

QUINCY LIBRARY GROUP FOREST RECOVERY AND ECONOMIC STABILITY ACT OF 1997

The SPEAKER pro tempore. Pursuant to House Resolution 180 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 858.

□ 1241

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 858) to direct the Secretary of Agriculture to conduct a pilot project on designated lands within Plumas, Lassen, and Tahoe National Forests in the State of California to demonstrate the effectiveness of the resource management activities proposed by the Quincy Library Group and to amend current land and resource management plans for these national forests to consider the incorporation of these resource management activities, with Mr. PEASE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose earlier today, all time for debate had expired.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Alaska [Mr. YOUNG] is recognized for 5 minutes.

There was no objection.

Mr. YOUNG of Alaska. Mr. Chairman, I apologize to Members that there is a little confusion going on right now, but there has been some discussion in trying to reach an agreement with the administration. I have letters from the administration saying that they basically support the implication of this legislation, from Mr. Glickman, the Department of Environmental Quality. What we have been trying to do for the last hour is to work out some mutual agreement where I personally believe that we can, in fact, send this bill to the Senate and have the Senate take it up without any amendments and send it to the President.

Now, there may be some that may not agree with what has been done on both sides, but it is my belief it is the best way to try to solve these problems. Because I am a realist, and I recognize there are those that oppose this bill, especially the national environmental community, I understand that and I understand that there are those in the Senate who have the power, because their rules put holds on bills and nothing occurs, I think it is very important to get this pilot project on its way to become a law.

I have worked with the gentleman from California [Mr. MILLER] for the last hour, and we have been saying things to one another and discussing this, what we can accomplish. I am resentful of the administration, because I just got their letters about 10 minutes, 15 minutes ago. I think this is inappropriate on the part of the administration when this is their brainchild, when they thought this would be the way to go.

We have done everything possible to make this work. It is my belief, the way that this has been made up, that we have an opportunity now to really solve what was in my substitute but was a definition that appeases not only the administration but the gentleman from California [Mr. MILLER] and others that are involved.

Now, I will not say that we did not have the votes. I believe we had the votes to pass it in the House big time, and I understand that, but there is also a chance in the way this works, if we want to get this program in place, on time, working for the people, the Quincy Library Group and the people in that arena, we must try to solve the problems here on the floor of the House to give them that opportunity.

If these amendments destroy the intent of the bill and if it does not work, then we can always review it. We can come back and find out what is happening. But it is an attempt to make sure that we have a fledgling duckling turn into a beautiful swan. It is an opportunity to make this work.

I know there is some question about what we are doing here, and I apologize to those people, but this is the way this program works. This is a democracy. This is a legislative process, putting a package together that becomes a reality.

So with that, I would like to thank the gentleman from California and those involved. I would like to suggest respectfully, for those that are unaware of what we are doing, that this is really, I think, our opportunity to fulfill not only an obligation, although we can win on this floor, but we can go forward and have an opportunity on the Senate side and get this to the President of the United States and make sure that these local people are heard and done correctly.

If it does not work, we can come back and revisit it again. I do believe it will work.

Mr. MILLER of California. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

There was no objection.

Mr. MILLER of California. Mr. Chairman, I want to thank the chairman for offering this amendment. I think, in fact, as I said, there is very little disagreement about the intent and the purpose of this legislation and what all of us would like to see carried out. The gentlewoman from Idaho, the subcommittee chair, has worked long and

hard on this legislation, has accepted many changes by the various concerned parties to this legislation, as has the gentleman from Alaska, the chairman of the committee.

The gentleman from California [Mr. HERGER] who represents this area and has championed this legislation, this approach, I think also has accepted many changes to this legislation that I believe is consistent with the idea that we would try to empower local communities to have a say in the planning of forest practices and forest managements that are consistent with the best interests of those communities while, at the same time, being consistent with the overall system of general forest health.

I think the suggestions put forth now by the chairman, the gentleman from Alaska, now ensure that we have legislation here that can be considered on a very timely basis in the Senate and be sent to the President's desk so, in fact, the Quincy Library Group pilot project on this 2½ million acres can go forward and it can go forward with every Member being assured that it is in compliance with the laws and it is in compliance with the intent and the purposes of the Quincy Library Group.

It is not easy to fashion these kinds of amendments when we are dealing with resource issues. When I used to be chairman of the committee, I used to tell people that wanted to get on the committee that we do not deal with anything abstract in this committee. We are either moving a boundary 10 feet north or 10 feet south, and trees either end up vertical or they end up horizontal. This is not an abstract committee.

So I want to commend the gentleman and the other Members on the other side for their effort in offering this amendment, and it is my intention to support the amendment, to support the legislation, and to work hard to see that it becomes the law of the land.

The CHAIRMAN. Pursuant to the rule, amendment numbered 1 in the CONGRESSIONAL RECORD is considered as an original bill for the purpose of amendment and is considered read.

No further amendment is in order, except the amendment enabled by the recent order by unanimous consent which may be offered by the gentleman from Alaska [Mr. YOUNG] or his designee, shall be considered read, shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. YOUNG of Alaska:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Quincy Library Group Forest Recovery and Economic Stability Act of 1997''.

SEC. 2. PILOT PROJECT FOR PLUMAS, LASSEN, AND TAHOE NATIONAL FORESTS TO IMPLEMENT QUINCY LIBRARY GROUP PROPOSAL.

(a) DEFINITION.—For purposes of this section, the term ''Quincy Library Group-Community Stability Proposal'' means the agreement by a coalition of representatives of fisheries, timber, environmental, county government, citizen groups, and local communities that formed in northern California to develop a resource management program that promotes ecologic and economic health for certain Federal lands and communities in the Sierra Nevada area. Such proposal includes the map entitled ''QUINCY LIBRARY GROUP Community Stability Proposal'', dated June 1993, and prepared by VESTRA Resources of Redding, California.

(b) PILOT PROJECT REQUIRED.—

(1) PILOT PROJECT AND PURPOSE.—The Secretary of Agriculture (in this section referred to as the ''Secretary''), acting through the Forest Service and after completion of an environmental impact statement (a record of decision for which shall be adopted within 200 days); shall conduct a pilot project on the Federal lands described in paragraph (2) to implement and demonstrate the effectiveness of the resource management activities described in subsection (d) and the other requirements of this section, as recommended in the Quincy Library Group-Community Stability Proposal.

(2) PILOT PROJECT AREA.—The Secretary shall conduct the pilot project on the Federal lands within Plumas National Forest, Lassen National Forest, and the Sierraville Ranger District of Tahoe National Forest in the State of California designated as ''Available for Group Selection'' on the map entitled ''QUINCY LIBRARY GROUP Community Stability Proposal'', dated June 1993 (in this section referred to as the ''pilot project area''). Such map shall be on file and available for inspection in the appropriate offices of the Forest Service.

(c) EXCLUSION OF CERTAIN LANDS, RIPARIAN PROTECTION AND COMPLIANCE.—

(1) EXCLUSION.—All spotted owl habitat areas and protected activity centers located within the pilot project area designated under subsection (b)(2) will be deferred from resource management activities required under subsection (d) and timber harvesting during the term of the pilot project.

(2) RIPARIAN PROTECTION.—

(A) IN GENERAL.—The Scientific Analysis Team guidelines for riparian system protection described in subparagraph (B) shall apply to all resource management activities conducted under subsection (d) and all timber harvesting activities that occur in the pilot project area during the term of the pilot project.

(B) GUIDELINES DESCRIBED.—The guidelines referred to in subparagraph (A) are those in the document entitled ''Viability Assessments and Management Considerations for Species Associated with Late-Successional and Old-Growth Forests of the Pacific Northwest'', a Forest Service research document dated March 1993 and co-authored by the Scientific Analysis Team, including Dr. Jack Ward Thomas.

(3) COMPLIANCE.—All resource management activities required by subsection (d) shall be implemented to the extent consistent with applicable Federal laws and the standards and guidelines for the Conservation of the California Spotted Owl as set forth in the California Spotted Owl Sierran Provence Interim Guidelines or the subsequently issued final guidelines whichever is in effect.

(d) RESOURCE MANAGEMENT ACTIVITIES.—During the term of the pilot project, the Secretary shall implement and carry out the following resource management activities on an acreage basis on the Federal lands included within the pilot project area designated under subsection (b)(2):

(1) FUELBREAK CONSTRUCTION.—Construction of a strategic system of defensible fuel profile zones, including shaded fuelbreaks, utilizing thinning, individual tree selection, and other methods of vegetation management consistent with the Quincy Library Group-Community Stability Proposal, on not less than 40,000, but not more than 60,000, acres per year.

(2) GROUP SELECTION AND INDIVIDUAL TREE SELECTION.—Utilization of group selection and individual tree selection uneven-aged forest management prescriptions described in the Quincy Library Group-Community Stability Proposal to achieve a desired future condition of all-age, multistory, fire resilient forests as follows:

(A) GROUP SELECTION.—Group selection on an average acreage of .57 percent of the pilot project area land each year of the pilot project.

(B) INDIVIDUAL TREE SELECTION.—Individual tree selection may also be utilized within the pilot project area.

(3) TOTAL ACREAGE.—The total acreage on which resource management activities are implemented under this subsection shall not exceed 70,000 acres each year.

(4) RIPARIAN MANAGEMENT.—A program of riparian management, including wide protection zones and riparian restoration projects, consistent with riparian protection guidelines in subsection (c)(2)(B).

(e) COST-EFFECTIVENESS.—In conducting the pilot project, Secretary shall use the most cost-effective means available, as determined by the Secretary, to implement resource management activities described in subsection (d).

(g) FUNDING.—

(1) SOURCE OF FUNDS.—In conducting the pilot project, the Secretary shall use—

(A) those funds specifically provided to the Forest Service by the Secretary to implement resource management activities according to the Quincy Library Group-Community Stability Proposal; and

(B) excess funds that are allocated for the administration and management of Plumas National Forest, Lassen National Forest, and the Sierraville Ranger District of Tahoe National Forest.

(2) PROHIBITION ON USE OF CERTAIN FUNDS.—The Secretary may not conduct the pilot project using funds appropriated for any other unit of the National Forest System.

(3) FLEXIBILITY.—Subject to normal reprogramming guidelines, during the term of the pilot project, the forest supervisors of Plumas National Forest, Lassen National Forest, and Tahoe National Forest may allocate and use all accounts that contain excess funds and all available excess funds for the administration and management of Plumas National Forest, Lassen National Forest, and the Sierraville Ranger District of Tahoe National Forest to perform the resource management activities described in subsection (d).

(4) RESTRICTION.—The Secretary or the forest supervisors, as the case may be, shall not utilize authority provided under paragraphs (1)(B) and (3) if, in their judgment, doing so will limit other nontimber related multiple use activities for which such funds were available.

(5) OVERHEAD.—Of amounts available to carry out this section—

(A) not more than 12 percent may be used or allocated for general administration or other overhead; and

(B) at least 88 percent shall be used to implement and carry out activities required by this section.

(6) AUTHORIZED SUPPLEMENTAL FUNDS.—There are authorized to be appropriated to implement and carry out the pilot project such sums as are necessary.

(7) BASELINE FUNDS.—Amounts available for resource management activities authorized under subsection (d) shall at a minimum include existing baseline functioning levels.

(h) TERM OF PILOT PROJECT.—The Secretary shall conduct the pilot project during the period beginning on the date of the enactment of this Act and ending on the later of the following:

(1) The date on which the Secretary completes amendment or revision of the land and resource management plans for Plumas National Forest, Lassen National Forest, and Tahoe National Forest pursuant to subsection (j).

(2) The date that is five years after the date of the commencement of the pilot project.

(i)(1) CONSULTATION.—Each statement required by subsection (b)(1) shall be prepared in consultation with the Quincy Library Group.

(2) CONTRACTING.—The Forest Service, subject to the availability of appropriations, may carry out any (or all) of the requirements of this section using private contracts.

(j) CORRESPONDING FOREST PLAN AMENDMENTS.—Within 180 days after the date of the enactment of this Act, the Regional Forester for Region 5 shall initiate the process to amend or revise the land and resource management plans for Plumas National Forest, Lassen National Forest, and Tahoe National Forest. The process shall include preparation of at least one alternative that—

(1) incorporates the pilot project and area designations made by subsection (b), the resource management activities described in subsection (d), and other aspects of the Quincy Library Group Community Stability Proposal; and

(2) makes other changes warranted by the analyses conducted in compliance with section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)), section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604), and other applicable laws.

(k) REPORTING REQUIREMENTS.—

(1) IN GENERAL.—Not later than February 28 of each year during the term of the pilot project, the Secretary after consultation with the Quincy Library Group, shall submit to Congress a report on the status of the pilot project. The report shall include at least the following:

(A) A complete accounting of the use of funds made available under subsection (g)(1)(A) until such funds are fully expended.

(B) A complete accounting of the use of funds and accounts made available under subsection (g)(1) for the previous fiscal year, including a schedule of the amounts drawn from each account used to perform resource management activities described in subsection (d).

(C) A description of total acres treated for each of the resource management activities required under subsection (d), forest health improvements, fire risk reductions, water yield increases, and other natural resources-related benefits achieved by the implementation of the resource management activities described in subsection (d).

(D) A description of the economic benefits to local communities achieved by the implementation of the pilot project.

(E) A comparison of the revenues generated by, and costs incurred in, the implementation of the resource management activities described in subsection (d) on the Federal lands included in the pilot project area with the revenues and costs during each of the fiscal years 1992 through 1997 for timber management of such lands before their inclusion in the pilot project.

(F) A schedule for the resource management activities to be undertaken in the pilot project area during the calendar year.

(2) LIMITATION ON EXPENDITURES.—The amount of Federal funds expended on each annual report under this subsection shall not exceed $50,000.

(l) FINAL REPORT.—

(1) IN GENERAL.—Beginning after completion of 6 months of the second year of the pilot project, the Secretary shall compile a science-based assessment of, and report on, the effectiveness of the pilot project in meeting the stated goals of this pilot project. Such assessment and report—

(A) shall include watershed monitoring of lands treated under this section, that should address the following issues on a priority basis: timing of water releases, water quality changes, and water yield changes over the short and long term in the pilot project area;

(B) shall be compiled in consultation with the Quincy Library Group; and

(C) shall be submitted to the Congress by July 1, 2002.

(2) LIMITATIONS ON EXPENDITURES.—The amount of Federal funds expended for the assessment and report under this subsection, other than for watershed monitoring under paragraph (1)(A), shall not exceed $150,000. The amount of Federal funds expended for watershed monitoring under paragraph (1)(A) shall not exceed $75,000 for each of fiscal years 2000, 2001, and 2002.

(m) RELATIONSHIP TO OTHER LAWS.—Nothing in this section exempts the pilot project from any Federal environmental law.

The CHAIRMAN. Pursuant to the rule, the gentleman from Alaska [Mr. YOUNG] and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume. Again may I stress the importance of this legislation and the amendment which I offer to the original amendment by the gentleman from California [Mr. MILLER].

This is an interpretation which was disputed between the gentleman from California [Mr. MILLER] and myself and from the administration and what they requested. We still believe we did what we should have done in the original bill, or the substitute which I offered, but there is a disputing of definitions. We now believe that we have an opportunity with my amendment to take and resolve that dispute between the gentleman from California, myself, and the administration.

I have had the commitment of the gentleman from California that he is going to support this legislation if my amendment is adopted. Now, the total package will be voted on. And I have also had indications that the Senate would work appropriately with this legislation and the administration would sign this legislation if it gets out of this House in this form.

If this does not occur, that means that we would have to go back to conference; but I am confident that if we went to conference, I have the support of the ranking member and other members involved whereby we can in fact solve this problem and get the community input as necessary.

May I suggest, Mr. Chairman, there has been much said about the preservation of this forest. One of the biggest fears I have and have always had is the burning of our forests today and the lack of management.

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Fires are natural, yes. We have not been involved with Smokey the Bear, but we have put out fires for many, many years. The volatility of these acres now is about 100 barrels of gasoline per acre in some of our forests. Some of the most magnificent trees today are threatened because of the lack of fire control or fire suppression or, in fact, the continued growth and undergrowth that makes it impossible to put a fire out, and it kills the soil when it burns.

So we talk about the future generations walking through the forests. There will be no forests to walk through if we do not have the proper management. Yes, we can leave some trees aside. We can leave the old growth where it is in some places. We can also take and have the management thinning in the appropriate classification. But we must have what I call the appropriate management, and who better can do that than those in the area in which it lives? I think it is so crucially important that we continue to try this pilot project.

I want to stress again and again, pilot project, five-year project, all environmental laws, all registrations now. But it allows the taking of timber. It allows the proper fire suppression. So I urge the adoption of my amendment. I think it is crucially important that we have the opportunity to continue this.

Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. CALVERT], on the legislation itself and not necessarily directed to the amendment.

Mr. CALVERT. Mr. Chairman, I rise in support of the Quincy Library Group and the manager's amendment. The Quincy Library Group was not created in a vacuum. The national urban environmental organizations have been involved and aware of the Quincy Library Group since its inception in 1993.

National urban organizations have also been involved and endorsed at one time or another each element of the Quincy Library proposal. For example, the 5-year pilot program which is established by this legislation calls for an annual range of between 40,000 and 60,000 acres to be treated with strategic fuel breaks. This acreage was proposed directly by the national urban organizations.

The Quincy Library proposal is a positive bill that is good for the forest, good for the people, good for the environment, and receives a wide range of

support. Therefore, I ask Members for their support in passage of H.R. 858 and the manager's amendment.

The CHAIRMAN. Without objection, the gentleman from California [Mr. MILLER] may control the time otherwise reserved for an opponent of the amendment.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Chairman, I thank my colleague, the gentleman from California [Mr. MILLER], for yielding. I want to thank both the gentleman from Alaska [Mr. YOUNG], the chairman, and the gentleman from California [Mr. MILLER], the ranking member, for coming together here on the floor to reach common ground on a very significant piece of legislation.

I think our bipartisan effort, and I am confident this bill will be agreed to after this amendment is agreed to by an overwhelming margin, has really set the tone for what I hope can be a new era in the way in which we resolve our differences on forest practices.

We have been at war with each other. We have not been able to resolve our differences. We have stopped progress. We have not created any new initiatives or new incentives to move on. I think this Quincy Library Group language, the original premise for it and the amended version that will pass today, is evidence that we can lay down our swords and actually work together to accomplish something.

We do not know that this is the solution. But the 5 years that we have given ourselves to try to put this local agreement into effect without violating national laws, I think is a window of opportunity. Should we succeed in these three national forests, dealing with the riparian restoration issues and the thinning issues and fire suppression, all the other issues that I think are part of contemporary management of our national forests, we will have perhaps set for the future a standard by which other forests can be managed with all the players coming together, environmentalists and local officials and local business people, people who work in the forests and people who employ them, coming together to find a common approach to getting off dead center. For that I am very thankful, as I am sure many of my colleagues and many of my constituents are.

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

I want to thank the gentleman from California [Mr. FAZIO], who has been very busy here the last hour and a half on the floor trying to help us hammer out this agreement, and for taking part in these discussions and serving as a go-between. I want to thank him for that effort.

Both the gentleman from California [Mr. FAZIO] and the gentleman from California [Mr. HERGER] are the closest representatives to this area and clearly, as the gentleman from Alaska [Mr. YOUNG] tries to remind us all the time, have the concern with the greatest impact. I think that this is a balanced approach that the gentleman has worked on, and I appreciate and thank him for your efforts.

Mr. FAZIO of California. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from California.

Mr. FAZIO of California. Mr. Chairman, I thank the gentleman from California [Mr. MILLER] for his comments, and I simply want to congratulate the gentleman from California [Mr. HERGER] for his initiative and his successful steering of this measure through, I hope, to the Senate and to the President.

It is a breakthrough. I think this would not have been accomplished without the willingness of the staff of the Committee on Resources and its leadership to resolve their differences here today on the floor so that we can offer an united front and, hopefully, see implementation of this concept.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Mr. Chairman, I thank the gentleman from Alaska [Mr. YOUNG] for yielding me the time. I also want to thank all those people on both sides of the aisle that have been involved in working through this legislation to reach a compromise that will benefit not only the people in the community that are directly involved in this issue, but it will have a positive impact on the rest of the country and on logging in general.

Are we smart enough, Mr. Chairman, to sustain logging, mimic nature, and protect biological diversity? I think we are, and I think this legislation will begin the process for us to understand how to do that.

Does this Nation need wood? The answer is yes. Must we sustain logging, or should we sustain logging? The answer is we must sustain logging. Does this Nation need the kind of health that biological diversity offers species, including human beings? Biological diversity ensures that we are going to sustain the kind of things we need in order to survive on this planet. Not only can we protect and sustain biological diversity, we must sustain biological diversity.

So are we smart enough, in this society that we call the United States of America, with a democracy, with a free market economy out there, with people with varying interests, can we get together and resolve these issues? The answer is yes.

And if we look at the legislation, does it protect the habitat for species? This legislation protects habitat for species. Does it protect and do further research on riparian areas? The answer is yes.

On page 8, line 18: ''All environmental laws apply to this pilot project.'' On page 10: ''An annual review of the project is ordered by the Secretary of Agriculture,'' an annual review.

If my colleagues look on page 15, line 6, this has something else to do with ensuring that we are going to do the right thing: ''The Secretary shall compile a science-based assessment of the effectiveness of this pilot project.''

The legislation is sound. Are we smart enough, as people in this democracy, to sustain logging, mimic nature, and protect biological diversity? Can we do that? The answer is yes. I strongly encourage my colleagues to vote for this legislation.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Chairman, our forests are really in deplorable condition. My colleagues can see and anyone who flies over the Sierra Nevadas can see just what a terrible state they are in, how years of drought and insect infestation have killed in some cases more than one-third of all the standing trees, a number of brown trees they can see flying over the Sierra Nevadas. We have had some devastating forest fires. And the prognosis is, unless we manage these forests, we are going to have fires on an even greater scale than we have seen so far, that will absolutely wreak havoc for years upon the environment and destroy the livelihood of all the people that live in timber-based communities.

Mr. Chairman, the Quincy Library Group represents remarkable consensus amongst local residents, local timber experts, local businessmen, local environmentalists, all local people who have produced this consensus to properly manage the forests. The only group opposed to this legislation is the arrogant, left wing, taxpayer subsidized environmental lobby, because if we have consensus to manage our forests at the local level, they might not be necessary.

Mr. Chairman, this is a good bill. We should approve this bill and finally send a message to the world that local people can govern themselves, so I urge the approval of this legislation.

Mr. MILLER of California. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Chairman, I rise in favor of this bill with the amendment, accept that because it is essentially a bottom-up process and we all got here from local government, and this is where people who live on the land take care of it, both sides of the issue, environmentalists and non-environmentalists, have come to consensus. I think it is a good bill and we ought to support it.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

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

Mr. VENTO. Mr. Chairman, I came over here to oppose this bill initially, and I am now met with the fact that the chairman and ranking member have come to an agreement that has been difficult to achieve concerning this issue. I commend them, and I intend to support that agreement because of the confidence I have in both of my colleagues and the staff who are engaged in this issue with me.

I must say I am somewhat uneasy with it. I am uneasy, Mr. Chairman, because it is implied that somehow the National Forest Service or some of our other land management planning agencies, the Park Service, BLM and the Fish and Wildlife Service, really did not have the information they need or did not have the know-how; and the fact is that these land management agencies are revered around the world for their knowledge with regards to the cutting edge understanding land management and the ability to manage the national forests, our temperate rain forests, our arboreal forests, the NFS is at the cutting edge of this particular study and application on the ground.

We ought to look at what has happened to the ability of the Forest Service and other land management agencies to develop the type of rapport that we need with local communities. I believe what has happened, as we examine the record, is that there have been significant reductions in professional staff throughout the 1980's and into the 1990's.

If we look at our budget for the next 5 years, I think we are going to find more problems along those lines. As budget are curtailed fewer personnel will be available for on the ground communication. And most of the plans we have actually go through extensive work, far above the Administrative Procedures Act, for example, such land management plans go through extensive work to try and share with local communities what the plans are for a forest, what the plans are for a park or for other public domain lands.

This modified substitute is a good idea in the sense that if we can develop consensus at the local level and it is consistent with scientific principles and sound national land management practices, that these national lands, which in this case happen to be in California and Oregon, would in fact be effectively managed and we will with a better rapport have less misunderstandings and less acrimony.

As new scientific information is developed and new knowledge is acquired, we have to bring this to bear in terms of land management plans in our forests, parks and other public lands. That is what Congress has asked the Forest Service to do in the many laws and policies that exist. That is what Congress is requiring the Park Service or BLM or other land management agencies to do, and that is a tough job, a very tough job, because that new information portends changes regards the use of our forests, park and public domain lands.

□ 1300

However, I think engaging people locally in this formal way may prove to be quite expensive. I think we need to look at the total bill in dollars. This is more than just a pilot plan. I think it is a significant commitment by this Congress in terms of local engagement which must be matched with a fiscal commitment. I would just suggest that if my colleagues want this, if it is to work, then hopefully the same will stand up and start putting the money into the Forest Service to do the job in terms of forest health, to do the job in terms of developing this type of local input, and the ability to fully carry out the process of not just decisionmaking but implementation.

This is a very difficult task. It is an expensive task. I think it is one that is worth the effort if in fact the process accomplishes the promised objectives and goals. As I said earlier in my statement when we were talking on the rule for this measure's consideration, I do not disagree with the Quincy Library Group concept, but I do not think that I wanted to see this idea hijacked for other purposes, to get around the environmental and other laws that today present a challenge to some, the cost of local input should not be dispensing with the body of land use environmental laws.

That is why, Mr. Chairman, I rose in opposition to H.R. 858, the Quincy Library Group Forest Recovery and Economic Stability Act of 1997. As reported to the House the bill is unacceptable. Often in Congress we are faced with legislation in its best wrappings that attempts to appeal to our most common and good instincts, but unwrapped it reveals just another effort to benefit a special interest group. What could make more sense than a local group getting together to settle its differences in the confines of a library? What could be better than an agreement that satisfies everyone involved, preserves a community's economic stability, and protects the environment? You would think, upon reading the information provided by the supporters of this bill, that this was a slice of American pie, the most perfect proposal that Congress should rubber stamp.

Well I say to my colleagues that this bill from the Resources Committee is far from perfect. This isn't the Quincy Proposal. This is an attempt by these interests to force feed the American taxpayer and the U.S. Forest Service a policy path which side steps most major environmental laws and scientific principles. This bill could be yet just another attempt to cut more trees by sidestepping environmental law and existing rules and policy governing our national forests. This initial bill, H.R. 858, is a consensus proposal without a consensus on this floor. Is it a stalking horse for special exploitive interests? This bill takes a positive development and tries to cash it in before it becomes fully defined, much less developed. Cash it in for whom?

This measure which affects over 2.5 million acres of 3 national forests and could become a 1997 version of the infamous 1995 salvage rider, the risks in the initial measure are just too great.

I opposed this initial bill because it disregards important environmental safeguards. It does not require real compliance with the National Environmental Policy Act [NEPA] or the National Forest Management Act. Instead, it substitutes a questionable and sloppy review process for true environmental stewardship without the safeguards. We've had enough trouble with the timber industry already—and this measure must not be just another special exception from some of the most important protected industries in America.

I want to make it clear that I am not critical of the Quincy Library Process. I am objecting to writing into law a half-baked concept and excepting it from the professional management practices that have helped guide the timber policy. This bill as law would superimpose a policy which is in glowing generalities a 22-page document that will lend itself to risk.

I question this bill further because it will cost $83 million over the next 5 years. That's $83 million the U.S. Forest Service will not be able to spend on creating more recreational opportunities for our kids, restoring old roads, or protecting the environment. In a time when we are finally tightening our belts, I ask my colleagues: can we really afford $83 million to fund an uncertain and incomplete policy?

I oppose this original bill because it calls itself a pilot program, while it in fact deals with 2.5 million acres and 3 national forests. This is not characteristic of a pilot program. This could well result in a semantic exercise that is being sold with a goal to jettison important environmental protections.

I oppose this bill because it continues the majority's strategy of attempting to quietly ram through anti-environmental time bombs. Members of the Quincy Library Group themselves have expressed optimism that they are nearing an administrative solution with the Department of Agriculture. My friend from California, Mr. FAZIO, who originally supported this bill, contacted the Subcommittee on Forests asking us to give the administrative route more time. He was ignored, of course, because this bill is no longer about the Quincy Library Agreement—when unwrapped in living color this bill is about more logging and fewer environmental restrictions.

Finally, and most importantly, I oppose this bill because it sets a dangerous precedent. Clearly, communities have a vital role in determining our national forest policies. This bill, however, goes too far down that road. Simply because citizens live next to Federal land does not entitle them to manage that land. Those who live close to such land are important partners, often stewards, who offer real strength and accountability. Our national forests and public lands, however, are the property of all Americans. Every single American—not just the residents and interests of Quincy, CA—has a stake in ensuring that they are adequately protected from irresponsible management practices now and for future generations.

Finally, the majority and minority Members are offering the long-sought changes that have been agreed to. I urge my colleagues to support this Young/Miller substitute. It's an improvement over the very imperfect measure reported; it limits some of the risks, but is a bill really necessary? Couldn't this be done without a new law? It is a major concern. This

measure should be carefully watched in the legislative process and close oversight if it is enacted into law the next 5 years to ensure that the commitments to sound science and environmental sensitive land use planning are effective and achieved.

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. I thank the gentleman for yielding me this time.

Mr. Chairman, the gentleman raised a very serious concern earlier about one particular section of the bill which resembled language from the infamous timber salvage rider which I opposed. The language in concern was that the Secretary concerned shall not rely on salvage timber sales as a basis for administrative action limiting other multiple use activities, et cetera.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from California.

Mr. MILLER of California. As part of the amendment, that language has been stricken from the legislation.

Mr. DEFAZIO. I thank the gentleman.

The gentleman now feels that this bill fully complies with all existing environmental laws, and reserves rights of appeal, litigation, and other things to the public and other concerned individuals?

Mr. MILLER of California. That is my understanding.

Mr. DEFAZIO. I thank the gentleman.

Mr. Chairman, I rise in support of this legislation. I appreciate the willingness of the proponents on the other side of the aisle to work with the minority to address the significant concerns raised by the administration. It is my hope now that we will be able to move this process forward with some dispatch and, as I said earlier, to begin to look at a different way of managing our forests; reserving the roadless areas, the few that are left, reserving and preserving the wilderness areas that are statutorily defined by Congress, meeting the needs of the spotted owl and other endangered species in the area, clean water concerns, but also engaging in some forestry activities in what would be called a lighter touch, uneven age stand management regime, one that came after hours and hours and hours of discussion between traditional antagonists in this part of the country. I only hope that a similar process can be modeled on the Quincy Library project for my own district and other areas where for so long we have been engaged in pitched battles.

Early on in the forest debates I got the carpenters union to go with some environmental activists up to look at management similar to what is being proposed here today, uneven age stand management, principally thinning, along with a forester who works on alternative management. There was substantial agreement that that would be something that had promise. I got the carpenters to then go to an ancient forest conference and say they would look at an alternative that preserved all the remaining old growth if we could look at alternative management on the remaining lands. Yet the administration out of hand rejected that as did Lord Thomas reject that in going through the plan, to develop the President's forest plan. I think this is a crack in the armor of the old save and sacrifice forestry. This threatens people that are polarized at either ends of the debate. I applaud this process to move away from save and sacrifice to uneven age stand management, selective management and forestry that is sensitive to all environmental laws and truly perhaps for the first time to multiple uses.

Mr. MILLER of California. I thank the gentleman for his remarks in support.

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

Mr. YOUNG of Alaska. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. HERGER], the author of this legislation, to speak not only on the amendment but to the bill itself.

Mr. HERGER. Mr. Chairman, I think it is very appropriate that this bill just moments before it comes before a vote here on the House floor in the U.S. House of Representatives ends, or concludes the way that it started. The way that it started was some 4 years ago in a small community of a couple of hundred citizens in Quincy, CA, within the Plumas National Forest in the Sierra Nevada Mountains, a community which for 15 years had been racked with wars of the environmental community, warring with those that were trying to support the wood products industry. The fact that their economy had come to a standstill, the environmental health of the community and of these forests had come not just to a standstill but was actually to a state that we were seeing these forests burning up through fires. Just last year alone some 870,000 acres of forest burned in the State of California alone. Other environmental issues were not being addressed. And so at that time we saw the environmental community, the wood products community, the schools, the locally elected officials come together at a place that they felt they would not yell at each other, and that was the library. They started a long process of meeting together night after night, more than some 46 representatives, leaders in all the different areas of the community, working together to finally come up with a plan that was using the most recent environmental science, science that had been developed in this very area itself of the Sierra Nevada Mountains, to come up with a plan which was a win-win for everyone: A win for the environment, a win for the California spotted owl, a win for riparian problems that we have there, a win also for the economy of this community as well, a community which throughout that area some 32 mills had closed in just the last couple of years.

And to see at this time all the working together there, working with the administration, working with our two U.S. Senators, literally thousands of meetings, and then to see it culminate here before our very eyes in which we see very much the same type of scenario taking place, I really did not think, I have been here six terms, I was not sure if I would see the time when my very good friend and distinguished leader, the gentleman from California [Mr. MILLER] and myself and the gentleman from Alaska [Mr. YOUNG] and others, the gentleman from Oregon [Mr. DEFAZIO], the gentleman from California [Mr. FARR] and the gentleman from California [Mr. FAZIO] and others could come together in agreement. I think it is certainly, I feel is either the highlight, or certainly one of the highlights of my political career.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. HERGER. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, yesterday was luncheon, today it is legislation, tomorrow it is frightening to think of what it could mean. I appreciate the gentleman's cooperation, and I want to thank him for how hard he has worked on this legislation. As he has pointed out, more times than I care to count, this is not a new idea with respect to Quincy Library. These people have worked very, very hard on this, and this is not an idea that somehow does not have a lot of support. It has a lot of support, and I think with changes of the gentleman from Alaska [Mr. YOUNG], we now have what I would assume is almost going to be unanimous support in the House. I thank the gentleman for all of his perseverance and his hard work on this.

Mr. HERGER. I thank the gentleman.

Then just to conclude, to see it come together is encouraging, is something that I feel can be a beginning, hopefully, of a number of other very controversial issues that we have, that we have shown, are showing, are in the process of showing here this afternoon that both sides can come together, Conservatives, Liberals, Democrats, Republicans, and make the system work.

Again, I want to thank everyone involved. I certainly want to thank all those from our communities in northern California who never gave up, who hung in there. I want to again say that I am very supportive of this amendment, our legislation, and I want to emphasize this for those people who are watching, that this legislation remains basically, the intent is basically exactly the same as it was before. We think that this helps improve the bill and it helps for, I believe, the support we are going to need in the Senate and I believe the support that we will have from the President.

Again I want to thank everyone. I support this, I urge Members' support

on this amendment, and I urge their overwhelming support on the bill itself.

MODIFICATION TO AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I ask unanimous consent that the pending amendment be modified by the form I have at the desk.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment in the nature of a substitute offered by Mr. YOUNG of Alaska:

On page 6, line 11, after ''use'', insert '', subject to the relevant reprogramming guidelines of the House and Senate Committees on Appropriations''.

On page 11, line 15, insert before ''excess'', the following: ''subject to the advance approval of the House and Senate Committees on Appropriations reprogramming process,''.

The CHAIRMAN. Without objection, the amendment in the nature of a substitute is modified.

There was no objection.

Mr. YOUNG of Alaska. Mr. Chairman, I can only urge a ''yes'' on my amendment and a ''yes'' on final passage of the legislation.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Alaska [Mr. YOUNG], as modified.

The amendment in the nature of a substitute, as modified, was agreed to.

The CHAIRMAN. The question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. ROGAN) having assumed the chair, Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 858) to direct the Secretary of Agriculture to conduct a pilot project on designated lands within Plumas, Lassen, and Tahoe National Forests in the State of California to demonstrate the effectiveness of the resource management activities proposed by the Quincy Library Group and to amend current land and resource management plans for these national forests to consider the incorporation of these resource management activities, pursuant to House Resolution 180, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DOOLITTLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 429, nays 1, not voting 4, as follows:

[Roll No. 251]

YEAS—429

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAY—1

Paul

NOT VOTING—4

Boucher
Cox
Edwards
Schiff

□ 1334

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 858, QUINCY LIBRARY GROUP FOREST RECOVERY AND ECONOMIC STABILITY ACT OF 1997

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 858, the Clerk be authorized to make technical and conforming changes as may be necessary to reflect the action the House has just taken.

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

There was no objection.

GENERAL LEAVE

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

ANNOUNCEMENT REGARDING SATELLITE INDUSTRY TECHNOLOGY DISPLAY IN CANNON CAUCUS ROOM

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

Mr. TAUZIN. Mr. Speaker, today in the Cannon Caucus Room, the third floor of the Cannon Building, all of the various technologies of the satellite industry are on display. These demonstrations will give Members a great look at the world of communications, of satellite technologies in the developing world and in the developed world, and will give a great insight as to what is coming in terms of technology for our own country in communications.

I urge Members to stop by before 3 o'clock and just take a look at the future in the Cannon Caucus Room on the third floor.

PROVIDING FOR CONSIDERATION OF H.R. 1775, INTELLIGENCE AUTHORIZATION ACT, FISCAL YEAR 1998

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 179 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 179

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1775) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Permanent Select Committee on Intelligence now printed in the bill. The committee amendment in the nature of a substitute shall be considered by title rather than by section. Each title shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI or clause 5(a) or clause 5(b) of rule XXI are waived. No amendments to the committee amendment in the nature of a substitute shall be in order unless printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

Mr. GOSS. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only on this issue.

(Mr. GOSS asked and was given permission to extend his remarks and include extraneous matter.)

Mr. GOSS. Mr. Speaker, I am honored to be in the somewhat unique position of serving the House and my constituents as a member of the Committee on Rules and as chairman of the House Permanent Select Committee on Intelligence. I certainly feel in very good company, following the footsteps of our former colleague, Tony Beilenson, who in the 101st Congress served in both capacities, and did so in great distinction from the other side of the aisle.

I am proud to be able to fulfill obligations to both committees in bringing forward to the House Resolution 179, making in order H.R. 1775, the Intelligence Authorization Act for fiscal year 1998. I believe this rule is without controversy.

With the approval of this rule by the House later today during a debate on the bill itself I will be describing in more detail the specific provisions of the unclassified portions of H.R. 1775. All Members have been advised that the bill's classified provisions are and have been available for review in the Committee on Intelligence spaces.

For the purpose of this rules debate, I would simply like to point out to the House that this measure reflects several months of very hard work and bipartisan cooperation by the Members of the Committee on Intelligence and its staff. It is a bill which I think is solid, professional, and necessary, and a bill which I believe faithfully fulfills our obligation to the American people to conduct vigorous oversight of our Nation's intelligence programs and activities. We are the line of defense in that area for the people of this country. We take our job seriously.

Mr. Speaker, as to this rule, House Resolution 179 is a fairly traditional rule for this type of legislation. As in past years, the rule is a modified open rule providing for 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on Intelligence. My friend, the gentleman from Washington [Mr. DICKS], will take care of that part for the minority.

The rule makes in order as an original bill for the purpose of amendment the committee amendment in the nature of a substitute now printed in the bill which shall be considered by title and as read.

In addition, based on consultation with the parliamentarian, the rule waives points of order against the committee amendment for failure to comply with clause 7 of rule XVI, which is the germaneness section, and clauses 5(a) and 5(b) of rule XXI prohibiting appropriations on an authorization bill and prohibiting the consideration of tax or tariff measures which have not been reported by the Committee on Ways and Means.

These waivers are quite technical, but I would like to briefly explain them so Members understand what we are doing. The germaneness waiver is necessary because the committee mark which comes in the form of an amendment in the nature of a substitute is broader in scope than the bill as originally introduced.

This will come as no surprise to most Members. The rule XXI clause 5(a) waivers pertain to three specific sections of H.R. 1775: sections 401, 402, and 603. On those specific sections, as on many of the issues in this legislation, the Committee on Intelligence staff has been in close contact with the staff of the Subcommittee on National Security of the Committee on Appropriations which has not, to my knowledge, objected to these waivers. In fact, we have worked closely with the appropriations staff on this point.

□ 1345

Regarding the 5(b) waiver that pertains to the Committee on Ways and Means, I submit for the RECORD correspondence between the Permanent Select Committee on Intelligence, the Committee on Ways and Means, and the Committee on Rules.

The provision in question, which is section 305 of H.R. 1775, is a 1-year extension of the deferral of sanctions provision in current law. Section 305 continues, until January 6, 1999, the President's current statutory authority under the National Security Act to delay imposing a sanction upon his determination that proceeding with the sanction could compromise an ongoing criminal investigation or an intelligence source or method. This subject matter falls within the jurisdiction of the Committee on Ways and Means and within the scope of the prohibition outlined in clause 5(b) of rule XXI.

So by way of history, this deferral authority was in fact first included in the fiscal year 1996 Intelligence Authorization Act, was extended for 1 year in the fiscal year 1997 intelligence authorization bill and here we have it again. Through the exchange of correspondence, the Committee on Ways and Means and the Permanent Select Committee on Intelligence have reached an accommodation to allow the 1-year extension provided by section 305 to remain in H.R. 1775, as reported, and to coordinate future activity on this subject.

I understand, therefore, that there is no objection to granting the waiver and I understand further that there will probably be some colloquy during the debate time on the rule on this point.

Mr. Speaker, the rule allows for consideration of all germane amendments, but in the interest of ensuring that sensitive classified information is protected, the rule has required that Members have their amendments preprinted in the CONGRESSIONAL RECORD prior to consideration of the bill. This has proved to be a prudent and helpful and nononerous requirement in past important intelligence authorization bills, and we have made every effort to ensure that Members have had ample time to consider and to file their amendment and to receive appropriate staff assistance from our committee, if desired.

Finally, Mr. Speaker, the rule provides for the traditional motion to recommit with or without instructions. Thus I believe this unanimously supported rule in the Committee on Rules is fair, appropriate, and noncontroversial. Accordingly, I urge support for the rule.

Mr. Speaker, I include for the RECORD the following correspondence:

PERMANENT SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC, July 8, 1997.

Hon. BILL ARCHER,
Chairman, Committee on Ways and Means, Longworth House Office Building, Washington, DC.

DEAR BILL: I am writing to you concerning your objection to the inclusion of section 305 in this Committee's Intelligence Authorization Act for Fiscal Year 1998 (H.R. 1775). I understand that staff have consulted on this issue and resolved the matter to our satisfaction.

To that end, it is important that for future purposes we set out our agreement that this provision falls squarely within the scope of Clause 5(b) of House Rule XXI, which provides that no tax or tariff provision may be considered by the House that has not been considered by the Committee on Ways and Means. We appreciate your authority over tax and revenue provisions and in no way seek to undermine that jurisdiction. I will work to defeat any additional tax or revenue increasing provision that any other Member may seek to attach to this bill, both during floor consideration of this bill by the House and during Conference Committee meetings with the Senate.

This provision is of critical importance to the protection of intelligence sources and methods whenever a proliferation violation has been identified and sanctions are deemed to be the appropriate method of discipline. This provision supplies the President with the necessary flexibility to address the competing interests of punishing the violators and protecting our national security interests at the same time. I appreciate your recognition of this important aspect of this section of our bill.

I will also offer any modification of this provision in future Intelligence Authorization bills, beyond a mere reauthorization for additional periods of time, will be subject to consultation between our Committees, and subject to points of order pursuant to Clause 5(b) of House Rule XXI.

Based upon this understanding, I would ask that you withdraw your request to the Committee on Rules to strike section 305 from H.R. 1775 prior to consideration by the full House.

Thank you for your cooperation in this regard and I look forward to your support for H.R. 1775.

With all best wishes, I remain

Sincerely yours,

PORTER GOSS,
Chairman.

COMMITTEE ON WAYS AND MEANS,
Washington, DC, July 7, 1997.

Hon. GERALD B.H. SOLOMON,
Chairman, Committee on Rules, House of Representatives, Washington, DC.

DEAR GERRY: I am writing to you regarding further consideration of an import sanction provision included in H.R. 1775, the Intelligence Authorization Act for Fiscal Year 1998, as reported by the Committee on Intelligence.

As previously indicated, section 305 of H.R. 1775 would amend section 905 of the National Security Act of 1947 (50 U.S.C. 441d) to extend through January 6, 1999 the authority of the President to stay the application of import sanctions contained in certain laws outlined in 50 U.S.C. 441c. The chairman of the House Intelligence Committee has now acknowledged that this provision falls within the jurisdiction of the Committee on Ways and Means, and he has agreed to oppose the inclusion of any other provisions within the jurisdiction of the Committee on Ways and Means during further consideration of this legislation. Based on this understanding, and in order to expedite consideration of this important legislation, I will not object to consideration by the House of H.R. 1775 in its present form. However, this is being done only with the understanding that this does not in any way prejudice the Committee's jurisdictional prerogatives on this measure or any similar legislation, and it should not be considered as precedent for consideration of matters of jurisdictional interest to the Committee on Ways and Means in the future. I reserve the right to request that the Committee on Ways and Means be named as conferees on any provisions of jurisdictional interest should the need arise during further consideration of the bill.

Thank you for your consideration in this matter.

Sincerely,

BILL ARCHER,
Chairman.

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

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

Mr. Speaker, the Democratic members of the Committee on Rules support this rule. We do, however, share a concern about the provisions of the rule, and it is the same concern we had last year. The rule allows only for consideration of those amendments to the bill which have been preprinted in the CONGRESSIONAL RECORD prior to consideration of this legislation.

Mr. Speaker, our concern with this requirement to preprint amendment centers around the fact that this is not a particularly controversial bill. Consequently, we are not convinced that the preprinting requirement is necessary. We understand that preprinting may ensure that debate on this legislation does not inadvertently disclose classified materials. The ranking minority member of the Permanent Select Committee on Intelligence has no objection to the inclusion of the requirement in the rule. But the Democratic members of the Committee on Rules are concerned that a precedent has now been established with regard to the construction of the rule for the consideration of this legislation. I want to take this opportunity to voice our concern.

The rule also contains a number of waivers against the committee amendment including germaneness, appropriations on an authorization bill, and consideration of tax or tariff matters not reported by the Committee on Ways and Means.

While the Democratic members of the Committee on Rules do not oppose these waivers, we would simply like to point out to the House that these waivers are included in the rule.

Mr. Speaker, the funding levels for intelligence activities authorized in H.R. 1775 are contained in the classified annex to the report issued by the Permanent Select Committee on Intelligence. The committee reported the bill by a vote of 15 to nothing, and there are no areas of major controversy in the bill.

Mr. Speaker, as I stated at the outset, I do not oppose this rule. I would urge my colleagues to support the rule so that the House may proceed to the consideration of this vitally important legislation.

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

Mr. GOSS. Mr. Speaker, I thank my distinguished colleague from Texas for his wise words and support on this matter.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LEWIS], a member of the House Permanent Select Committee on Intelligence.

Mr. LEWIS of California. Mr. Speaker, I thank very much my chairman for yielding me this time.

I rise to express my support not only for the rule itself but also for the bill that will be before the House shortly.

Mr. Speaker, as a member of the House Permanent Select Committee on Intelligence now for some 4 years and presently having the privilege of serving as chairman of the Subcommittee on Technical and Tactical Intelligence, I can say that this is a very, very finely crafted bill. I am speaking to the bill briefly at this moment before I have to go to the full Committee on Appropriations during the time of general debate, but I wanted to share with the Members my thought that in crafting this bill, it is most impressive to see that the chairman and our ranking member, the gentleman from Washington [Mr. DICKS], have very carefully gone about scrubbing the numbers here to make certain that we are spending as little as possible for very, very important interests of the American public and our national strategic interests as well.

I would point out that in the final analysis, there are some very significant cuts to a number of unmanned aerial vehicle programs and other technical programs in spite of the high priority given by my subcommittee. At the same time the funding that does go for technical assistance is critical to our future and I think the committee overall has done a very fine job.

Finally, Mr. Speaker, I would be remiss if I did not point out to my colleagues that the President's request for some of those tactical intelligence systems and operations supporting our men and women in both activities and reserve military components is significantly less than the Congress authorized last year.

Mr. Speaker, this bill increases the President's request for intelligence support to the military by only 1.3 percent, and despite this increase, the bill's authorization in this area is 4 percent below last year's.

The men and women who serve and who indeed have to fight and sometimes die for this country when in difficult circumstances deserve the best weapons we can provide but they also deserve the best intelligence systems that can be made available. It is our effort to meet that challenge as well as we can provide. This bill is a very well developed and finely balanced bill.

I urge support for the rule as well as for the bill's final passage.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding me the time.

I speak in strong support of the rule which allows for a number of serious amendments. I think the main point that I would make, as we proceed in this discussion, is that it is imperative for the U.S. Congress to get its priorities straight.

There are proposals that we are going to be debating here within the next couple of weeks which call for massive cuts in Medicare, massive cuts in veterans programs; we have experienced major cuts in housing, programs for our kids. And it seems to me that those Members who are concerned about national priorities, those Members who are concerned about deficit reduction have also got to take a hard look at the intelligence budget.

It is wrong to say to the elderly, we are going to cut home care service to you; say to low income people, we are going to cut back on Medicaid for you; allow a situation to continue by which we have the highest rate of childhood poverty in the industrialized world; and then say, well, despite the fact that the cold war is over, despite the fact that the Soviet Union does not exist, that international communism is basically dead, that despite all of that, we can allocate more money to the intelligence community despite the fact that the record shows that in area after area after area, the intelligence community has been extraordinarily wasteful and not costeffective.

I would remind Members that last year the New York Times reported, and I quote, May 16, 1996,

> In a complete collapse of accountability, the government agency that builds spy satellites accumulated about $4 billion in uncounted secret money, nearly twice the amount previously reported to Congress, intelligence officials acknowledged today.

And the article continues:

> To put the $4 billion in perspective, the National Reconnaissance Office, what the National Reconnaissance Office did was to lose a sum of money roughly equal to the annual budgets for the FBI and the State Department combined.

John Nelson, appointed last year as the reconnaissance office's's top financial manager and given the task of cleaning up the program, said in an interview published today in a special edition of Defense Week that the secret agency had undergone, and I quote, a fundamental financial meltdown. End of quote.

Let us get our priorities straight. We cannot cut for the kids. We cannot cut for the elderly. We cannot cut for the homeless, and in fact even make over the years significant cuts in military spending and then say to the intelligence community, hey, we treat you differently than any other aspect of government.

I rise in support of the rule because it enables us to have a serious debate on a major issue.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Speaker, I rise in strong support of the rule and also urge my colleagues to support this bill.

Our good friend, the gentleman from Vermont [Mr. SANDERS], has made a few comments in the well. I want my colleagues to know it was the Democratic staff of the Committee that uncovered the problem at the NRO. I want you also to know that both the authorizers and the appropriators have taken the money, the excess money that was there and utilized it for other programs. So we have dealt with that problem. In fact, I worry a little bit that we may have been a little too harsh on the NRO, but I will report to the House in my judgment we have solved the financial problems.

Mr. Deutch, before he left, brought in new financial people at the NRO. I think they are doing a very fine job. I think the problems that were there have been corrected. It is part of the process of oversight. We found the problem. We corrected it. We made sure that whatever reserves are there are only those that are necessary to keep the program going.

Now, this committee operates on a very bipartisan basis and I think this bill is a good bill. The gentleman is correct, we are going to have some very serious debate here on amendments. I urge my colleagues to support the rule. But I also would remind every one that we have cut defense by over $100 billion between 1985 and 1995. Of course, the intelligence budget is part of the defense budget. And it has received cuts as well. So to say that this area has not received reductions simply is inaccurate. Anyone who wants to come up and see the numbers in the committee is welcome to do so.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, I hope my colleagues will support the rule and support the underlying legislation.

The intelligence community is in a very difficult position. Because of the classified nature of their work, it is difficult for them to respond to some of the public criticisms. I hope that this House will not only support the underlying legislation but will oppose the amendment that would make it difficult for the intelligence community to be able to carry out their work. They do outstanding public service. I have had an opportunity to visit some of the facilities. I hope more of my colleagues would take the opportunity to visit and see firsthand the type of work that we are doing. We had the best intelligence operation in the world. It is in our national interest to make sure that it is adequately authorized and funded.

I want to congratulate the gentleman from Florida [Mr. GOSS] and the gentleman from Washington [Mr. DICKS] for their work. They have worked in a bipartisan manner to bring this legislation forward. It deserves the support of this body. I thank my colleague from Texas for yielding me the time.

Mr. FROST. Mr. Speaker, I have no further requests for time. I urge adoption of the rule, and I yield back the balance of my time.

Mr. GOSS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore [Mr. ROGAN]. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GOSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 425, nays 2, not voting 7, as follows:

[Roll No. 252]

YEAS—425

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (TX)
Hamilton
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAYS—2

Bonior
DeFazio

NOT VOTING—7

Cox
Edwards
Hall (OH)
Hastert
Neumann
Roukema
Schiff

☐ 1419

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONSIDERING AS PRINTED TRAFICANT AMENDMENT INADVERTENTLY OMITTED FROM PRINTING IN THE RECORD

Mr. TRAFICANT. Mr. Speaker, I ask unanimous consent that an amendment that I have placed at the desk that was submitted and inadvertently omitted from the RECORD be considered as though it had been printed in the RECORD.

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

There was no objection.

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, it was necessary for me to be out of the country yesterday, preventing me from voting on rollcall numbers 246, 247, 248, 249, and 250. Had I been able to vote, I would have voted ''aye'' on each of those measures.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1060

Mr. BURR of North Carolina. Mr. Speaker, due to a clerical error, I ask unanimous consent to remove the name of the gentlewoman from New York [Mrs. MALONEY] from my bill, H.R. 1060. Her name was mistakenly entered as a cosponsor instead of the gentleman from Connecticut [Mr. MALONEY].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

The SPEAKER pro tempore. Pursuant to House Resolution 179 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1775.

☐ 1421

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1775) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the U.S. Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, with Mr. THORNBERRY in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from Florida [Mr. GOSS] and the gentleman from Washington [Mr. DICKS] will each control 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. GOSS].

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

Mr. Chairman, I would like to thank the members of the House Intelligence Committee who have worked so hard in putting this bill together. In particular, I appreciate the very fine work of the gentleman from California [Mr. LEWIS] and the gentleman from Florida [Mr. MCCOLLUM], our subcommittee chairmen.

But I also have to point out that the gentleman from Washington [Mr. DICKS], the committee's ranking Democrat, and other Democratic members of the committee have played an extraordinarily constructive and helpful role in the formulation of this legislation. It is truly bipartisan.

Finally, I would like to say to the staff on both sides of the aisle, ''Thank you for a job well done.'' They are a dedicated, talented, and professional group who have very special knowledge that serves the United States of America extremely well.

This bill, which the committee reported out unanimously, is the product of a lot of work, intensive deliberation, and cooperation. The committee held seven full committee and two subcommittee budget hearings. In addition, there were over 100 staff and member briefings on programs, specific activities, and budget requests.

H.R. 1775 authorizes the funds for fiscal year 1998 for all of the intelligence and intelligence-related activities of the U.S. Government. The National Security Act requires that spending for intelligence be specifically authorized. This is the only route we have.

The intelligence budget has three major components: the national foreign intelligence program, known as NFIP; the tactical intelligence and related activities program, known as TIARA; and the joint military intelligence program, known as JMIP.

NFIP funds activities providing intelligence to national policymakers and includes programs administered by such agencies as the Central Intelligence Agency, the National Security Agency, and the Defense Intelligence Agency. TIARA, or Tactical Intelligence Activities, reside exclusively in the Department of Defense. They consist in large part of numerous reconnaissance and target acquisition programs that are a functional part of the basic military force structure and provide direct information in support of military operations. The Joint Military Intelligence Program provides military intelligence principally to defensewide or theater-level consumers.

Although our committee has jurisdiction over these three intelligence programs, we must work closely with the Committee on National Security, particularly in the oversight and authorization of the TIARA and JMIP programs where we share jurisdiction. I would like to publicly acknowledge and personally thank the gentleman from South Carolina [Mr. SPENCE] for the extraordinary cooperation that we received from him, the members of his committee and the members of his committee staff.

I would be remiss if I did not also mention the cooperation we have received from the Committee on Appropriations, particularly and most importantly from my colleague on this committee, the gentleman from Florida [Mr. YOUNG], who also chairs the Subcommittee on Defense Appropriations and sits, of course, on HIPCE.

Due to the classified nature of much of the work of the Committee on Intelligence, I cannot discuss many of the specifics of the bill before the House except in the broadest terms. In order to understand those specifics, I strongly urge those Members who have not already done so to read the classified annex to this bill. The annex is available in the committee office in the Capitol. It is about a 2-minute walk from here, for those who are interested, and I hope all are interested.

Despite classification restrictions, there are several major elements of the bill that I can discuss here today. In this year's budget review, the committee continued to place heavy emphasis on understanding and addressing the future needs of the intelligence community, preparing for those needs and the several distinct roles that intelligence is going to play in our national security in what is, in fact, a different world situation today.

Based on the threats we believe the United States will confront in the future, the committee's budget review focused on two specific areas. First, we looked at which intelligence programs are properly structured and sufficiently prepared to meet future needs and requirements. Second, we looked at the intelligence community's collection and analytical shortfalls.

Unfortunately, the committee review revealed few areas where the intelligence community is well situated for the future, and an overabundance of shortfalls were found. These shortfalls are due, in part, to the fact that intelligence resources are stretched too thin while handling an ever-increasing multitude of issues.

I would like to point out that this is not any kind of a shock to the intelligence community. It is realizing the fact that we are stretched thin and need to deal with it. Nonetheless, the committee is concerned that the intelligence community is not moving fast enough in some of the areas to address the threats of the future.

Given these concerns, the committee has begun to address the shortfalls we see in the intelligence community's budgeting and responsibilities. In this year's mark the committee has specifically addressed the following issues:

First, we have taken actions to help the intelligence community improve its analytic depth and breadth through improved training, targeted hiring, and the use of analytic tools. There is no point to have information if you cannot value enhance with the proper analysis.

Second, the intelligence community places too much emphasis on intelligence collection at the expense of downstream activities. Downstream activities are processing the information we get, analyzing, disseminating, and so forth. We have to get a better balance. If we spend all our money collecting and none for analyzing, we will be awash in information that is not going to do us much good.

Third, our espionage capabilities are limited and dependent on ad hoc funding. We have taken steps to tie funding for clandestine operations to the long-term needs of analysts, policymakers, and the military. That is putting it where we need it. I think that is almost the most critical part of this whole bill, from my personal perspective.

Fourth, we have pushed the intelligence community toward developing, acquiring, investing in, and deploying more flexible technological capabilities in order to collect key information on the highest priority targets.

Finally, we have continued our efforts from the last Congress to make the intelligence community work corporately across traditional bureaucratic boundaries and to enhance flexibility. The committee believes that such efforts are absolutely essential if the intelligence community is to succeed in dealing with increasingly complex threats to U.S. national interests.

Very clearly, turf wars have no place in national security. Again, I congratulate the gentleman from California [Mr. THOMAS], the former chairman, and the gentleman from Washington [Mr. DICKS] for the work they did to bring this matter forward in the previous Congress, and we are following forward on that.

□ 1430

Those threats and concerns are broader and more diverse to our national security than they ever have been. Among them are those issues that have been called the transnational threats. Those include terrorism, the proliferation of advanced weapons and weapons of mass destruction, narcotics trafficking and global criminal racketeering. Such problems demand that the intelligence community have a worldwide view and a highly flexible set of resources. Given the nature of these threats, our intelligence eyes and ears and brains are more important than they ever have been.

As an example, in the realm of counterterrorism, we are aware of the recent success our intelligence community has had in locating international terrorists so as to allow law enforcement agencies to apprehend them and bring them to justice. Less well known, however, because we must guard against revealing intelligence methods, are the numerous successes intelligence has had in recent months in detecting terrorist activities in advance

and foiling them, so Members did not read about them in the paper. U.S. facilities that would have been destroyed are intact today. American lives that could have been lost have been saved.

As another example, in the area of counterproliferation, I would direct my colleagues' attention to this unclassified report which has been prepared by the CIA which describes the role of various countries in providing technologies and material for the development of weapons of mass destruction and their delivery systems by various rogue regimes around the world. This report, entitled ''The Acquisition of Technology Relating to Weapons of Mass Destruction Advanced Conventional Munitions,'' put out by the Director of Central Intelligence, covers the time between July and December 1996 at the request of this committee. It is a very important report. The media has picked it up. It is unclassified. It tells us the world is real, the world is dangerous and there are people involved in serious mischief. It has received a great deal of attention in the press because of its rather extraordinary findings. When we read the classified evidence that is behind that report, we find it is even more extraordinary. That includes a great deal of specific and reliable intelligence that has given our policymakers and our military excellent insights into the activities of various countries and what we must do in response. Anyone who does not see the immense value to our national security to such work by the intelligence community I think is probably living in blissful ignorance of the dangers growing around us from rogue regimes that are getting closer and closer to being able to threaten Americans anywhere in the world with terrible weapons of extraordinary power.

In closing, I strongly urge all Members to support this authorization. It is the unanimously accepted product of a bipartisan committee. It makes significant improvements, measured by over 200 cuts, yes, I said cuts, and some additions to the President's budget request, and yet it comes in at less than 1 percent above the President's request when all is said and done. I am convinced that in supporting it, we are supporting the development of critically important intelligence capabilities that will make us all safer and will surely save the lives of many Americans, whether they be soldiers in the field, tourists on their vacation abroad, common Americans at home going about their business and their lives, all of this for today and for the years ahead.

Mr. Chairman, before I close, I would like to take one more moment to acknowledge an individual who is, I am sure, celebrating his last authorization process on the Permanent Select Committee on Intelligence. I said we had extraordinarily good staff. We do. But this year an individual, Mr. Ken Kodama, the senior substantive expert on the minority side, is retiring later this year after 9 years on the committee. Mr. Kodama represents the finest level of professionalism that other staff should emulate. His service to the full committee has been invaluable as well as to the subcommittee. In fact, Mr. Chairman, the reason that I could make some of the comments that I did at the beginning of this statement was in large part due to our ability to interact with Mr. Kodama in a truly bipartisan nature. To put it simply, he will be sorely missed. We wish him the best in his future endeavors, and I personally want to thank him for his assistance.

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

Mr. DICKS. Mr. Chairman, I yield myself such time as I may consume, and I rise in support of the pending legislation.

Mr. Chairman, first of all, let me say that I really agree with what the chairman has just mentioned. Ken Kodama has served this committee extraordinarily well. He has been a part of our senior Democratic staff and just one of the most professional people we have. We wish him and his family well in his future endeavors and compliment him again on his outstanding work.

I want to congratulate the gentleman from Florida [Mr. GOSS], the chairman, for the effort he has made to ensure that the committee functions in a bipartisan fashion as much as possible. This bill reflects this effort. He is to be commended for it. Few legislative products can achieve total harmony, and we do have some differences with the majority on this measure. Those differences, while relatively few in number, do concern some important matters. But I very much appreciate the determination of the gentleman from Florida [Mr. GOSS] that the issues on which we could not reach agreement within the committee would have a substantive rather than a political basis. I also want to applaud the committee staff for their outstanding work and professionalism on this bill and on the other work of the committee.

H.R. 1775 provides for a slight increase in funding over the amounts authorized by the Congress for intelligence and intelligence-related activities in fiscal year 1997 and the amounts requested by the President for fiscal year 1998. Although these increases are small, 1.7 percent above the amount authorized by Congress last year, and 0.7 percent above the amount requested by the President this year, I recognize that there are some who believe that we are already spending too much money on intelligence. I would say to those holding that view that the provision of accurate and timely intelligence to policymakers and military commanders is absolutely critical to our national security. The collection, processing, analysis and dissemination of intelligence is in many cases reliant on technologies which are both rapidly changing and quite expensive. The alternative to making the investments necessary to maintain superiority in these areas is to accept an increased risk of not obtaining that critical information which might make a difference in a trade negotiation, disrupt the plans of a terrorist or permit the tracking of chemical warfare agents.

In my judgment, the authorization levels in this bill are adequate to ensure that the intelligence agencies continue to provide the kind of information essential to sound policy determinations and successful military operations. I do not believe that a reduction in those amounts would be wise.

Although it is important that intelligence activities be adequately funded, it is equally important that the available funds be used in ways which maximize their impact. Spreading resources too thinly by trying to cover everything is a good way of ensuring a general level of inadequate performance.

We should remember that, although intelligence is information, not all information used by policymakers or military commanders is provided appropriately by intelligence agencies. In my judgment, the intelligence community best performs its function when it concentrates on providing information unobtainable by other means. It is essential that intelligence agencies not be tasked either by others or by themselves to acquire information which is more readily available from other parts of Government or is of little utility.

The gentleman from Florida [Mr. GOSS], the chairman, has described the bill, but I want to note my concern with section 608, which would terminate the Defense Airborne Reconnaissance Office [DARO]. I believe it is clear that changes are coming to the Office of the Secretary of Defense and support offices generally in the Pentagon. These offices can and should be streamlined. But that result should be the product of decisions made after all available evidence is gathered rather than before. In the case of section 608, the committee took action without a single hearing. In fact, the only evidence formally presented to the committee was laudatory of DARO and strongly advocated its continuation. I expect that we will use some of the time before conference to better explore DARO's role and its future. I also expect that we will review some of the other actions taken in the bill on certain National Reconnaissance Office programs. Changes in the direction of highly complex activities should be undertaken with a clear understanding of their likely consequences.

Mr. Chairman, despite these areas of reservation and disagreement, this is on balance a good bill, which I intend to support. It can be made better in conference, and I shall work with the gentleman from Florida [Mr. GOSS], the chairman, toward that end. The bill deserves the support of the House today, however, and I urge that it be approved.

Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. PELOSI] for the purpose of a colloquy with the chairman because of her responsibilities as the ranking member on the Subcommittee on Foreign Operations, Export Financing and Related Programs of the Committee on Appropriations.

(Ms. PELOSI asked and was given permission to revise and extend her remarks.)

Ms. PELOSI. I thank the distinguished ranking member for yielding me this time and for his leadership on this important committee.

Mr. Chairman, I rise to engage the gentleman from Florida, chairman of the committee, in a colloquy concerning section 305 of the bill.

As the chairman knows, this section of the bill extends for 1 year the authority of the President to delay the imposition of a sanction upon a determination that to proceed with the sanction would risk a compromise of an ongoing criminal investigation or an intelligence source or method. My first question, Mr. Chairman, is whether the legislative history of this provision, enacted in 1995, would be applicable to this extension of the authority for 1 more year?

Mr. GOSS. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Florida.

Mr. GOSS. I would assure the gentlewoman from California that it is the intent of the committee that the legislative history of this provision as it was developed in the debate in 1995 is applicable to the exercise of this authority. Indeed, the report to accompany H.R. 1775 reiterates the joint explanatory statement of the committee of conference on the Intelligence Authorization Act for Fiscal Year 1996 to make completely clear that the original legislative history of this provision continues to govern its implementation.

Ms. PELOSI. Mr. Chairman, is it then the case that the committee intends this provision will be narrowly construed and only used in the most serious of circumstances, when a specific sensitive intelligence source or method or criminal investigation is at risk?

Mr. GOSS. That is certainly the intent of the committee.

Ms. PELOSI. Is it also the case that the law requires the intelligence source or method or law enforcement matter in question must be related to the activities giving rise to the sanction, and the provision is not to be used to protect generic or speculative intelligence or law enforcement concerns?

Mr. GOSS. That is also the case.

Ms. PELOSI. Finally, Mr. Chairman, does the committee expect that reports concerning a decision to stay the imposition of a sanction shall include a determination that the delay in the imposition of a sanction will not be seriously prejudicial to the achievement of the United States' nonproliferation objectives or significantly increase the threat or risk to U.S. military forces?

Mr. GOSS. Yes, it does.

Ms. PELOSI. Mr. Chairman, I thank the chairman of the committee for engaging in this colloquy, and for his confirmation of the understanding that we had when this provision was first enacted.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Washington.

Mr. DICKS. I wanted to just say that I concur in all the statements made by the chairman. This is also the understanding that I have of this provision.

Ms. PELOSI. I appreciate the ranking member's cooperation in that.

Mr. Chairman, I rise in support of an amendment to be offered by the gentleman from Florida [Mr. MCCOLLUM]. I have been concerned for some time about the coordination of our Government's response to any intelligence activities which may be undertaken by the People's Republic of China, including those in the United States. The McCollum amendment will contribute to our ability to respond appropriately to any Chinese espionage activities which may occur. I urge its adoption and commend his leadership for bringing it to the floor.

Mr. Chairman, I strongly support the amendment.

I have been concerned for some time about the coordination of our Government's response to any intelligence activities which may be undertaken by the People's Republic of China. The United States presents a tempting target for any nation seeking economic, diplomatic, or technological advantage. One of the chief responsibilities of our intelligence agencies is to counter efforts by foreign intelligence services to improperly acquire information in these areas. The extent to which foreign governments are engaged in such practices ought to be evaluated by our Government and business leaders in determining the type of relationship the United States should have with those governments. Those determinations can not be made, and the effectiveness of the efforts by the intelligence community to provide the information necessary to support them can not be judged, unless they are periodically reviewed in a comprehensive fashion.

The reports required by this amendment will help in that review. They will assist the Congress and the public in evaluating the extent of the threat posed by the intelligence activities of the People's Republic of China and will better ensure that the United States is positioned properly to respond to it. By requiring the reports to be submitted jointly by the Director of Central Intelligence and the Director of the Federal Bureau of Investigation, the amendment recognizes the division of responsibility which exists between those intelligence activities of the United States primarily conducted overseas and those primarily conducted within our borders. I do not favor a blurring of those areas of responsibility and expect that the wording of the amendment is clear enough to ensure that does not occur.

Mr. Chairman, countries spy on one another. That has been a fact of life on this planet since people began to live behind national boundaries. The bill we consider today is a reflection of that fact. It seeks to ensure that the United States is effective at spying on others and preventing others from spying on us. This amendment will contribute to our ability to respond appropriately to any Chinese espionage activities which may occur, and I urge its adoption.

Mr. GOSS. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. SHUSTER].

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

Mr. SHUSTER. Mr. Chairman, we should not be beguiled into thinking that because the cold war is over that we face a safer world in which we live, because in many respects it is just as dangerous or even more dangerous. Two threats that I want to focus on are the twin evils of illegal drugs and terrorism and the relationship to our intelligence activities. When I had the privilege of serving as the ranking member of the Permanent Select Committee on Intelligence, I was deeply involved in the creation of the counternarcotics center out at the Central Intelligence Agency. Today that center is known as the crime and counternarcotics center. It indeed has matured into one of the most effective of the DCI centers. In fact, some of its successes have been published but many of its successes still must remain classified.

□ 1445

Some of us are concerned, however, about the number and functions of Federal counternarcotics intelligence programs, and therefore in this year's authorization we have asked that the intelligence community, in coordination with the Office of National Drug Control Policy, develop a new drug intelligence architecture based on an assessment of the effectiveness of the national security and law enforcement drug intelligence systems, the drug intelligence architecture.

Indeed, Mr. Chairman, this year's Intelligence Authorization Act also authorizes the National Drug Intelligence Center. It was chartered in 1991. It became a reality largely because of the strong support envisioned of the gentleman from Pennsylvania [Mr. MURTHA]. The National Drug Intelligence Center was included in the intelligence budget last year, and I am pleased to report that this year's intelligence authorization continues to provide support for the program. This center provides strategic drug analysis to policymakers.

With regard to terrorism, Mr. Chairman, it is a growing concern because of the growing access which terrorists have to weapons of mass destruction, and in fighting terrorism the capability of our human intelligence assets is of extraordinary importance; and indeed I am fearful that our clandestine service is in danger of being destroyed,

in danger of being destroyed by an atmosphere of risk aversion, an atmosphere which permeates from the highest levels and filters down into the Central Intelligence Agency and other intelligence agencies.

Indeed, the case officers in our intelligence service who handle the agents around the world are involved in very risky business. It is risky business, and it is dangerous business, and it takes years to develop a productive agent, particularly in hostile places of the world.

So I would urge my colleagues to support this legislation, to recognize the successes of our intelligence service and to also recognize the problems we face.

Mr. DICKS. Mr. Chairman, I yield 6 minutes to the gentleman from California [Mr. DIXON] who has been one of the most attentive, hardworking members of our committee.

Mr. DIXON. Mr. Chairman, I thank the ranking member for yielding me time, and, Mr. Chairman, I would like to take this time to make a report to the body on the CIA contra crack cocaine investigation being conducted by the Permanent Select Committee on Intelligence.

As all of my colleagues may recall beginning last August 18, the San Jose Mercury News published a three-part series alleging that Nicaraguan drug traffickers introduced, financed, and distributed crack cocaine into the African-American community of Los Angeles. The article further stated that the profits from the drug sales were used to provide lethal and nonlethal assistance to the Nicaraguan contras to support their struggle against the Sandinista government. Lastly the article implied, and very seriously implied, that the CIA either backed or condoned the drug activities.

In September 1996, the House Permanent Select Committee on Intelligence initiated a formal investigation into the charges levied in the San Jose Mercury articles. The scope of our investigation is as follows:

First, we are asking the question and investigating whether there were any CIA operatives or assets involved in the supply of sales or drugs in the Los Angeles area; second, if CIA operatives or assets were involved, did the CIA have knowledge of the supply or sale of drugs in the Los Angeles area by anyone associated with the agency; third, did any other U.S. Government agency or employee within the intelligence community have knowledge of the supply or sale of drugs in the Los Angeles area between 1979 and 1996; fourth, were any CIA officers involved in the supply or sale of drugs in the Los Angeles area since 1979; fifth, did the Nicaraguan contras receive any financial support through the sale of drugs in the United States during the period when the CIA was supporting the contra effort? If so, were any CIA officials aware of this activity? And finally, sixth, what is the validity of the allegations in the San Jose Mercury News?

The Justice Department Inspector General and the CIA Inspector General have both launched probes into the allegations contained in these newspaper articles. At the beginning of their investigation, both inspector generals expected to have their investigations completed by the fall of this year. The committee has received periodic updates on the status of the two reviews and at this point it is expected that the inspector generals will complete their task this fall and will issue reports.

The House Permanent Select Committee on Intelligence has a practice of not completing its investigation of a matter until the committee has had the opportunity to review the work of the inspector general. We will not complete our investigation until we have an opportunity to review the results of the inspector generals' reports as part of the committee's inquiry into this very important and relevant matter.

Reviewing the conclusions of the inspector generals' reports as part of the committee's investigation should not be construed by anyone as though we are relying on the results of the inspector general. Quite the contrary. Since the beginning of the committee's investigation, the committee has made trips to Los Angeles and Managua, Nicaragua to interview individuals allegedly possessing information on these allegations. Additionally, the committee has had one witness brought to Washington for the purpose of conducting an interview. Committee staff is in the process of reviewing over 6 feet of documents compiled by the CIA pertaining to this issue. Additionally, the Drug Enforcement Agency has briefed staff and provided information on certain aspects of this investigation.

The Congressional Research Service, pursuant to the request of the committee, is compiling background data on the Iran-contra investigations, and Iran-contra documents have been retrieved from the National Archives and reviewed to determine what light they may shed on this matter.

Finally, the committee attended and participated in two town hall meetings in south central Los Angeles where citizens expressed their concerns and views of this case. Last year when the fiscal year 1997 Intelligence Authorization Act was being considered on the floor, members of the committee pledged to our colleagues and to the American public that a full and thorough investigation into these allegations would be conducted. On March 12 of this year, the committee reviewed and ratified its ongoing inquiry into the San Jose Mercury News allegations. This year for the 105th Congress, the committee ratified the scope of this investigation.

While many may have differences of opinions and draw different conclusions from our committee's report when it is finally made, I hope that we will all agree on its thoroughness, its professionalism, and the bipartisanship that has surrounded the investigation.

I want to once again assure the American public and all of my colleagues that this investigation is moving in a detailed and thorough manner.

Mr. GOSS. Mr. Chairman, I yield 3 minutes to the distinguished gentlewoman from California [Ms. MILLENDER-MCDONALD].

Ms. MILLENDER-MCDONALD. Mr. Chairman, I rise today because of the concerns that I have, given the bill that is on the floor before us, and certainly one that I intend to vote on. I have several questions especially pertaining to the report that the gentleman from California [Mr. DIXON] has just articulated, and I am sorry I came in on the tail end.

As my colleagues very well know, my district was the hardest hit with reference to the drug proliferation and the drug trafficking and the allegations that the CIA was involved in that. As my colleagues know, my district represents that of Watts in south central California as well as Compton. Since that time, I have called for investigations, that of the Department of Justice as well as the Central Intelligence Agency, and I have been in conversations with the gentleman from California [Mr. DIXON] on what the Select Committee on Intelligence is all about and what they are doing.

The questions that I have for either the chairman, the ranking member, or the gentleman from California [Mr. DIXON] is what is going on in terms of the hearings, or are there hearings in terms of a select committee on intelligence?

Is the intelligence community cooperating with this committee by any means?

And what is the timetable for getting a report to us so that I can articulate that to my community with reference to the ongoing investigation, if in fact they have begun to do that?

Mr. DIXON. Mr. Chairman, will the gentlewoman yield?

Ms. MILLENDER-MCDONALD. I yield to the gentleman from California.

Mr. DIXON. Mr. Chairman, first of all I would like to compliment the gentlewoman for her participation. As I indicated in my remarks, there have been two hearings in Los Angeles, both of them coordinated by her and her office, one with the director of the Central Intelligence Agency and one with the inspector general from the Justice Department. Both, hearings, gave an opportunity to see the people that would be conducting the investigations from Justice and the CIA and give the community a chance to have some input.

As it relates to hearings, no decision has been made but I do think that there will be a discussion about the appropriate hearings that could be conducted. But it really will be based on the conclusions that the committee comes to.

Certainly I think that the committee will have called before it and examined the reports of the CIA respectively and the Justice Department as to the findings that the inspector generals make.

And as it relates to a timetable, I would think that no earlier than October-November would we be prepared to make a report to the House. Perhaps even longer. I think it is more important, rather than being on a timetable, but to be thorough and cover each base of these serious allegations.

Ms. MILLENDER-MCDONALD. And upon the report that the gentleman is talking about, will he then return back to my community, as was suggested at the hearing when the director came to south central? Will he then bring that report to the community that has been devastated by the drugs when that report is completed?

Mr. DIXON. It is my personal view, and I cannot speak for the committee, but there must be some public document on this issue that is released to the community. Whether or not there will be another hearing in Los Angeles I think will be a committee decision that the chairman and ranking member certainly will have input into.

Mr. GOSS. Mr. Chairman, will the gentlewoman yield?

Ms. MILLENDER-MCDONALD. I yield to the gentleman from Florida.

Mr. GOSS. Mr. Chairman, I would respond, if the gentlewoman will yield, that it is very much my intention to make sure that where taxpayers' dollars are used there is an appropriate accounting; if there is anything classified that justifies classification, we will have to deal with that. But it is not my intent to do that. It is my intent to report back what we find. That is the purpose of the investigation, and we will be dealing with the work of not only our own investigation but the investigation, as the gentleman from California [Mr. DIXON] has said, with the other IG's that are doing work, and frankly there is another committee in the other body working also.

So I believe we do not know all of the answers yet, but I think the gentlewoman can go forward in good faith, understanding we are going to do our best to be fully accountable.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I look forward to the gentleman's continuous dialog with me.

Mr. GOSS. Assuredly.

Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Florida [Mr. MCCOLLUM] my colleague who serves us well on the committee and serves well on the Committee on the Judiciary as well.

Mr. MCCOLLUM. Mr. Chairman, I rise in support of the Intelligence Authorization Act for fiscal year 1998. As chairman of the Subcommittee on Human Intelligence, Analysis, and Counterintelligence, I am pleased to report that this year's authorization bill identifies and corrects some of the fundamental shortfalls in the investments we must make to ensure that this Nation will have an intelligence community that can take the national security challenges of this country into the 21st century.

□ 1500

Particularly, this authorization bill makes the investments in human intelligence, in analysis, and in counterintelligence that will be necessary to future efforts against narcotics, terrorism, proliferation, and other transnational threats, areas that require human interaction on the ground to answer some of our most vexing questions.

I think complacency is probably much greater today than it should be in the minds of most Americans. Since the fall of the Berlin Wall and the dismantling of the Soviet Union, most Americans think we are a more secure world. I, quite frankly, having viewed matters daily from the purview of the Committee on Intelligence, question that we are in a more secure world. We are in a less stable world. We are in a world where intelligence is more necessary than ever.

We have in Russia KGB, former KGB members, who are engaged in organized crime. We have the potential threat of proliferation and movement of nuclear, biological, and chemical weapons that once were fairly secure. At least we knew where they were going to be, over in Russia. They may go anywhere now: into the Middle East, into the hands of terrorists, into the seven terrorist states that we have to be involved with and concerned with, from Iran and Iraq, North Korea, Libya, Sudan, Syria, all of those; Cuba. Then there is China, the question of what happens in the future. We have continuing, ongoing concerns in drug trafficking, and so on goes the list.

Mr. Chairman, no technology can replace the critical role of the human collector of intelligence on the plans and intentions of our adversaries and terrorists, traffickers, and proliferators. I am happy to report that the collectors of human intelligence, or human as we call them in the CIA and elsewhere in the intelligence community, are hard-working, and they are working hard against the high priority targets we have set.

In the budget request, however, the committee found a significant shortfall in technical and other supports these collectors will need in future years to continue their fine efforts to gather human intelligence to these threats. We cannot expect the collectors to overcome high technology employed by drug traffickers, for example, without technology of their own.

The committee also found a lack of long-term planning in the focus and funding of collection operations. We cannot expect human collectors to perform well when funded on an ad hoc basis year to year. I am pleased to report that this authorization bill does indeed provide adequate support for the eyes and ears of the intelligence community upon which so much of the knowledge about national and transnational threats depend.

We have directed the community to develop a system for projecting the long-term funding needs of these vital collection efforts so we may continue to provide these efforts with adequate support. The all-source analyst stands at the center of the planning of this committee and the intelligence community for the needs of the policymakers of the next century.

We will look at the all-source analyst to anticipate future needs for intelligence, and to provide support to the policymakers and to the military: Where will the next Iraq or Somalia be? What are the terrorist threats in a specific country? What successes is a rogue regime having in developing chemical or biological weapons?

We will also look to that analyst for direction in what information about these crises we may obtain through open sources and what we must obtain through human or technical clandestine collection. In that light, Mr. Chairman, the authorization bill directs and begins to fund the restoration of an analyst cadre pared too lean over the past couple of years to cover the projected needs of policymakers.

As our report makes clear, this committee will remain engaged in that restoration and will look to the all-source analyst to guide the intelligence community.

Finally, Mr. Chairman, I note with grim satisfaction that during the past 2 months we have seen the final sentencing phase of the successful prosecutions of an FBI agent and a CIA officer arrested for spying on behalf of the Soviet Union and Russia. The success of both prosecutions depended first of all upon the counterintelligence officers within the FBI and the CIA who were able to do and to think the unthinkable; that is, that an American agent, an officer, could engage in such treachery, and to pursue investigations to such a conclusion. Success depended as well upon the willingness on the part of the leadership of the FBI and the CIA to make the sacrifices that would have been necessary to prosecute these cases through a course to full trial.

Mr. Chairman, I am pleased to report that the authorization bill as reported reflects recognition of this committee of the efforts of the counterintelligence officers, and supports the means by which their vigilance may be continued.

In sum, this authorization bill acknowledges and supports the focused efforts of the human intelligence collector, the crucial role of the analyst, and the difficult but necessary role of the counterintelligence officer. The bill makes surgical cuts and strategic adds that are necessary to the effectiveness of the intelligence community in providing the support to policymakers we need well into the next century.

I want to thank Chairman GOSS for the direction and guidance he has given to both this committee and to the subcommittee, and I conclude my remarks by saying I certainly support this bill.

Mr. DICKS. Mr. Chairman, I yield 5½ minutes to the gentlewoman from California, Ms. JANE HARMAN, a very outstanding member of our committee and a member of the Committee on Armed Services.

Ms. HARMAN. Mr. Chairman, I thank the ranking member for yielding time to me.

Mr. Chairman, it is an honor to serve as a new member of the Committee on Intelligence. I commend our chairman and the ranking member and the staff for their bipartisanship and professionalism.

I sought appointment to this committee during two terms of Congress because I have a keen interest in issues relating to technology and satellite architecture. I often boast that I represent the aerospace center of the universe, the 36th district in California. Surely it is the satellite center of the universe. Also, as the ranking member said, I serve on the Committee on National Security, which gives me some additional insight into the defense functions served by our intelligence agencies.

I rise in support of this bill, although I would like to share with our colleagues several reservations. My reservations concern a comment made by our chairman as part of his opening remarks. He said, in part, and I quote, ''We have pushed the intelligence community toward developing, acquiring, investing in, and deploying more flexible technological capabilities in order to collect key information on the highest priority targets.''

I certainly agree that we should push technology and that we should do collection on the highest priority targets, but I would also suggest that the consequences of doing this could lead to some bad results: First, program instability, and, second, proceeding with change without a full understanding of its consequences. This is a point made by the gentleman from Washington [Mr. DICKS] in his opening remarks. It seems to me that our goal here is to make the right choices and the right changes among competing technologies.

As to levels of funding, I support the level in this bill, the product of a thoughtful and professional exercise. Could we spend some dollars better? Sure, and we should. But let us do that, rather than mandate across-the-board cuts which may result in limiting our technological options.

As I said in debate on this bill in the last Congress, intelligence funding is intelligent funding. Better information earlier is better offense and better defense. Our judgments about our worldwide geopolitical options and our defense strategic options on a particular battlefield depend in substantial part on good intelligence. To shortchange intelligence funding is to shortchange U.S. national security.

Finally, I just want to comment on the colloquy we just had between the gentleman from California [Mr. DIXON], the gentlewoman from California [Ms. MILLENDER-MCDONALD] and our chairman. I support what the committee is doing to thoroughly understand and study whether or not the CIA played any role in drug trafficking in California.

I would tell our colleagues that this issue is of intense interest in the Los Angeles community, and I hope that we share whatever we can appropriately share with the affected communities as soon as we can appropriately do so.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield?

Ms. HARMAN. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend the gentlewoman on her statement. One of the things that I hope as we go through the rest of this process is that we can blend together our great respect for the all-source analyst, but also recognize that we have the finest national technical means in the world in terms of gathering intelligence. That should not be undervalued. In fact, I think what we need to do is blend these capabilities of human intelligence and our national technical means, and remember the gulf war, where we had a very major problem in the dissemination of imagery.

I just made a visit to Molesworth in England and saw the improvements in dissemination of imagery to the people who are serving us so well in Bosnia. I have been to the CAOC, the all-source center in Italy, have seen the combination of all these intelligence sources, from satellites to UAV's, human, everything coming into one room, and then being made immediately available to the battlefield commander in Bosnia.

So I just want the House to know that a lot of very important improvements have been made. I just want to make certain that we do not, in the rush to cut various programs, cut some of these things that are crucial both in signals and in imagery to giving us the kind of advantage that our military commanders need. This is very, very important to keep a balanced approach.

Ms. HARMAN. Mr. Chairman, I thank the gentleman for his comments. I think all of us on the committee would agree that the revolution in military affairs for the future contains a huge technology component.

I was just urging that as we proceed to push the envelope, we not throw out technologies that function well in pursuit of some future technology.

Mr. Chairman, I also want to complete my comment about the importance of disseminating information to Los Angeles residents. As I think everyone on our committee knows, certainly the gentleman from Washington [Mr. DIXON] knows, and other Members from Los Angeles know, this issue has garnered intense interest.

If this committee can put it to rest finally by virtue of a very careful and thorough study, we need to communicate the results of that study to the residents of Los Angeles. I would urge us to do that as soon as possible.

Mr. GOSS. Mr. Chairman, I yield myself 15 seconds to assure the gentlewoman from California that I am interested in the truth. All of the resources and assets that we have and are bringing to bear on this are designed to bring the truth to the people of the United States of America, and particularly to those who are affected in Los Angeles.

Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York [Mr. BOEHLERT], a member of the committee who is not only my great friend, but has shown me the way forward on some of these issues. I think we are going to hear about that.

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

Mr. BOEHLERT. Mr. Chairman, the bill before us today provides the necessary, and I emphasize necessary, funding for the operations of our Nation's intelligence functions. It also provides continuing support, in keeping with the committee's work over the previous 2 years in building the intelligence community for the 21st century.

This bill makes major improvements to the President's budget request by taking some critically needed steps forward, particularly in the areas of building up human intelligence capabilities and analysis and improving technical collection abilities. It puts some needed logic in the area of unmanned aerial vehicle management, and it builds on some existing directions forged last year in such areas as the national reconnaissance program.

Mr. Chairman, to do all of this the bill increases the President's budget by only about seven-tenths of a percent, so I want to congratulate the chairman of the committee and the ranking member for the outstanding work and guidance they have provided.

The worldwide scene and many of our national interests have changed, Mr. Chairman, since the dissolution of the Soviet empire. However, the world is not necessarily a significantly safer place since the end of the cold war. This bill recognizes the fact that despite the very real lessening of a threat to our national being, several rogue states, radical movements, and transnational threats such as terrorism, organized crime, and the proliferation of weapons of mass destruction continue to clearly present a danger to our Nation and our people.

It is important to understand that the focus of our intelligence community in peacetime is to maintain a knowledge level of the world that allows us to maintain that peace we so dearly cherish. Our intelligence services are, for example, fully employed now around the world helping to ensure that we are not caught by some surprise in places such as Bosnia or the

Persian Gulf or the Korean Peninsula. This bill focuses on right-sizing and right-equipping our intelligence services, both civilian and military, to perform their critical functions to preserve that peace.

Mr. Chairman, it should be noted that during the preparation of this bill each budgetary line item in the President's request was valued on its individual merits in relation to the whole of the U.S. intelligence efforts. The committee did not work to a specific or artificially developed top line number. Instead, the committee added funding as necessary to critical programs and made some cuts to programs that it considered overfunded. The resulting authorization is therefore highly defensible in the aggregate and in a line-by-line analysis. This is a view I am sure is shared by those Members of the House who have examined the classified annex wherein each budgetary line is explained in detail.

Mr. Chairman, this is a good product brought forward by a committee that has worked cooperatively, and it is a pleasure for me and a privilege to be a new member of the committee and watch the high degree of professionalism that exists in all its deliberations, not only high degree of professionalism, but a high degree of bipartisanship.

Mr. DICKS. Mr. Chairman, I yield 5 minutes to my colleague, the gentleman from Georgia, MR. SANFORD BISHOP, a new member of the committee and a person who has spent considerable time and effort on intelligence matters.

Mr. BISHOP. Mr. Chairman, I rise in strong support of H.R. 1775, the Intelligence Authorization Act for fiscal year 1998. I also stand before the Members today to commend and congratulate Chairman GOSS and the ranking Democratic member, the gentleman from Washington [Mr. DICKS], for their efforts in producing a bipartisan measure that enhances our Nation's intelligence collection, analytical, and dissemination processes.

□ 1515

Mr. Chairman, one only has to look at any one of our Nation's major newspapers on any given day to learn of the unstable and unpredictable world in which we now live. Just last weekend Cambodia erupted in violence as forces loyal to Cambodia's two prime ministers took to the streets of Phnom Penh and engaged in armed clashes. This year alone we have witnessed the spread of civil strife in a number of countries, including Albania, Kenya, Congo, Sierra Leone, Rwanda, to name just a few.

When violence erupts in these countries, it is the intelligence community that is called upon to sort out what the threat is to U.S. persons, what the facts are, who the players are, what the likely outcome is, and what ramifications such actions may have for the region and most importantly for our Nation's security.

We need to consider whether a shortage of qualified intelligence analysts exists in many regions of the world that have been inflicted with unexpected violence that threatens the stability of that region. H.R. 1775 addresses this problem by providing additional resources to be directed and enhancing and expanding the analytical talent pool throughout the intelligence community. This is especially important to our military personnel who are often called upon to perform noncombatant evacuations of U.S. citizens from regions that are beset with violence.

Prior to the military conducting an evacuation, intelligence must be collected and analyzed so as to protect our military forces who perform these important and valuable missions. Additionally, the military has in the past and will in the future be called upon as part of the U.N. peacekeeping force. The Department of Defense needs qualified analysts for force protection, counterterrorism and to assess the plans and intentions of hostile forces. Let us not forget that the military has drawn down more than any other Federal agency, and the reduction in personnel in dollars continues today.

Intelligence acts as a force multiplier. And if we are to continue on a downward path in funding our Nation's armed services, which concerns me greatly, then we certainly need to take every step to ensure that our intelligence capabilities are sufficient to provide policymakers with the necessary information they need to make key decisions affecting our national security.

In addition to the ever-increasing number of contingencies that await us in the future, old enemies combined with the explosion of technology create new challenges for our intelligence communities. Russia, China, Iran, Iraq, the Korean peninsula, Bosnia, terrorism and proliferation of weapons of mass destruction continues to pose a threat to the national security of the United States.

The measure before us this afternoon provides funding for our country to aggressively collect intelligence against those important targets. One of the best methods used to collect intelligence on these targets is human intelligence.

I am pleased to report that this measure before us enhances the human intelligence collection capabilities throughout our intelligence community. Technology provides us a window into areas that are often hidden and protected against physical intrusion. While technical means of collecting intelligence may shed light on a number of programs, including proliferation activities, human intelligence is one sure-fire way of gathering information on plans and intentions as well as timetables. We must retool our human officer cadre to provide them with the skills and the tools necessary to accomplish their mission in the next century. This bill provides the requisite tools and enhances training to meet these future challenges.

Mr. Chairman, let me again thank the gentleman from Florida [Mr. GOSS] and the gentleman from Washington [Mr. DICKS] for their leadership in fashioning a bill that provides critical support to our intelligence community.

I urge my colleagues to support this measure and in doing so to support the men and women of the U.S. intelligence community, our military forces and our diplomatic corps around the globe. They are the people who sacrifice often in far-away places that we who live in America can always enjoy a safe, secure, and high quality of life. We owe them and the people of our Nation no less.

Mr. GOSS. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Nevada [Mr. GIBBONS], a new member of our committee who has brought a wealth of value and experience.

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

Mr. GIBBONS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I also rise today in support of the Intelligence Authorization Act. As a new member of this intelligence committee, I have had the unique privilege to participate in the development of this act. The gentleman from Florida [Mr. GOSS], chairman, and the ranking minority member, the gentleman from Washington [Mr. DICKS], are both to be commended for their incredibly hard work and leadership. Their efforts and stewardship of the committee as a whole and especially the fine work of the committee staff have resulted in an act which provides the United States an intelligence community which is properly equipped, properly funded and properly supervised for the difficult intelligence tasks confronting this Nation well into the future.

This is no easy task, Mr. Chairman. Many people think the United States no longer faces the worldwide threat that we once did during the cold war era. However, it would be foolhardy to say that the threats to this Nation have gone away. In fact, one could say that the number of threats has actually increased. The post-cold war proliferation of relatively cheap weapons of mass destruction, the increase of fanatical terrorism and the rise of transnational threats such as drug cartels dictate that we have a stronger, not weaker intelligence capability.

It could easily be debated that such threats are more diverse and more difficult to monitor and defend against than was the single major threat we faced during the cold war years.

Mr. Chairman, this act works toward an intelligence capability and community that is better postured to deal with these new and diverse threats. There are those who say we spend too much for the Nation's intelligence

services and capabilities. Because of security interests, I cannot speak for the specific dollar amount this authorization act recommends for intelligence activities; however, I can say that the security of the Nation does not come cheap.

Intelligence is the foundation for maintaining that security, and it has often been said that an ounce of prevention is worth a pound of cure.

I would submit that a relatively small investment in our intelligence, understanding of the threats to our country, is what is worth much more than the cost of recovering from the damage.

Knowledge of our potential foes is without question worth the investment. Is that investment large in terms of real dollars? Yes, of course it is. But again, an ounce of prevention, the same old adage.

Mr. Chairman, I would like to close with a thought about the future. Specifically with respect to intelligence technology development that this act supports, the Nation's policymakers require valid, useful and up-to-date intelligence on national and transnational threat issues, as I have mentioned. In order to maintain such information in an increasingly complex world, the intelligence community must invest in modern and equally complex technology.

Mr. DICKS. Mr. Chairman, I yield the balance of my time to the gentleman from Ohio [Mr. TRAFICANT], my friend and distinguished colleague who was mentioned on the Imus show this morning.

Mr. GOSS. Mr. Chairman, I yield 30 seconds to the gentleman from Ohio [Mr. TRAFICANT].

The CHAIRMAN. The gentleman from Ohio [Mr. TRAFICANT] is recognized for 2 minutes and 30 seconds.

Mr. TRAFICANT. Mr. Chairman, I do not have as much confidence as everybody else who is here. I may give it a chance. I have respect for the gentleman from Florida [Mr. GOSS] and for the gentleman from Washington [Mr. DICKS]. But quite frankly, we heard about the collapse of the Soviet Union on CNN. We learned about the fall of the Berlin Wall on CNN. We learned about the invasion of Kuwait on CNN. I honest to God believe we might save a lot of money by getting rid of our intelligence community and giving the money to CNN.

There is an issue that concerns me, and I know it will be ruled nongermane, but during the Vietnam war we had 450 commandos, South Vietnamese, to perform espionage services. They were captured by the North Vietnamese. The CIA lived up and the DIA and our intelligence community kept their payments and compensation to their families up until 1965, until they were listed as missing. Then they cut off those payments. Even though the Congress of the United States passed $20 million in compensation for those commandos who helped us during Vietnam, the CIA has said, no, and they cite the Totten doctrine, an 1876 Supreme Court ruling, Totten versus the United States, as the grounds for not in fact meeting that compensation level. The Totten doctrine simply bars enforcement of secret contracts making them nonenforceable and not eligible to be adjudicated in a court of law. The Traficant amendment would simply create a three-member panel appointed by the Supreme Court that would rule whether or not these secret cases may be eligible for adjudication and could set them up in camera.

Let me say one last thing. The quality of our field operatives is evidently very bad when we are hearing about all these revolutions on CNN. Word is getting out that if our intelligence community is not going to toe the line and take care of their field operatives, what type of an intelligence community do you have without good street people? In America we call them snitches in the police departments. To the intelligence community we call them spies. Evidently from the amount of spying we have going on, we can use a little more fairness in this whole situation.

I understand this has a bearing and naturally it is more within the purview and jurisdiction of the Committee on the Judiciary.

But listen very carefully, a three-member panel appointed by the Supreme Court that would simply review these cases for cause and then have the option of making them eligible for adjudication and if they did it could be in camera. I think this has much to do with the camaraderie, much to do with the ability of our field operatives or we will have no field operatives. So when that debate comes up, I ask my colleagues to listen, especially Committee on the Judiciary members.

Mr. GOSS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from New Hampshire [Mr. BASS] a member of the committee.

Mr. BASS. Mr. Chairman, I thank the gentleman from Florida for yielding me the time. I rise in support of the intelligence committee authorization. I would make a couple of points.

First of all, this is not a fat budget. This is a lean budget. It represents a less than 1 percent increase over what the President's request was. I would point out that as we heard the chairman of the Committee on National Security talk last week, the defense budget in this country has gone down for 13 successive years and the intelligence budget as well has suffered from these declines.

I would point out that the Intelligence Committee has spent a considerable amount of time in the last 4 to 5 months examining the priorities in the Intelligence Committee. You have heard other speakers this morning talk about the need for better exploitation of all the information that we are receiving from our various collectors.

Second, the need to pay more attention to the issue of human intelligence and the need to develop better human intelligence around the world, I believe that intelligence is important to this country. It has been important to this country ever since it was founded.

Let me remind my colleagues that when Paul Revere road out of Boston to warn the patriots that the British were coming, he did not do it because the British told him they were coming. It was because he had a spy at the top of the Old North Church.

Intelligence was important in the Civil War. Intelligence was important in the First and Second World Wars. Indeed, the Air Force was founded as a result of the need to get behind enemy lines to understand what was going on.

Indeed, Mr. Chairman, intelligence in this country saves lives. It makes it possible for leaders in this country to make informed decisions about what needs to be done. It protects the national security of this Nation. It saves money in the rest of the defense budget and it strengthens this country as we move forward into the 21st century. I am pleased to be a member of this important committee. I am pleased to support this authorization.

Mr. GOSS. Mr. Chairman, I yield myself the balance of my time.

I think Members who are watching well understand that we have a very rich and diverse committee that has worked very hard with the other appropriate committees, the Committee on National Security and the Committee on Appropriations. We take our job very seriously. Everybody has something thoughtful to say and to add. The cold war is over but the danger is not gone. We are doing our best to make sure every intelligence dollar is spent well. Obviously that is a never-ending task.

□ 1530

Quite seriously, those who read the newspaper are not getting the full story, and those who wish to speak, I would hope, would go and read the classified annex so they are dealing with the same support level of fact that we are on the committee.

And, finally, I would simply say I agree with my distinguished colleague, the ranking member, and the gentlewoman from California [Ms. HARMAN], who spoke about the need for balance, the proper balance between collection, technology, and all of that. We strive for that proper balance. It is a moving target, it is a moving world, and we will be doing this in a moving way for many years to come. I hope we have it right for now. If we do not, we have a conference ahead of us where we will have a chance to do things again. I urge full support of this bill, Mr. Chairman.

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

Mr. DICKS. Mr. Chairman, Mr. TRAFICANT has offered a similar provision in years past with a goal of ensuring that the intelligence community maximizes its purchase of American-made products. That is a goal I support.

We have worked with the gentleman from Ohio on other occasions to preserve the spirit of his amendment in conference even though the committee is aware that the record of the intelligence community on the procurement of U.S. products is exemplary. We will do so again this year and we are pleased to accept the amendment.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill shall be considered under the 5-minute rule by titles and each title shall be considered read. No amendment to the committee amendment in the nature of a substitute is in order unless printed in the CONGRESSIONAL RECORD.

The Clerk will designate section 1.

The text of section 1 is as follows:

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 ''Intelligence Authorization Act for Fiscal Year 1998''.

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.

(2) The Department of Defense.

(3) The Defense Intelligence Agency.

(4) The National Security Agency.

(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.

(6) The Department of State.

(7) The Department of the Treasury.

(8) The Department of Energy.

(9) The Federal Bureau of Investigation.

(10) The Drug Enforcement Administration.

(11) The National Reconnaissance Office.

(12) The National Imagery and Mapping Agency.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1998, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the bill H.R. 1775 of the 105th Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 1998 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions, except that the number of personnel employed in excess of the number authorized under such section may not, for any element of the intelligence community, exceed two percent of the number of civilian personnel authorized under such section for such element.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

SEC. 104. COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 1998 the sum of $147,588,000. Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for the Advanced Research and Development Committee and the Environmental Intelligence and Applications Program shall remain available until September 30, 1999.

(b) AUTHORIZED PERSONNEL LEVELS.—The elements within the Community Management Account of the Director of Central Intelligence are authorized a total of 313 fulltime personnel as of September 30, 1998. Such personnel may be permanent employees of the Community Management Account elements or personnel detailed from other elements of the United States Government.

(c) CLASSIFIED AUTHORIZATIONS.—In addition to amounts authorized to be appropriated by subsection (a) and the personnel authorized by subsection (b)—

(1) there is authorized to be appropriated for fiscal year 1998 such amounts, and

(2) there is authorized such personnel as of September 30, 1998,

for the Community Management Account, as are specified in the classified Schedule of Authorizations referred to in section 102(a).

(d) REIMBURSEMENT.—Except as provided in section 113 of the National Security Act of 1947 (as added by section 304 of this Act), during fiscal year 1998 any officer or employee of the United States or member of the Armed Forces who is detailed to an element of the Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis; except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

(e) NATIONAL DRUG INTELLIGENCE CENTER.—

(1) IN GENERAL.—Of the amount authorized to be appropriated in subsection (a), the amount of $27,000,000 shall be available for the National Drug Intelligence Center. Within such amount, funds provided for research, development, test, and engineering purposes shall remain available until September 30, 1999, and funds provided for procurement purposes shall remain available until September 30, 2000.

(2) TRANSFER OF FUNDS.—The Director of Central Intelligence shall transfer to the Attorney General of the United States funds available for the National Drug Intelligence Center under paragraph (1). The Attorney General shall utilize funds so transferred for the activities of the Center.

(3) LIMITATION.—Amounts available for the Center may not be used in contravention of the provisions of section 103(d)(1) of the National Security Act of 1947 (50 U.S.C. 403–3(d)(1)).

(4) AUTHORITY.—Notwithstanding any other provision of law, the Attorney General shall retain full authority over the operations of the Center.

The CHAIRMAN. Are there any amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1998 the sum of $196,900,000.

The CHAIRMAN. Are there any amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. ADMINISTRATION OF THE OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE.

Subsection (e) of section 102 of the National Security Act of 1947 (50 U.S.C. 403) is amended by adding at the end the following new paragraph:

''(4) The Office of the Director of Central Intelligence shall, for administrative purposes, be within the Central Intelligence Agency.''.

SEC. 304. DETAIL OF INTELLIGENCE COMMUNITY PERSONNEL—INTELLIGENCE COMMUNITY ASSIGNMENT PROGRAM.

(a) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

''DETAIL OF INTELLIGENCE COMMUNITY PERSONNEL—INTELLIGENCE COMMUNITY ASSIGNMENT PROGRAM

''SEC. 113 (a) DETAIL.—(1) Notwithstanding any other provision of law, the head of a department with an element in the intelligence community or the head of an intelligence community agency or element may detail any employee within that department, agency, or element to serve in any position in the Intelligence Community Assignment Program on a reimbursable or a nonreimbursable basis.

''(2) Nonreimbursable details may be for such periods as are agreed to between the heads of the parent and host agencies, up to a maximum of three years, except that such details may be extended for a period not to exceed 1 year when the heads of the parent and host agencies determine that such extension is in the public interest.

''(b) BENEFITS, ALLOWANCES, TRAVEL, INCENTIVES.—An employee detailed under subsection (a) may be authorized any benefit, allowance, travel, or incentive otherwise provided to enhance staffing by the organization from which they are being detailed.

''(c) ANNUAL REPORT.—(1) Not later than March 1 of each year, the Director of the Central Intelligence Agency shall submit to the permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a report describing the detail of intelligence community

personnel pursuant to subsection (a) for the previous 12-month period, including the number of employees detailed, the identity of parent and host agencies or elements, and an analysis of the benefits of the program.

''(2) The Director shall submit the first of such reports not later than March 1, 1999.

''(d) TERMINATION.—The authority to make details under this section terminates on September 30, 2002.''.

(b) TECHNICAL AMENDMENT.—Sections 120, 121, and 110 of the National Security Act of 1947 are hereby redesignated as sections 110, 111, and 112, respectively.

(c) CLERICAL AMENDMENT.—The table of contents contained in the first section of such Act is amended by striking the items relating to sections 120, 121, and 110 and inserting the following:

''Sec. 110. National mission of National Imagery and Mapping Agency.
''Sec. 111. Collection tasking authority.
''Sec. 112. Restrictions on intelligence sharing with the United Nations.
''Sec. 113. Detail of intelligence community personnel—intelligence community assignment programs.''.

(d) EFFECTIVE DATE.—The amendment made by subsection (a) of this section shall apply to an employee on detail on or after January 1, 1997.

SEC. 305. APPLICATION OF SANCTIONS LAWS TO INTELLIGENCE ACTIVITIES.

Section 905 of the National Security Act of 1947 (50 U.S.C. 441d) is amended by striking ''1998'' and inserting ''1999''.

AMENDMENT NO. 5 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment to title III that deals with the Totten doctrine.

The Clerk read as follows:

Amendment No. 5 offered by Mr. TRAFICANT:

Page 10, after line 15, insert the following new section:

SEC. 306. ESTABLISHMENT OF 3-JUDGE DIVISION OF THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA FOR DETERMINATION, OF WHETHER CASES ALLEGING BREACH OF SECRET GOVERNMENT CONTRACTS SHOULD BE TRIED IN COURT.

(a) ASSIGNMENT OF JUDGES.—The Chief Justice of the United States shall assign 3 circuit judges or justices (which may include senior judges or retired justices) to a division of the United States Court of Appeals for the District of Columbia for the purpose of determining whether an action brought by a person, including a foreign national, in a court of the United States of competent jurisdiction for compensation for services performed for the United States pursuant to a secret Government contract may be tried by the court. The division of the court may not determine that the case cannot be heard solely on the basis of the nature of the services to be provided under the contract.

(b) ASSIGNMENT AND TERMS.—Not more than 1 justice or judge or senior or retired judge may be assigned to the division of the court from a particular court. Judges and justices shall be assigned to the division of the court for periods of 2-years each; the first of which shall commence on the date of the enactment of this Act.

(c) FACTORS IN DIVISION'S DELIBERATIONS.—In deciding whether an action described in subsection (a) should be tried by the court, the division of the court shall determine whether the information that would be disclosed in adjudicating the action would do serious damage to the national security of the United States or would compromise the safety and security of intelligence sources inside or outside the United States. If the division of the court determines that the case may be heard, the division may prescribe steps that the court in which the case is to be heard shall take to protect the national security of the United States and intelligence sources and methods, which may include holding the proceedings in camera.

(d) REFERRAL OF CASES.—In any case in which an action described in subsection (a) is brought and otherwise complies with applicable procedural and statutory requirements, the court shall forthwith refer the case of the division of the court.

(e) EFFECT OF DIVISION'S DETERMINATION.—If the division of the court determines under this section that an action should be tried by the court, that court shall proceed with the trial of the action, notwithstanding any other provision of law.

(f) OTHER JUDICIAL ASSIGNMENTS NOT BARRED.—Assignemt of a justice or judge to the division of the court under subsection (a) shall not be a bar to other judicial assignments during the 2-year term of such justice or judge.

(g) VACANCIES.—Any vacancy in the division of the court shall be filled only for the remainder of the 2-year period within which such vacancy occurs and in the same manner as the original appointment was made.

(h) SUPPORT SERVICES.—The Clerk of the United States Court of Appeals for the District of Columbia Circuit shall serve as the clerk of the division of the court and shall provide such services as are needed by the division of the court.

(i) DEFINITIONS.—For purposes of this section—

(1) the term ''secret Government contract'' means a contract, whether express or implied, that is entered into with a member of the intelligence community, to perform activities subject to the reporting requirements of title V of the National Security Act of 1947 (50 U.S.C. 413 and following); and

(2) the term ''member of the intelligence community'' means any entity in the intelligence community as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. App. 401a(4)).

(j) APPLICABILITY OF SECTION.—

(1) IN GENERAL.—This section applies to claims arising on or after December 1, 1976.

(2) WAIVER OF STATUTE OF LIMITATIONS.—With respect to any claim arising before the enactment of this Act which would be barred because of the requirements of section 2401 or 2501 of title 28, United States Code, those sections shall not apply to an action brought on such claim within 2 years after the date of the enactment of this Act.

Mr. GOSS. Mr. Chairman, I will reserve a point of order, if this is the amendment I think it is, that the gentleman's amendment is not germane.

The CHAIRMAN. The point of order is reserved and the gentleman from Ohio [Mr. TRAFICANT] is recognized for 5 minutes.

Mr. TRAFICANT. Mr. Chairman, I had cited earlier this whole issue dealing with the Totten doctrine. Totten versus United States, the Supreme Court ruling in 1876, dealt with a secret contract where Abraham Lincoln, President Lincoln, had an individual working in an underground capacity. Upon the death of this individual, there was a lawsuit that emanated from those services, and from there came the decision that secret contracts are unenforceable and not eligible for adjudication.

So the Totten doctrine, in essence, bars the judiciary from adjudicating disputes arising out of secret government contracts. Now, that is in 1876. Now we have come to an intelligence community where we have many intelligence operatives that believe they have been wronged. If they attempt to adjudicate these matters or seek relief through the courts, the Totten doctrine is simply cited and they are barred from any further adjudicative action.

What the Traficant amendment would do, and I understand the point of germaneness here, but there must be some commitment coming from the leadership of intelligence if we are to do anything about the camaraderie and the ability to have good field operatives. We must look at the Traficant amendment.

Now, let me just close out here. The amendment calls for a three-member panel appointed by the Supreme Court in the U.S. District Court of Appeals in the Nation's Capital. They would review these claims, they would have the option of saying there is meritorious claim here or not. And if they did, they could set up that trial in camera.

We at this point have already gone into that judiciary type of activity. We have at this time allowed certain types of Federal judiciary cases on secret contracts involving, for example, the CIA and private contractors, to be adjudicated. They have been handled without any breach of national security.

And for those opponents who say our judges are not prepared to deal with these secret issues, I think if they can handle these broad tax cases, complicated environmental and toxic waste types of cases, they can certainly handle these.

I know it is not the intention of the Congress of the United States to have 450 South Vietnamese, many of them who have given up their lives in espionage activities for our country, to have been abandoned. And what we have on record is that they have been abandoned by our intelligence community and then their families, and in agreements made with their families, that agreement was abrogated. That compensation was not made, to the point where Congress gave $20 million last year and that money has still not been given to the survivors of those individuals who gave up their lives in our efforts in Southeast Asia. Unbelievable to me. And they cite, among other reasons, the Totten doctrine.

So all I am saying is that at some particular point, I understand the germaneness issue, but I know that the gentleman's committee has been fair, but I believe this hurts camaraderie, this hurts our acquisition and recruiting of top-notch agents. The word is out that one can get shafted; watch yourself. That is not the type of predicate we need to recruit the type of individuals that give us the intelligence we need. And we will keep reading and hearing about intelligence activities from CNN not from our own intelligence sources.

So I will ask, if I could, Mr. Chairman, the chairman of the Judiciary Subcommittee with jurisdiction to give consideration, since they are considering this to be a germaneness problem to Judiciary. But let me also say this to the intelligence community: Even though this is a Judiciary matter, its overtones in intelligence are so great, the shadows so great, I do not believe we can have a good intelligence program without addressing this old statute.

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

Mr. TRAFICANT. I yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, I am actually not the chairman of the critical subcommittee, the one on courts, but I am a member of the Subcommittee on Courts and Intellectual Property, and I would agree to work with the gentleman toward getting a hearing, an opportunity in the Committee on the Judiciary and the Subcommittee on Courts and Intellectual Property to go over this proposal.

I think it is a proposal that needs to be discussed, but I have no authority to be the chairman to say that I can hold the hearing. This is not my subcommittee.

Mr. TRAFICANT. Reclaiming my time, Mr. Chairman, let me just say to the gentleman that I appreciate that.

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

Mr. TRAFICANT. I yield to the gentleman from Washington.

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

Mr. DICKS. Mr. Chairman, I would say to the gentleman that we are now checking at the Defense Department about the $20 million. And the gentleman, I think, has made a very important case here.

The CHAIRMAN. The time of the gentleman from Ohio Mr. [TRAFICANT] has expired.

(By unanimous consent, Mr. TRAFICANT was allowed to proceed for 2 additional minutes.)

Mr. TRAFICANT. Mr. Chairman, I will continue to yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I think what the gentleman is most concerned about is getting the money released and doing it in the proper way, and we will do everything we can to help him achieve his objective.

Mr. TRAFICANT. I also want the gentleman to help me in advancing the issue of looking at the Totten doctrine, because we will not recruit the types of agents we need to do our job properly.

Mr. DICKS. We will certainly follow up on that issue.

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

Mr. TRAFICANT. I yield to the gentleman from Florida.

Mr. GOSS. Mr. Chairman, I thank the distinguished gentleman from Ohio for yielding.

I think the issue is a very important issue and it has been well outlined by the gentleman from Ohio, and I think with the assurance of my colleague from Florida to proceed and the assurance that I have personally given the gentleman to look into the matter in terms of why those payments have not been made, which again I cannot usurp appropriations matters, this is not my area, but we want to make sure that the gentleman's fairness issues are well regarded.

I would point out it was, as the gentleman knows, the U.S. Congress, not the intelligence community, that made the decision for the relief. I think that is entirely appropriate. I think when we go back and look at the Totten decision, and I think it probably is time to look at that, again not my area of jurisdiction, I think we have to ask ourselves questions about the appropriate oversight. I think that is entirely relevant and entirely timely.

Mr. TRAFICANT. Reclaiming my time, Mr. Chairman, I am going to ask Congress to enforce the release of that $20 million to those surviving families of those South Vietnamese commandos who gave their lives to help us out in Southeast Asia.

Mr. DICKS. Mr. Chairman, if the gentleman will continue to yield, as the gentleman well knows, it is in the supplemental appropriations. Congress has appropriated the money. They are working on the regulations.

We just talked to Mr. Hamre's office, the Comptroller of the Department of Defense, and they think they will have the regulations finished by the end of July in order to get the money out.

Mr. TRAFICANT. Reclaiming my time, Mr. Chairman, the money was appropriated last year and I think they should get on with it.

I appreciate the dialog we have had here and I ask for consideration in some other vehicle that comes up.

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

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

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

AMENDMENT OFFERED BY MR. TRAFICANT

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

The CHAIRMAN. Was the amendment printed in the Congressional RECORD?

Mr. TRAFICANT. Mr. Chairman, this is the amendment authorized by unanimous consent.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT:

Page 10, after line 15, insert the following new section:

SEC. 306. COMPLIANCE WITH BUY AMERICAN ACT.

No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the ''Buy American Act'').

SEC. 307. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under the Act, the head of the appropriate element of the Intelligence Community shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 308. PROHIBITION OF CONTRACTS.

If it has been finally determined by a court or Federal agency that any person intentionally affixed a fraudulent label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that was not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. TRAFICANT. Mr. Chairman, one of the most innovative Members of the House, the gentleman from Massachusetts, Mr. BARNEY FRANK, said this is the Spy America Amendment, so I will accept that. He is usually very brilliant. I will call it the Spy Buy America Amendment.

If we are going to have all these covert buys and all this covert budget, we can have a covert understanding that when they buy these high-technology James Bond items, they try to buy them in America and from American producers, from American workers and companies who pay corporation taxes and who pay income taxes and excise taxes and hidden taxes and sales taxes and property taxes and State taxes and estate taxes and inheritance taxes and surtaxes and hidden taxes. We should hold them to account in an attempt to at least buy in America.

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

Mr. TRAFICANT. I yield to the gentleman from Florida.

Mr. GOSS. Mr. Chairman, I would be happy to accept the amendment, of course, because I understand it was inadvertently left out, and it is not a new issue; it is one that I have supported before.

I just want to make sure the gentleman is entirely clear that occasionally, because of the uniqueness of the intelligence business, it is necessary to

buy something that is not American made or to acquire something that is not American made, and I want the gentleman to fully understand that that is not a violation of the spirit.

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, if the gentleman was, for example, a Korean spy, he would want to buy American to make us think that the gentleman was close to America. So who is to know? It is like a stealth amendment.

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

Mr. TRAFICANT. I yield to the gentleman from Washington.

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

Mr. DICKS. Mr. Chairman, I appreciate the gentleman yielding.

We have no problem with his amendment. We have supported it enthusiastically in the past, but the chairman is correct; we have to understand there will be times when we will have to do something that might breach the amendment.

Mr. TRAFICANT. Mr. Chairman, we understand that.

I ask for support on the amendment and move the question.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. MCCOLLUM

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

The CHAIRMAN. Was the amendment printed in the CONGRESSIONAL RECORD?

Mr. MCCOLLUM. Yes, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment No. 4 offered by Mr. MCCOLLUM:

Page 10, after line 15, insert the following new section:

SEC. 306. REPORT ON INTELLIGENCE ACTIVITIES OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) REPORT TO CONGRESS.—Not later than 1 years after the date of the enactment of this Act and annually thereafter, the Director of Central Intelligence and the Director of the Federal Bureau of Investigation, jointly, in consultation with the heads of other appropriate Federal agencies, including the National Security Agency, and the Departments of Defense, Justice, Treasury, and State, shall prepare and transmit to the Congress a report on intelligence activities of the People's Republic of China, directed against or affecting the interests of the United States.

(b) DELIVERY OF REPORT.—The Director of Central Intelligence and the Director of the Federal Bureau of Investigation, jointly, shall transmit classified and unclassified versions of the report to the Speaker and minority leader of the House of Representatives, the majority and minority leaders of the Senate, the Chairman and Ranking Member of the Permanent Select Committee on Intelligence of the House of Representatives, and the Chairman and Vice-Chairman of the Select Committee on Intelligence of the Senate.

(c) CONTENTS OF REPORT.—Each report under subsection (a) shall include information concerning the following:

(1) Political, military, and economic espionage.

(2) Intelligence activities designed to gain political influence, including activities undertaken or coordinated by the United Front Works Department of the Chinese Communist Party.

(3) Efforts to gain direct or indirect influence through commercial or noncommercial intermediaries subject to control by the People's Republic of China, including enterprises controlled by the People's Liberation Army.

(4) Disinformation and press manipulation by the People's Republic of China with respect to the United States, including activities undertaken or coordinated by the United Front Works Department of the Chinese Communist Party.

Mr. MCCOLLUM (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. MCCOLLUM. Mr. Chairman, I rise to offer this amendment today, which is a very simple amendment, that would require the Director of the Central Intelligence Agency and the Director of the Federal Bureau of Investigation to jointly prepare an annual report on the intelligence activities of the People's Republic of China and, most specifically, those which are directed against or affect the interest of the United States.

Some of the news reports on the fund-raising scandals that we have been reading about recently suggest that the People's Republic of China has apparently has decided to take a more aggressive approach toward influencing American politics. This is occurring at all levels of our political system, through the use of legitimate, such as through lobbying, as well as covert influence.

At the same time, the Chinese are also relying heavily on the success of their economic espionage efforts to make their economy more competitive with ours. We also have concerns, that I think most Americans share, with the increasing buildup of the Chinese military operations and capabilities, and the potential that that poses a threat to our national security interests in the Pacific rim region.

A China specialist at the Department of Defense recently summarized a growing threat posed by China's intelligence agencies by saying:

The Ministry of State Security is an aggressive intelligence service which is coming of age in an international arena. The combination of a relatively stagnant economy and an increasingly competitive global economic environment will force China to rely more heavily on the illegal acquisition of high-technology modernization. Arms production and sales are increasingly being used to gain hard currency and expand global political influence. The MSS will be required to produce intelligence to support this assertive role in the global commercial and political environments.

He went on to say:

Western democracies, such as the United States, must adjust the focus of their clandestine intelligence and counterintelligence operations if they are to meet the MSS's forward posture effectively.

The annual report that this amendment authorizes and requires would document significant developments involving China's Ministry of State Security, the military intelligence department of the People's Liberation Army, and other Chinese intelligence entities operating against the United States.

□ 1545

The report is specifically intended to cover trends in the following areas: First, political, military, and economic espionage by Chinese intelligence services; second, intelligence activities designed to gain political influence, including activities undertaken or coordinated by the United Front Works Department of the Chinese Communist Party; third, efforts to gain direct or indirect influence through commercial or noncommercial intermediaries subject to control by the People's Republic of China, including enterprises controlled by the People's Liberation Army; and fourth, disinformation and press manipulation by the Government of the People's Republic of China against the United States.

Various agencies from the intelligence and law enforcement communities will be tasked to provide input on Chinese intelligence activities within the United States and elsewhere. Some of the agencies being tasked to contribute to the annual report include the Central Intelligence Agency, Department of Defense, Department of Justice, National Security Agency, Defense Intelligence Agency, Department of State, and Department of the Treasury.

The classified version of the annual report will be provided to the leadership of both the House and the Senate as well as to the two intelligence oversight committees. An unclassified version will be prepared so that the American people can be provided with a general summary of the nature of the Chinese intelligence threat to the United States.

My colleagues, I believe, will find this amendment to be one that is very crucial and very important, although very simple. It is not one that requires anything more than a gathering of information for us, but I think it is information that is something critical that we have and that it be prepared in these two different versions: First, the classified version for our committee's use primarily; and second, a version which can be revealed to the American public in general terms so we can keep track and the public can keep track of what the Chinese community may or may not be doing with respect to interests of the United States through its intelligence efforts.

I have no more complicated issue than that to present.

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

Mr. Chairman, I congratulate my colleague, the gentleman from Florida

[Mr. MCCOLLUM], for what I think is a very important addition to the work of the committee. Events have obviously transpired in a very clear way, in a very public and visible way on the subject of China in recent days, and I think this amendment to H.R. 1775 is a very valuable addition.

I would also like to thank the gentleman for his initiative on the issue. The intelligence activities of China that are directed against United States interests is a subject that has caught us all up. It certainly is of central importance to the committee, and it is of concern to the people of the Nation as well.

Anybody who has been watching television, whether it is CNN or any others that are covering events of the world, will know that there is a lot happening. The People's Republic of China has deployed an intelligence service worldwide that is acquiring assets and technology illegally and against the interests of the United States and its businesses and subsidiaries here and overseas.

The gentleman's statement outlines, as well as can be done in this forum, the threat presented by China's Ministry of State, Security and Military Intelligence Department, the People's Liberation Army. The old days of the threat of China goes only so far as its Army can walk are clearly behind us.

The amendment offered by the gentleman from Florida [Mr. MCCOLLUM] directs that the two agencies in the best position to gather intelligence on the threat, the FBI and CIA, report annually to Congress on the specifics of Chinese intelligence activities and acquisitions that affect United States interests.

What this amendment does is to recognize and to regularize reporting on the threat to America and Americans that we in the committee have received from excellent but ad hoc briefings from these two agencies and others as well, frankly, in the community.

I welcome the gentleman's initiative, as I said, and commend it and look forward to a more structured version of the excellent classified information on this matter that we have received to date from the community. The classified information we have received to date, and I can say this, justifies entirely the initiative presented to us today, in my view.

I referred earlier to a report on proliferation, which is unclassified, which I referred to all Members. I also applaud the gentleman's requirement that the FBI and CIA produce an unclassified version of their annual reports for public dissemination. As I have said, Americans and American businesses and subsidiaries here and overseas should be concerned about this threat from Chinese intelligence activities in the United States and elsewhere. The committee will, in that regard, promote the dissemination of any and all possible warning information as appropriate.

At the same time, Mr. Chairman, it will come as no surprise to anyone at all familiar with intelligence that there will be limits on what the intelligence community will be able to provide the public without damage to the national security or to the sources and methods at risk in the collection. This is a very important target, and it is going to be a more important target, I think, in the next century. Very clearly, we have to be careful about our capabilities to deal with the target.

Acknowledging this constraint, upon which lives as well as intelligence depend, I repeat my wholehearted support to the amendment of the gentleman from Florida [Mr. MCCOLLUM] and look forward to the badly needed process that it does create, in which I serve and which I think will serve oversight extremely well. I am going to support the amendment.

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

Mr. GOSS. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman from Florida [Mr. GOSS] for yielding.

Mr. Chairman, I have no objection to the amendment on this side. In fact, the gentlewoman from California [Ms. PELOSI] wanted to be here to speak on it, but had to be in a markup in the Committee on Appropriations.

I appreciate the gentleman yielding.

Mr. GOSS. Mr. Chairman, reclaiming my time, I am happy to have the ranking member remind me of that. I should have referred to the RECORD. The RECORD will clearly show that the gentlewoman from California [Ms. PELOSI] has already spoken in support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. MCCOLLUM].

The amendment was agreed to.

AMENDMENT NO. 1 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer amendment No. 1.

Mr. Chairman, I was in a markup and was of the understanding that the gentleman from Michigan [Mr. CONYERS] would be offering his first. I ask unanimous consent to return to title I and that my amendment be allowed to proceed in order.

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

Mr. GOSS. Mr. Chairman, reserving the right to object, I would like to explain my reservation.

I understand the gentleman's dilemma. We have a Committee on Rules, and we have rules for a reason, to try and have an orderly process. I believe, however, that the debate that the gentleman proposes to bring forward is a debate of great value. I am, therefore, willing to not object.

Normally I would object because I think the process is important. As I say, I think this debate is worth it; and on the basis of the gentleman's request for unanimous consent, I will not object.

Mr. Chairman, I withdraw my reservation of objection.

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

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment No. 1 offered by Mr. SANDERS: At the end of title I, add the following new section:

SEC. 105. LIMITATION ON AMOUNTS AUTHORIZED TO BE APPROPRIATED.

(a) LIMITATION.—Except as provided in subsection (b), notwithstanding the total amount of the individual authorizations of appropriations contained in this Act, including the amounts specified in the classified Schedule of Authorizations referred to in section 102, there is authorized to be appropriated for fiscal year 1998 to carry out this Act not more than 90 percent of the total amount authorized to be appropriated by the Intelligence Authorization Act for Fiscal Year 1997.

(b) EXCEPTION.—Subsection (a) does not apply to amounts authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund by section 201.

Mr. SANDERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. SANDERS. Mr. Chairman, I thank the gentleman from Florida [Mr. MCCOLLUM] very much, because this is an important debate and one that I am going to ask for another unanimous consent that I had discussed previously.

MODIFICATION TO AMENDMENT NO. 1 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, essentially, the amendment as recorded called for a 10-percent reduction in the intelligence agencies; and I would like to change that to a 5 percent reduction. I ask unanimous consent that the amendment be allowed to be 5 percent rather than 10 percent.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 1 offered by Mr. SANDERS:

In the proposed amendment, strike ''90 percent'' and insert ''95 percent.''

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

There was no objection.

Mr. SANDERS. Mr. Chairman, I would like to thank my Republican colleague and my Democratic colleague for their indulgence. This is an important debate and I very much appreciate their allowing it to go forward.

Mr. Chairman, the amendment that I have offered is simple, and I would hope would be supported by all, especially those people concerned about the deficit and those people concerned about national priorities. What this

amendment does is cut the intelligence budget by 5 percent from the level authorized for fiscal year 1997 while still protecting the CIA retirement and disability funds.

Mr. Chairman, although the amount authorized by this bill is classified, there are various press reports which have indicated that funding for all the intelligence activities is currently about $30 billion, which means that this amendment would cut approximately $1.5 billion from the intelligence agencies.

Mr. Chairman, in my opinion, this debate is about a number of key factors: No. 1, our sense of national priorities. Is it appropriate to increase funding for an already bloated intelligence budget at exactly the same time as we propose painful cuts for senior citizens in Medicare, for low-income people in Medicaid, for others in housing, for kids, for the environment? How appropriate is it to say that we will cut $1.5 billion in home health care for seniors but not cut $1.5 billion for an intelligence budget which, in my view and in the view of many, already has too much money.

Mr. Chairman, if we are serious about deficit reduction, we cannot only go after working people and low-income people, we also have to have the courage to go after the intelligence community. Mr. Chairman, let me be frank that, for whatever reasons, despite the end of the cold war, despite the collapse of the Soviet Union and international communism, the intelligence community has not experienced the kind of appropriate cuts that had been made with many other agencies, including the Department of Defense.

Mr. Chairman, in 1996 the U.S. Senate, led by Senators Hank Brown and Warren Rudman, completed a report on the efficacy and appropriateness of the activities of the U.S. intelligence community in the post-cold war global environment. Let me read a brief portion from that report, which is commonly referred to as the 1996 Aspin-Brown Commission Report. They say, and I quote:

> In general, from 1980 until the present, intelligence grew at a faster rate than defense when defense spending was going up and decreased at a slower rate when defense spending was going down. As a result, intelligence funding

Now this is 1990—

> is now at a level 80 percent above where it was in 1980, while defense overall, other than intelligence, is now 4 percent below its 1980 level.

Mr. Chairman, the Congress has asked almost every agency to examine its budget and make appropriate cuts as we try to move toward a balanced budget. It is appropriate, now that the cold war is over, to ask the intelligence community to do that as well.

Mr. Chairman, in recent years a number of our allies have made public their intelligence budget, something I think we should do, but that is not for this debate. But let me tell what you we have learned from some of those countries who have made public their intelligence budgets.

In the United Kingdom, our strong ally, under a conservative government, intelligence spending was reduced from 957 million pounds in 1993 down to 701 million pounds in 1997. That is Great Britain. Canada also reduced its intelligence budget. They understood that the cold war is over. They had other priorities. I think we might want to learn something from our allies.

Mr. Chairman, not only do we have to look at our priorities and what our allies are doing; we have got do ask the simple question, are we getting good value for money that we are spending on intelligence? I would argue that there is a wide cross-section of opinion from the left and the right that says no, that the intelligence budgets are inefficient and wasteful, that they can be cut without loss of value in terms of the needs of the American people.

Mr. Chairman, what I would like to do now is not give you my opinion but to quote various newspapers, totally public reports, nothing secret or nothing confidential here, and tell you what some of the newspapers are reporting.

The New York Times front page, May 16, 1996, and I quote:

> In a complete collapse of accountability, the government agency that builds spy satellites accumulated about $4 billion in uncounted secret money, nearly twice the amount previously reported to Congress, intelligence officials acknowledged today.

The CHAIRMAN. The time of the gentleman from Vermont [Mr. SANDERS] has expired.

(By unanimous consent, Mr. SANDERS was allowed to proceed for 3 additional minutes.)

Mr. SANDERS. Mr. Chairman, what NRO did was to lose track of $4 billion, an amount roughly equal to the annual budgets for the FBI and the State Department combined. They lost the money.

John Nelson, appointed last year as the National Reconnaissance Office's top financial manager and given the task of cleaning up the problem, said in an interview published today in a special edition of Defense Week that the secret agency had gone, and I quote the gentleman, ''a fundamental financial meltdown,'' an excerpt from the article in the New York Times.

Let me further quote from the New York Times, same article:

> The reconnaissance office found itself in trouble in 1994 for constructing what several Senators called a stealth building. The Senate Intelligence Committee protested that the agency had built itself a headquarters outside Washington costing more than $300 million, without disclosing the building's true cost and size.

That is the New York Times.

According to another newspaper, the New York Daily News, December 16, 1996, and I quote, page 27, editorial:

> Two huge threats are looming before the U.S. intelligence community as national security advisor Anthony Lake prepares to become director of central intelligence. The first is a Marine reserve sergeant out in San Diego. Armed with a personal computer and a network of contacts around the world, Eric Nelson has developed and E-mail system that consistently beat the Defense Intelligence Agency's reporting on terrorism, chemical and biological warfare, political profiles, background on hot spots, nuclear weapons, international crime and political analysis. ''He really covers the ground,'' says Marine Colonel G.I. Wilson at the Pentagon. ''And best of all, he is quick. His secret is that he only uses open, i.e., unclassified sources. He has been immensely successful. All the armed services use him.''

□ 1600

This is a guy on his own, an ex-marine.

''Nelson's threat to the $40 billion intelligence community? His operating cost is about $20 a month.''

Twenty dollars a month and he is doing work that the intelligence community is not able to do. And on and on it goes.

Last, let me quote from another article in the New York Times, March 3, 1997:

''Breaking with its past, the CIA has severed its ties to roughly 100 foreign agents, about half of them in Latin America, whose value as informers was outweighed by their acts of murder, assassination, torture, terrorism and other crimes, Government officials said today.''

The New York Times continues:

''The agency found that the violence and corruption of scores of those informers were so bad, and the quality of the information they provided comparatively so marginal, that they were not worth the tens of thousands they were paid annually.''

The article continues, ''The Latin American division of the CIA's clandestine service proved to be one of the most riddled with foreign agents who are killers and torturers, that the agency has violent men on its payroll,'' et cetera, et cetera.

Mr. Chairman, I would ask that the Members say no to the intelligence communities and support the Sanders amendment lowering it by 5 percent.

Mr. GOSS. Mr. Chairman, I rise in opposition to the amendment. As President Dewey used to say, ''Be careful what you read in the newspapers.''

I think it is very important that we remember that my ranking member has addressed a lot of the issues that the distinguished gentleman from Vermont has just brought forward to us in previous sessions of the Congress in previous years.

We are very concerned with our responsibilities to do our job of oversight to make sure that we are providing the best possible means of defense for Americans and America through the use of eyes and ears and brains around the world, our intelligence business, because despite the fact that the cold war is over, the danger to America and Americans and American interests is clearly not. Anybody who thinks it is might want to look in the newspapers about the World Trade Center bombing

or they might want to look in the newspapers about the bombing in Saudi Arabia that regrettably cost the lives of some American troops and much wounding of hundreds of American troops, and on and on. Or they might want to go upstairs and take a look in the Intelligence Committee's area and of course every Member of this Congress is cordially invited to come upstairs and take a look at any time in what we are doing and what information we have as long as they are willing to comply with the accountability and responsibility that goes along with that knowledge.

We think that it is very important that we have what I will call a factual analysis and we on the committee have tried to give it our best bet on what the facts are and what the analysis of the facts are. We have not done a data-free analysis. We have come to a thoughtful conclusion of where we are.

I cannot overstate my opposition to across-the-board cuts, anyway, to intelligence bills, and even though I know that the gentleman from Vermont is well-intentioned, we have had this debate before, such an approach to budget cutting I do not think is good and it is indiscriminate.

To make cuts by a percentage or a number grabbed out of thin air, whether it is 10 percent or 5 percent or any other percent, completely undercuts the duty of Congress to deliberate and make thoughtful decisions on behalf of our constituents in the best interests of the Nation.

Remember, this is the one piece of legislation that must be authorized. We have an authorization charter on this committee that nobody else has. In our representative democracy, Members of Congress are elected to make responsible, informed spending decisions based on the close scrutiny of the costs and the benefits of specific government programs. That is what this permanent select committee has done.

The select committee has analyzed and reviewed the intelligence and intelligence-related activities of the United States to determine the benefit provided by those programs to the national security interests of the United States, and that is the bill we have in front of us today.

To my colleagues who favor this amendment, let me ask, to what specific programs are they opposed? What should we cut back? Which programs should be terminated? Which intelligence targets should be dropped? Specific modifications to intelligence programs would be more appropriate than the broad brush approach that the gentleman proposes.

In the gentleman's testimony to the Committee on Rules that was submitted in support of the amendment, he noted programs that he considers to be bloated wastes of taxpayers' money. In support of this 5 percent budget slashing amendment, he contends that the NRO, which we have heard about, the National Imagery and Mapping Agency, NIMA, and the National Security Agency simply collect too much information to be thoroughly analyzed and used by policymaking consumers. He argues that because some information is not put to its best use, the entire intelligence community should suffer a 5 percent reduction in funding.

Because the gentleman is unhappy with the overall lack of analytical capabilities of the intelligence community, which I would note is something that the committee specifically seeks to correct through this bill in a very thoughtful and deliberate and specific manner, he wants to reduce the analytical resources by an additional 5 percent. That is counterintuitive and counterproductive.

If Members come up to the committee spaces and read the classified annex to the bill, they will see that the Permanent Select Committee on Intelligence on a bipartisan basis did its job. The committee reviewed each program for its merit and its benefit to national security. The committee truly scrubbed each program to ensure the money would be well spent. We had a lot of debate about that.

The committee held 7 full committee budget hearings, as I said, scores of briefings, 100 or so Member and staff briefings, and on and on. The committee thoroughly, let me repeat, the committee thoughtfully and thoroughly and with careful deliberation made appropriate adjustments to the President's intelligence budget proposal.

The committee reported increases for those programs where it found the President's plan lacking, and it reduced authorization levels where appropriate and necessary.

If Members have looked at the schedule of authorizations, they will see that the committee has made drastic, substantial, and real cuts, not just reductions in budget request levels but real cuts in several programs. The committee did so based on the merits of the program, not simply to achieve a percentile decrease that is altogether meaningless. These reductions were made for good government reasons.

The CHAIRMAN. The time of the gentleman from Florida [Mr. GOSS] has expired.

(By unanimous consent, Mr. GOSS was allowed to proceed for 2 additional minutes.)

Mr. GOSS. At the same time, however, the committee has increased authorization levels for certain other programs to ensure that the U.S. government has adequate intelligence capabilities so that another Kamisiyah does not occur, so that collected intelligence is not wasted, to adequately support all our deployed Armed Forces and to properly address global crises that threaten our national security interests without diminishing our capabilities in other areas of this still treacherous world.

Just because the cold war is over does not make this world more safe. Quite the contrary. Radical regimes exist that wish us harm, and transnational threats of terrorism, narcotrafficking, organized crime and weapons proliferation actually threaten our way of life on a daily basis whether we are here or abroad.

This amendment would indiscriminately make cuts where program funding has already been reduced by significant amounts and cut those programs that need additional budgetary resources. This amendment requires no thought for what is needed, how things operate or the fixed cost of a strong national security enjoyed by all Americans. It is purely a number thing.

If this amendment passes, how will we explain to the American public that the funding for the FBI, the CIA, and others against international terrorists was cut back? How will we justify the reduction in our ability to monitor the unfair trade and economic policies of business competitors? What will we say to your business constituents after we reduce our ability to determine when foreign countries and foreign corporations try to steal us blind of our technology and commercial secrets? Should we hamstring our efforts to stay one step ahead of the radical regimes who are feverishly working to develop nuclear, chemical, and biological weapons and the missile systems to deliver them? And they are.

That is what this amendment would do. This amendment would also put our deployed troops at risk. Passage of this amendment will result in higher casualties in all likelihood because of the inability to provide the necessary force protection. We have had a sad lesson there recently.

This indiscriminate 5 percent reduction in the authorization levels will result in less accurate and less timely intelligence that is critical to disclosing the threatening capabilities or evil intentions of our foes. The parents of those serving this country in the armed services will want to know the justification for increasing the threat to their children.

The global strategic reality is that we have won the cold war, but we have not resolved the danger problem.

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

The gentleman from Florida makes a good case against across-the-board cuts. I for one have never particularly favored across-the-board cuts, but in this case we are confronted with a budget that is secret. We cannot come out here and debate the individual elements of the budget or the individual allocations to the individual components of this budget because it is secret. If I went up to the little room upstairs and found out how much the National Reconnaissance Office is getting and I came down here to the floor and revealed it, I would be subject to censure or removal from the House. So how is it that we can approach this more reasonably as long as we keep these numbers secret? What can our enemies learn from knowing how much

money we spend or waste on the intelligence services, whether it is well spent or wasted?

The sum is phenomenal. It is reported in the press to be more than $30 billion, an increase this year of about $1 billion. Perhaps the gentleman could help me out here. Could the gentleman from Florida tell me what the 5-percent cut would constitute? How much money would the 5-percent cut constitute?

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

Mr. DEFAZIO. I yield to the gentleman from Florida.

Mr. GOSS. Mr. Chairman, I would invite the gentleman to come upstairs to the committee quarters and we will be happy to share with him, we will provide as much staff as he likes, we will walk him through line by line and we will be the better for it and so will the gentleman.

Mr. DEFAZIO. Reclaiming my time, I thank the gentleman, but here on the floor, in the people's House, for the people of the United States who pay the taxes that constitute this secret budget, we cannot know how much a 5-percent cut constitutes, so we cannot know whether it is prudent or imprudent.

The gentleman said one other thing that particularly intrigued me, and this did concern me. He said the FBI would not be able to protect against international terrorists if this 5-percent cut went through.

How much will be cut by this 5-percent cut from the budget of the FBI to combat international terrorism?

Mr. GOSS. If the gentleman will yield further, it is impossible to know in foresight. Let me put it this way. In hindsight we have discovered that if we had better equipment in the question of the bombing of the World Trade Center in New York, we may very well have avoided that.

Mr. DEFAZIO. But again we cannot reveal the number.

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

Mr. DEFAZIO. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I appreciate the dilemma that the gentleman has described. There is perhaps one other solution. Perhaps the Permanent Select Committee on Intelligence would determine, and the leadership as well, to accept the gentleman from Vermont [Mr. SANDERS] as a member of the committee, and that way he would be privy to the information that has been pointed out by the gentleman from Florida [Mr. GOSS] as necessary to effect a specific solution. Because right now there is not only no way that the gentleman from Vermont [Mr. SANDERS] can be specific to those seven excellent questions, but neither can any other Member in the House of Representatives who is not on the committee.

Mr. DEFAZIO. I thank the gentleman.

Again the dilemma we have here, and I do not like across-the-board cuts, is we are not given an option. Yes, I can go to the room upstairs. The gentleman can show me the individual budgets of the individual agencies, but I cannot come down here to the floor and use that information in any way. I cannot come down here and say, ''Well, the National Reconnaissance Office is up by $1 billion, I want to cut $500 million there because they are spending it on this particular satellite that I do not think is helpful.'' I can do none of that on the floor. I can go up there and be imbued with information that will tie my hands and my tongue if I come to the floor. I could not talk about the amount of money here if I had been up there to review the budget. I can only talk about it because I read it in the New York Times. I know there will be an amendment later to reveal the total amount of money spent, and I would hope the gentleman would support that and I hope this gentleman will support that.

Mr. DICKS. And I will.

Mr. DEFAZIO. And I would hope it passes.

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

Mr. DEFAZIO. I yield to the gentleman from Washington.

Mr. DICKS. I would urge the gentleman to come up to the room upstairs.

Mr. DEFAZIO. The gentleman wants to tie my tongue.

Mr. DICKS. You got it, baby.

Mr. DEFAZIO. I do want to see the special room sometime, but I do not want to look at any of the documents in there.

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

Mr. DEFAZIO. I yield to the gentleman from Michigan.

Mr. BONIOR. First of all, Mr. Chairman, I would like to commend my colleagues here who have taken the leadership position on this committee, my dear old friend the gentleman from Washington [Mr. DICKS] and the gentleman from Florida [Mr. GOSS], who knows probably more about this, him and the gentleman from Texas [Mr. COMBEST], than anybody in this institution, and for their capable staffs.

Having said all those nice things, let me encourage Members to follow the line of my friend from Oregon and support the gentleman from Vermont [Mr. SANDERS], and I hope the gentleman from Massachusetts [Mr. FRANK] if the Sanders amendment does not pass. All the gentleman from Massachusetts [Mr. FRANK] wants to do is keep us within the bounds of the administration, keep it basically at a freeze, and also the Conyers amendment, which will get to the point of this discussion that we are having right now of revealing what the number is.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. DEFAZIO] has expired.

(By unanimous consent, Mr. DEFAZIO was allowed to proceed for 2 additional minutes.)

Mr. DEFAZIO. Mr. Chairman, I continue to yield to the gentleman from Michigan.

Mr. BONIOR. I would say to my friend from Oregon, we need these amendments because this is a Rip Van Winkle budget. If Rip Van Winkle was just waking up, he would not know that the cold war was over, that the world has changed, that our intelligence needs are dramatically different than they were a decade ago.

□ 1615

But that is exactly how this intelligence budget is framed, like nothing has changed, and the gentleman from Florida [Mr. Goss] who I have deep respect for, is absolutely right. We actually need a strong intelligence budget for those things that occurred at the World Trade Center and occurred in the Middle East and took so many lives. But let us be realistic.

Mr. DEFAZIO. How much of this budget is spent on those particular terrorist threats?

Mr. BONIOR. We do not know.

Mr. DEFAZIO. We do not know.

Mr. BONIOR. We do not know.

Mr. DEFAZIO. But even if we wanted to beef up those portions of the budget, we could not do that here on the floor?

Mr. BONIOR. I think we probably could. I think we probably could.

Mr. DEFAZIO. We could transfer from one account to another since we do not know what is in the accounts?

Mr. BONIOR. That is kind of the dilemma here that we are facing.

And so I would say to my friend that what we need to do is to work together to rein this in. Today the drive to a balanced budget is reducing spending dramatically.

In fact, we read in the paper this morning that the budget is going to be down about $45 billion, the annual budget, a tremendous drop since 1993. Yet today we are spending 95 percent more than our major allies combined on intelligence, combined, and twice as much as nations that are viewed as rogue states.

So as my colleagues know, here we are, we have got about $112 billion bill to refurbish schools that are falling apart across this country, we have got 10 million kids in this country without health insurance, and we are spending, according to the New York Times, over $30 billion on intelligence, and the cold war is what? Nine years, seven years, eight years over with?

It does not make any sense, so I urge my colleagues, support SANDERS, support FRANK and support CONYERS.

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

I rise in opposition to the Sanders amendment. The implication from the discussion they have been hearing here is that intelligence in this country has been developed as a result of the cold war. Well, the cold war is yet a small part of an entire history of this country especially its strategic interests which have been around since the Constitution was written.

Let me just point out that the debate here is on the amendment not the other extraneous issues. We will debate when we reach, if we do, the Conyers amendment, the issue of publicity of intelligence authorization or authorizing numbers, but let me just point out that this amendment in essence implies that the Permanent Select Committee on Intelligence in the 6 or 7 months that it has been working on its budget has not really done its work.

The fact of the matter is, as the chairman has mentioned, we have held numerous hearings, we have had plenty of hearings to discuss each and every line item as has been amply discussed. Every Member of the Congress, Republican or Democrat, could come up and examine these numbers in any level of detail.

The fact of the matter is, as the chairman has mentioned, we have held numerous hearings, we have had plenty of hearings to discuss each and every line item as has been amply discussed. Every Member of the Congress, Republican or Democrat, could come up and examine these numbers in any level of detail.

The fact of the matter is that it is surprising to me that any amendment that would be offered at a 10-percent reduction yesterday and then turn into a 5-percent reduction today can be called a responsible amendment. It only goes to show that when the chairman said, ''What would you cut,'' that there is no real intention here of being serious about reducing this budget.

The fact is the committee has been responsible in dealing with this budget on a line-by-line basis over the last 7 months. The distinguished gentleman from Michigan calls this a Rip Van Winkle budget; I would point out that this amendment is probably a blind man's bluff amendment because we have absolutely no idea what the impact would be.

That is not responsible legislating, and I urge my colleagues to oppose this amendment.

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

Mr. BASS. I yield to the gentleman from Florida.

Mr. GOSS. Mr. Chairman, I thank the distinguished gentleman from New Hampshire for doing that. I did want to point out on a serious note that any Member of the U.S. House of Representatives, of course, enjoys a very high privilege for serving here, but they also enjoy the opportunity to examine classified information, and I believe that that is a wonderful opportunity. I hope Members will take advantage of it; I mean that very sincerely because I think that they get a better impression of what our responsibilities in the area of national security are by examining classified information and material available to the committee then they do by reading various newspapers which inevitably have a slant or point of view and less than full information, or even watching C-Span which is always dramatic; excuse me, CNN which is always dramatic.

But that is not really the point. The other point I wanted to make is this:

We have clearly got a responsibility, the 15 Members of the House Permanent Select Committe on Intelligence. Oversight has come a long way, baby, since we first started to have oversight of the intelligence community. We needed oversight. It all started back, and my colleague has said a long time ago, but in the Second World War became apparent that we needed to deal with the oversight question and organize intelligence, and shortly after that we did. And oversight has become much more sophisticated, much more organized, I believe much more representative.

But it is true, the 15 of us on that committee have a responsibility to all of the other Members of this body to make the right decisions. We have brought forward a bill, 15 to zero, that we do not all agree with every item on to be sure, but, 15 to zero, we have brought our colleagues a bipartisan bill which we think is about right for where we are to go into conference with, and we are asking our colleagues to basically understand that we have not come out of thin air, that we have worked hard and deliberately, going time and time again into these programs dealing with these agencies, making them justify how they expend these moneys.

I am a fiscal conservative. I would not be voting for pork or waste. I assure that the Members who know me know that is true. As I say, I think we have got it about right, I think the members of this committee have done a very good job, and I think a straight across the board cut that is totally indiscriminate is going to do serious damage and not going to get the kind of benefits or savings that the well intentioned sponsors of the amendment has envisaged.

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

Mr. Chairman, in these days with the cold war behind us, Berlin Wall having come down, we find ourselves in a comparable era, as we did in the 1920's and the early 1930's where there was no known adversary on the horizon.

I support the bill as it is, and I oppose the amendment to reduce the authorization.

Serving on the Committee on National Security, and there are a few of us on this Permanent Select Committee on Intelligence that do, also as a member of this committee, I know the value of timely and accurate intelligence to military commanders as well as to the administration and the State Department. In these days where the predictability of the future is so cloudy, that is when, Mr. Chairman, it is all the more important for us to have the best, the finest intelligence network we can.

More than that, it is more than just being able to collect intelligence. We need the analysts who can give us that predictive analysis as to where we think problems may arise. Successful military operations, successful diplomatic operations which minimize the risk of problems and lives of American service men and women cannot, simply cannot be conducted without excellent intelligence and excellent analysis.

As a member of both of the committees that deal with this I pay particular attention to the needs of the military as well as the other. I believe this bill responds to those needs, I support it. A cut, I think, would be doing a disservice to our diplomats, it would be doing a disservice to those who serve in uniform, a disservice to those who want to keep our country free and our interests keen in the days and years ahead.

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

Mr. Chairman, I rise in support of this amendment. I understand this amendment originally suggested that we cut 10 percent of this budget. This amendment says we cut 5 percent. This is a very reasonable amount in this time when we are supposed to be working in tight budgets. Of course we can make the argument that rather than spending money on international spying activities that could be better spent here at home, and I think there is a lot to that argument.

But I am pleased with the amendment, and I am very happy that the amendment is brought to the floor because, if nothing else, the 5 percent of savings that we might get if we pass the amendment, we do not know the exact figures so we cannot even make that calculation, it is not going to make or break the budget even though it could be helpful. But the amendment allows us to come to the floor and at least express a concern, and we have heard many of these concerns already. It is just a chance to get on the floor and say to the Congress and to our colleagues, Whoa, let's slow up a minute, let's think for a minute what we're doing and what have we been doing.

It is now accepted that the activities of the CIA is they are proper and something that we have had for a long time, but the CIA is a rather new invention. It is part of the 20th century. It came up after World War II. But it was pointed out earlier that this is not exactly true because we have been dealing with intelligence for a long time, and that is true. But it has always been dealt with in national defense, it was strictly limited, and it was handled by the military. But since World War II, since the time that we have built and tried to run the American empire, we have to have our spy agents out there. Now we have a civilian international spy agency.

I might ask my colleagues really if they would even be inclined to read the Constitution in a strict manner where would they get this authority that we

have to go out, have an organization like this that is very poorly followed by the Congress? We know very little in general about what happens when it comes to our Government being involved in overthrow of certain leaders around the world. I would suggest that when the history of the 20th century is written that many of us will not be very proud of the history of the CIA and the involvement that they have been involved in over these many years. I think the activity of the CIA has gone a long way to give America a bad reputation.

This does not mean that we should not have intelligence and we should not be concerned about national defense, but if it were done in a proper manner it would be done without an organization such as the CIA. These very secret clandestine activities of the CIA really is very unbecoming of a free society. It is not generally found in a society which is considered free and open and that the people know what is going on.

It surprised me a little bit to hear it even admitted earlier that some of the activity of the CIA is involved with, business activity that we have to be thinking about business espionage, many of us have made this accusation challenge that, yes, we have the CIA that represents big business in many parts of the world. And I think this is the case. And not only do we have our business interests reaching out to many areas of the world and we have a very internationalistic interventionist foreign policy, we have troops in so many countries, over a hundred countries.

I would really like somebody to get up here today that is knowledgeable; tell me how many countries we have CIA agents in. If we have troops in 100 countries, we may have CIA agents in 200 countries. But I do not know that, and possibly it will be buried someplace, but I am not allowed to come down here and explain it to the American people.

The American people are responsible. They pay the bills. They are the ones who have to fight the wars if we go and do something nonsensical. And was the CIA involved in Vietnam? It certainly was. There was a killing of a leader in Vietnam that escalated that affair which led to war and killing and the death of many young Americans.

So we in the Congress should be more responsible so we can tell the people exactly what is going on, exactly what it is going to cost and exactly what the ramifications are when these agents are dealing in other countries.

□ 1630

I would say that the CIA does not have a very good reputation among many Members of Congress nor among many citizens of this country. They are concerned about it and would like to know a lot more about it.

Is there any chance the CIA could have funding outside of the so-called normal appropriations process? I think there is a very good chance that is possible and that they may well have been involved in drug dealing.

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

Mr. Chairman, I thought for the last several years that I would stay out of these debates about the CIA, but I am torn to come back and say a few words here.

I had the pleasure of serving on the Committee on Intelligence for a few years, and I finally resigned in disgust because I did not find either that the intelligence was very reliable, and certainly that the rules and regulations with which the process was conducted were utterly asinine.

We have had references here to statements in the newspapers about the level of funding and other things involving the CIA. I, as most Members know, have been involved with the space program for 30-odd years. I thought I knew something about space activities and the kinds of things that the CIA was doing in overhead collection. I was getting my information from scientific journals and some of the researchers who were doing the work on these kinds of collection systems.

I was precluded by the rules with regard to my serving on the Committee on Intelligence from reflecting not what I saw in newspapers but what I saw in scientific journals or scientific reports of various kinds. This is kind of asinine, to classify something that the most informed people have already published. Mr. Chairman, I thought this was something that we really ought to get away from, but I found that my loyalty to the country was questioned if I even brought this up for discussion, in many cases.

Now progress is being made, not very much, but some. The members of the committee are honorable people who are trying to do a better job, and I commend them for it, because it is frequently a thankless task. When I was on the committee, I served under the chairmanship of the gentleman from Indiana, Mr. LEE HAMILTON, and the gentleman from Ohio, Mr. LOU STOKES, and they were honorable people, wonderful people who were doing their best for the welfare of this country. Nevertheless, they were constrained by the same rules and practices that I was constrained by to sort of go along with the system.

I remember the time, for example, when we would be invited down to the White House, and Admiral Poindexter, at that time National Security Adviser, and Ollie North would lie through their teeth to us about what was going on. Every time a critical event came up, they would invent some new lie to explain it to us. Mr. Chairman, I did not particularly like that, but I suppose I could understand it.

Actually, the whole intelligence apparatus, or the CIA in particular, and the National Reconnaissance Office, which I suppose we are still precluded from mentioning on the floor because it is classified, are actually a secret army for the President. They do what he says and they kind of protect him in the process, and we saw this occurring over long periods of time.

I am not sure that that really is what we need from an intelligence agency. We do need intelligence, without regard to the fact that the cold war is over. This is a dangerous world and we need intelligence. Going back to the writings of that great Chinese author, Sun Dzu, who wrote with regard to war, about war 2,500 years ago, good intelligence collection was the most important thing that any military commander could have, regardless. It is still true today, that it is essential.

But we are not getting good intelligence. If so, we would have known far more about the economic, social, and other conditions in the Soviet Union which led to its collapse. We would know far more about the kind of cultural and religious conflicts taking place in the Islamic nations than we know. We know practically nothing, as a matter of fact. We are not going to get it from the CIA.

I think the committee is beginning to understand that there are problems with our intelligence collection in certain vital areas, such as those that I have mentioned. Their suggestion that we might consider a civilian reserve corps may be the best idea that has come out of the Committee on Intelligence in a long time, because with a civilian reserve corps of people who understand the language and the culture and the economies of the areas that we have an intelligence interest in, we will get more and better intelligence than we have ever had before.

With regard to analytical capabilities, it has been known for two decades that the CIA was collecting huge amounts of information which they never bothered to analyze. We would apparently not give them the money to analyze it, and if we did, they cached it away to pay for a $3 billion building, or whatever.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, the committee's report recognizes these things and lays them out specifically and then asks for more money. This is ridiculous. If we are getting inadequate intelligence and intelligence analysis today, why reward that with more money? Maybe it would be a healthy lesson if we would cut them 5 percent or 10 percent.

We have been doing this with another agency that I am very well acquainted with, NASA, for the last several years. I regretted it. I hated it, because I felt that NASA was doing a good job and producing huge benefits to the American people through the technology it

developed and sponsored. But they survived it, and they are doing a better job today.

The landing of a rover on Mars, for example, was done at half the cost that we thought it would be done a few years ago, because we have found that we can do things faster, cheaper, and better.

Why cannot the CIA and the other intelligence agencies live with that same kind of discipline? I think they could. I think it would be good for them. The intelligence would be better. The country would be better served. We could say that we are enhancing the security of this country and our understanding of the rest of the world and saving money at the same time. That is what we should be trying to do. We are doing it in every other area, and I think it is time we applied it to the intelligence agencies.

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

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

Mr. OWENS. Mr. Chairman, one speaker has implied that we are not serious when we offer this amendment because we know it is not going to pass. I regret that it will not pass. We are reduced to a ceremonial action each year. Once again we are here to impose what I consider a civilized and reason-based ceremony on a very primitive Congress, which goes through a ritual of blindly authorizing more than $30 billion for a CIA that should have been streamlined and downsized at the end of the cold war. By the most conservative estimate in the New York Times, this is $30 billion that we are talking about.

We ought to take 5 percent of that, which is $1.5 billion; $1.5 billion may seem like a small amount compared to the overall CIA budget, but our entire proposed initiative by the President on school construction was merely $5 billion over a 5-year period; $5 billion over a 5-year period, which means we could fund the school construction initiative out of this cut and still have $2.5 billion left over for other matters, like the empowerment zones in poverty areas. So we are talking about money that could do a great deal that is probably being wasted in a CIA that is unaccountable.

The very basic but baffling instinct and superstition of this congressional village is to insist that tampering with the secret budget of the CIA is taboo. The CIA is untouchable. There is fear that dangerous, invisible demons will rise up and destroy our village if we disturb this almighty Washington wizard.

It is not reasonable, what we do here. Downsizing, streamlining, and restructuring are vitally necessary for this Federal agency, just as it was useful in other Federal agencies. The era of big government is over. We are proud to keep repeating that the era of big government is over. The era of the big unaccountable CIA should also be over, but nobody wants to touch the big, unaccountable CIA.

We have just heard more than 1 hour of general debate which did not grapple with the following taboo subjects.

They did not talk really in the general debate about the failure of the CIA to predict the collapse of the Soviet Union, the greatest failure of all. They did not talk about the dangerous and costly interference with administrative diplomatic initiatives, policy initiatives, in Haiti.

Somebody just said a few minutes ago that the CIA is the President's secret army. It certainly did not behave like the President's secret army in Haiti, because the President authorized one policy and took one set of initiatives and the CIA was funding the organization in Haiti called FRAPH, which had a big demonstration of wielding pistols, shooting guns, and stopped a peaceful initiative to bring some police officers in to help train the Haitian police.

We later had to have a costly military operation in order to deal with the criminals in Haiti. The CIA did it. Emanuel Constanz, who headed that organization, was on the payroll of the CIA. He was arrested for a while and then set free. He is out there free somewhere now. The CIA has never explained their relationship with Emanuel Constanz and the FRAPH organization.

The loss of $40 billion in petty cash funds. It was written in the New York Times that the petty cash funds of the National Reconnaissance Agency somehow lost $2 billion first, and later on they said no, it is $4 billion, lost and later recovered, of course.

The Aldrich Ames affair. His name has not been mentioned during general debate at all. Aldrich Ames was very dangerous. At least 10 agents, 10 operatives of the CIA, by their own admission, lost their lives, yet Aldrich Ames is alive and well now, and he intimidates the CIA with interviews that he gives from prison. He makes fun of the CIA. Aldrich Ames was said to receive $2 to $3 million for his treason.

Harald Nicholson, another highly placed CIA person recently was given 20 years; he will be out in 10 years, for betraying his country, for selling secrets. First it was for $120,000 and later on they said maybe it was $300,000. Who knows how much it was. But this pattern in the CIA occurs at very high levels. Aldrich Ames was a very high level person in charge of the Eastern European and Soviet operation; very high level people are selling out for dollars. Something must be wrong somewhere.

It was $7.5 billion that we talked about over a 5-year period. Surely we can use it and put it to better purposes than have it go on existing in this unaccountable agency. If we start with a 5 percent cut, maybe next time it will be a 10 percent cut and maybe next time we will go to the real purpose of restructuring, restructuring the CIA to fit its mission in the present time.

Common sense, combined with scientific reasoning, should be allowed to prevail over the primitive kinds of instincts that are employed when we have discussions of the CIA. It is not rational what we are doing, not scientific, not based on reason, not based on the evidence that exists.

The CIA budget was increased to deal with the evil empire. The evil empire no longer exists. The evil empire gets aid from us, and they use some of that aid to pay our agents. Russia pays our agents out of some of the aid we give them. Ridiculous.

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

Mr. Chairman, I rise in support of this amendment. It seems almost impossible that this Congress would not embrace a 10-percent, a measly 10-percent reduction in this intelligence budget. I am not going to talk at this moment about everything that I have learned about the CIA and their drug dealing and other activities. I am just going to talk about what some of our allies think about them.

In a Los Angeles Times article Monday, March 17, 1997, our international allies' dislike of the CIA's clandestine activities is stated as such.

I quote: ''Around the world, America's friends are sending a quiet but stern message to the Central Intelligence Agency: The cold war is over, the rules of the spy game have changed, and it's time for the United States to curb its espionage operations on its allies' turf.

''At least four friendly nations, Germany, Italy, Switzerland, and France, have halted secret CIA operations on their territory during the past 2 years.'' In Germany a CIA officer was ordered to leave the country, get out, apparently for trying to recruit a German official. In 1995 there was a major intelligence failure in Paris when the French uncovered and put an end to an economic espionage operation run by our CIA.

In the Washington Post there was an article entitled ''House panel affirms some allegations against CIA.'' This was March 18, 1997. The Washington Post reported that a House intelligence committee report affirmed a previous conclusion that CIA contacts in Guatemala were involved in serious human rights violations with the agency's knowledge and their involvement, which was improperly kept from Congress in the early 1990's.

□ 1645

In fact, the article stated, and I quote, ''The report represents a sharp criticism of the CIA from a Republican-controlled committee that has tended to be more sympathetic to CIA arguments that it must deal with unsavory individuals to get good intelligence,'' unquote.

What is the mission of the CIA in the post-cold war environment? Is it necessary to continue allocating $30 billion to this intelligence effort? Should we not use these funds for other purposes such as job development or school infrastructure or rehabilitation? I am encouraged that the New York Times on March 3, 1997, recently reported that the CIA was doing some scrubbing, they called it, in an effort to sever ties with 100 foreign agents, about half of them in Latin America, whose value as informers was outweighed by their acts of murder, assassination, torture, terrorism and other crimes. According to these articles, the Latin American division of the CIA's clandestine service proved to be the one most riddled with foreign agents who were killers and torturers, and that the CIA also has had on its payroll people who are terrorists and drug dealers. I am going to talk about drug dealers in an amendment that I am going to bring up, but I want Members to keep fixed on that. Drug dealers who were terrorists and, of course, drug dealers.

It is not enough to cleanse some of the rogue agents employed by the CIA in their clandestine activities. We really need to eliminate the CIA. The Defense Intelligence Agency, the DIA, needs to take over the functions and responsibilities currently held by the CIA. There are overlapping functions between the CIA and the DIA. So while I think they need to be eliminated, certainly this very small modest request for a 10-percent reduction, a 5-percent reduction, 5 percent, 10 percent, whatever, should be done. It should be embraced by everybody. It would show that at least we are concerned about this agency that is just riddled with problems. I mean this agency is a disgrace. Time and time again we find these articles that are appearing that are talking about not only our agents who are selling us out but all of the rogues and the terrorists and the dope dealers that they are dealing with. Do we not want to do something about the CIA? Are we not ashamed? Do we not feel that we have enough power to rein them in?

I will be back with my own amendment to deal with them on dope dealing.

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

I rise in support of the Sanders amendment which would cut intelligence funding by 5 percent. Now, other agencies have been reduced. Do Members know that the State Department has had its budget cut 20 percent in the past 5 years? But we are going to give the intelligence department, and I use the word in quotes, an ''increase.'' It is absolutely preposterous to even think about spending more on intelligence when the cold war is over.

I have heard colleagues say, well, this is a dangerous world. I agree. It is a dangerous world. This is a dangerous country where 10 million children have no health insurance. It is a dangerous country when gangs threaten citizens in the streets. It is a dangerous country where 3 people get shot in the capital city. Yet we have cut those programs. We have cut the programs which solved those problems, but we increase the budget for the Central Intelligence Agency. Of course I say we increase it, but how do I know? We do not even know exactly how much we spend because that has been a secret since it was started.

I would like to quote from the Constitution of the United States. It says, and I quote, ''a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.'' The CIA has simply exempted itself from this constitutional requirement. I wonder if that is constitutional to have a secret budget.

I can guess why the CIA might want to keep some of its activities in the dark, but unfortunately for them the news is out anyway. The Intelligence Oversight Board, a Presidential panel, has recently reported on some of the activities of the CIA. I have heard some of my colleagues mention them, the horrors of the Guatemalan incidents, the stuff in Haiti, the fact that we gave weapons to the Mujahedin in Afghanistan which are now turned on us in Bosnia. But I would like to ask whether we got value for the money we spent. Did we get value? That is a good question for us to ask the American people.

We have recently learned about a computer error during the Persian Gulf war. Well, that sounds bad, a computer error, but think of the horror of that computer error. It exposed 120,000 United States troops to sarin nerve gas, sarin nerve gas, the gas that killed so many in Japan. The CIA had known about Iraqi storage of these agents since 1985, but it did not alert the United States military which subsequently blew up the bunker in 1991. They knew the exact, the CIA knew the exact coordinates but all this money we spent on them, the information was filed under a spelling error. So the military did not get the intelligence. All this intelligence we have paid for, did not get it. So 20,000 American servicemen and women were exposed to sarin gas. I do not think we get value for the money we spend and I think we spend too much of it.

Our intelligence apparatus is a cold war creation that now includes thirteen agencies, employs 150,000 people, and yet we are not allowed to talk about what it is spent on. We are not allowed to come down and tell the American people, that dollar you sent us for your Federal income tax which we are giving to the CIA, we are not going to tell you about it, even though the Constitution says we should.

So it is time to rein it in. It is time to make this agency live by the same rules we are asking of all others. I urge Members' support for the Sanders amendment. It is a support for fiscal responsibility and for sanity.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Sanders amendment.

First of all, I would say to my colleagues, I think Mr. GOSS is right. What we read in the newspapers is not necessarily correct. The number that has been bandied around here today is not necessarily correct.

Second, I think it is important to realize that the Central Intelligence Agency receives only a small fraction of the money that is spent on the intelligence effort. The overwhelming part of the intelligence budget is spent at the Department of Defense on defense-related activities. I would point out to my colleagues that if they go back and look at World War I, look at World War II, look at Desert Storm/Desert Shield, intelligence played a major role in our victory in those wars.

The second lesson I think it is important to remember is that after World War II, we cut back our military spending. We cut back on intelligence. Then we wound up in Korea and we wound up in a military mess. After the Vietnam war, we cut back on defense. We cut back on intelligence. What happened? We wound up weakening our military and we had to come back and restore it and spend a tremendous amount of effort, and when we did do that, we wound up having a very successful effort in Desert Storm/Desert Shield.

Again, in my judgment, the amount of money we are spending with 15 Members of the Congress that have reviewed this very carefully, going through it on a line item by line-item basis, I think is about right.

I oppose this amendment. I will also say as a senior member of the defense appropriations subcommittee that we are going to be within our 602(b) allocation when the appropriation bill comes to the floor. So I want to assure everyone that defense will be within our 602(b) allocation.

Now, let us get down to the specifics as much as we can. I urge everyone who has spoken today with all the passion, all the concern, please come up to the Intelligence Committee. We will see that you are briefed. We will see that you have an opportunity to look at these numbers and to see why we think that the authorization that is presented here is about right.

Having had some experience in the defense area, I want to tell my colleagues, I believe intelligence is a force multiplier. We have cut defense overall, and the intelligence budget is part of that, by over $100 billion between 1985 and 1995. Intelligence has not been cut as much as defense. But I will tell my colleagues this: It has been cut significantly, maybe not enough for some, but it has been cut significantly. For Members to stand up here and say intelligence has not been cut is simply inaccurate. It has been cut very significantly.

I will just tell my colleagues, I believe that the information that we get, if Members go back to Desert Storm/Desert Shield, we were able to do things there because of the intelligence-gathering success that we had that gave our soldiers a critical advantage. We were able to end that war rapidly, using a combination of air power and intelligence, and we did it rapidly and saved American lives.

I want to point out to my colleagues, this is serious business. This is serious business. I agree with my colleague who said if you can take this amendment from 10 to 5 percent in one afternoon, one has to question just how seriously it has been thought out. So I would argue that the intelligence that we get, especially for the military, is absolutely crucial. As we get better and better at this, through our national technical means, we are going to solve some of the problems we had in the gulf war. One was broad area search. General Schwarzkopf wanted to have a better idea of what the enemy was doing. With a combination of our satellites and our UAV's, we are going to be able in the future to let commanders know really what is going on behind enemy lines. That will be an enormous advantage. One of the problems we had there was finding the Scud launchers, and they could have devastated the 500,000 troops we had there if they used chemical and biological weapons.

The CHAIRMAN. The time of the gentleman from Washington [Mr. DICKS] has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, if they had used chemical and biological weapons on the 500,000 American troops sitting out there in that desert, they could have done devastating damage. We could have taken huge casualties. It was lucky for us that those Scuds were not accurate. We cannot expect that to happen in the future.

With the improvements in intelligence, we are going to be able to target those Scud launchers which we had such a difficult time finding in the past, using Link 16 and other developments that come from our national technical means that will be fused into the cockpit of our advanced aircraft.

One of the things we have worked on for the last 20 years is to take advantage of these investments in intelligence to give our military people a significant advantage against any enemy. My hope and prayer is that this will lead to deterrence, that we will be able to prevent future wars because when they go up against the United States, they are going to know we have a very capable force and, No. 2, that that force has the best possible intelligence. That will save money and save American lives and prevent future wars.

Military strength and intelligence strength will help prevent conflict in the future.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I would just ask the gentleman, he and I agree we should not be under this restriction but we are, he cannot give us the dollar figure. He said intelligence has already been cut. Could he tell us what the percentage cut was?

Mr. DICKS. Mr. Chairman, I cannot tell the gentleman that.

Mr. FRANK of Massachusetts. Mr. Chairman, if the gentleman will continue to yield, he cannot tell me because the Iranians would find out.

Mr. DICKS. Mr. Chairman, I am going to vote for the Conyers amendment. I voted for it for the last several years, because I think we ought to have that number out there. I will tell the gentleman this, it is a significant cut.

Mr. FRANK of Massachusetts. I have a later amendment dealing with a cut, in case this one does not pass. Maybe we can have that number by then, what the percentage was of what it was cut.

Mr. DICKS. I will just tell the gentleman that when we look at the highwater mark and take it back down, it is a significant reduction.

The CHAIRMAN. The time of the gentleman from Washington [Mr. DICKS] has again expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 30 additional seconds.)

□ 1700

Mr. DICKS. Mr. Chairman, as I said, I will support the Conyers amendment when the gentleman from Michigan offers that amendment. I think the American people have a right to know.

One of the reasons I want it out there is because the number that is being bandied around here today is inaccurate. It is inaccurate. I would like to have the American people know what the truth is.

I would like to also have them know, frankly, what the CIA percentage of that is, because it is a lot different than what we have heard today on the floor.

Again to my colleagues, please come up to the Permanent Select Committee on Intelligence and get the real facts. I think it is embarrassing to have these numbers bandied around on this floor that are simply inaccurate.

Mr. STARK. Mr. Chairman, I rise in support of the Sanders amendment to H.R. 1775, the Intelligence Authorization Act of 1997.

The cold war is over. The specter of communism no longer lurks on the horizon. While we face new challenges in this new age, the need for clandestine activity has been severely lessened. I support the Sanders amendment to reduce the intelligence authorization by 10 percent.

While the exact level of appropriations is confidential, the New York Times reports that over $30 billion is spent to support the intelligence community. A 10-percent cut would place $3 billion back into deficit spending, or provide funds for many other more necessary activities.

Thirty billion dollars is more than twice the combined intelligence budgets of our supposed hostile nations—North Korea, Iraq, Iran, Syria, Libya, and Cuba. It is also more than the intelligence budgets of the United Kingdom, Australia, Germany, and Canada combined.

Within so many other pressing domestic priorities, can the taxpayers of this country afford $30 billion, or more for intelligence activity?

I urge my colleagues to join me in supporting the Sanders amendment to H.R. 1775.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS], as modified.

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

RECORDed vote

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 142, noes 289, not voting 3, as follows:

[Roll No. 253]

AYES—142

Abercrombie	Gephardt	Norwood
Allen	Gonzalez	Nussle
Baldacci	Green	Oberstar
Barcia	Gutierrez	Obey
Barrett (WI)	Gutknecht	Olver
Becerra	Hall (TX)	Owens
Bentsen	Hastings (FL)	Pastor
Blumenauer	Hill	Paul
Bonior	Hilliard	Payne
Brown (CA)	Hinchey	Peterson (MN)
Brown (FL)	Hinojosa	Petri
Brown (OH)	Hoekstra	Porter
Camp	Hooley	Poshard
Campbell	Jackson (IL)	Ramstad
Capps	Jackson-Lee (TX)	Rangel
Carson	Johnson (WI)	Rivers
Chabot	Johnson, E. B.	Roemer
Chenoweth	Kanjorski	Rohrabacher
Clay	Kennedy (MA)	Roybal-Allard
Clayton	Kilpatrick	Royce
Clyburn	Kind (WI)	Rush
Coburn	Kleczka	Sanchez
Condit	Kucinich	Sanders
Conyers	Lewis (GA)	Schumer
Costello	Lofgren	Sensenbrenner
Coyne	Luther	Serrano
Cummings	Maloney (CT)	Shays
Danner	Maloney (NY)	Slaughter
Davis (IL)	Manzullo	Stabenow
DeFazio	Markey	Stark
DeGette	Martinez	Stenholm
Delahunt	McCarthy (MO)	Stokes
DeLauro	McDermott	Strickland
Dellums	McGovern	Stupak
Doggett	McKinney	Tanner
Duncan	Meehan	Tauscher
Ensign	Metcalf	Tierney
Eshoo	Millender-McDonald	Torres
Evans	Miller (CA)	Towns
Farr	Minge	Traficant
Fattah	Mink	Upton
Filner	Moakley	Velazquez
Foglietta	Morella	Vento
Foley	Nadler	Waters
Ford	Neal	Watt (NC)
Fox	Neumann	Waxman
Frank (MA)		Woolsey
Furse		Yates

NOES—289

Ackerman	Ballenger	Berman
Aderholt	Barr	Berry
Andrews	Barrett (NE)	Bilbray
Archer	Bartlett	Bilirakis
Armey	Barton	Bishop
Bachus	Bass	Blagojevich
Baesler	Bateman	Bliley
Baker	Bereuter	Blunt

Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Cardin
Castle
Chambliss
Christensen
Clement
Coble
Collins
Combest
Cook
Cooksey
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (FL)
Davis (VA)
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Everett
Ewing
Fawell
Fazio
Flake
Forbes
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Greenwood
Hall (OH)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hilleary
Hobson
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lowey
Lucas
Manton
Mascara
Matsui
McCarthy (NY)
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meek
Menendez
Mica
Miller (FL)
Molinari
Mollohan
Moran (KS)
Moran (VA)
Murtha
Myrick
Nethercutt
Ney
Northup
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Paxon
Pease
Pelosi
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Redmond
Regula
Reyes
Riggs
Riley
Rodriguez
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Ryun
Sabo
Salmon
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Sessions
Shadegg
Shaw
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Turner
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—3

Cox
Edwards
Schiff

□ 1729

Messrs. RYUN, CRANE, BARTLETT of Maryland, and FLAKE changed their vote from ''aye'' to ''no.''

Messrs. McDERMOTT, BARRETT of Wisconsin, ROYCE, BENTSEN, STRICKLAND, and MOAKLEY, Ms. HOOLEY of Oregon, and Ms. TAUSCHER changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 2 OFFERED BY MR. CONYERS

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

The CHAIRMAN. Was the amendment printed in the CONGRESSIONAL RECORD?

Mr. CONYERS. Yes, Mr. Chairman, it was.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CONYERS: Page 10, after line 15, insert the following new section:

SEC. 306. ANNUAL STATEMENT OF THE TOTAL AMOUNT OF INTELLIGENCE EXPENDITURES FOR THE CURRENT AND SUCCEEDING FISCAL YEARS.

At the time of submission of the budget of the United States Government submitted for fiscal year 1999 under section 1105(a) of title 31, United States Code, and for each fiscal year thereafter, the President shall submit to Congress a separate, unclassified statement of the appropriations and proposed appropriations for the current fiscal year, and the amount of appropriations requested for the fiscal year for which the budget is submitted, for national and tactical intelligence activities, including activities carried out under the budget of the Department of Defense to collect, analyze, produce, disseminate, or support the collection of intelligence.

Mr. CONYERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. GOSS. Mr. Chairman, in order to assist Members planning, which we are trying to do, I ask unanimous consent that debate on the Conyers amendment and all amendments thereto be limited to 40 minutes, equally divided.

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

Mr. CONYERS. Mr. Chairman, reserving the right to object, I support a limitation for this reason: This is precisely the same amendment that was offered a year ago, and it received 176 votes. Although we have a lot of speakers, I think the lateness of the hour and the fact that this bill has been brought under the 5-minute rule requires that we accede to the chairman's request.

Mr. Chairman, I withdraw my reservation of objection.

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

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. CONYERS] and the gentleman from Florida [Mr. GOSS] each will control 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. CONYERS].

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

This amendment is precisely the same one that was voted on last year that makes this modest proposal, that the aggregate amounts of all intelligence agencies be revealed in the President's budget and in the final appropriation for intelligence. It is a simple compilation, and I know some people did know this, of 14 different intelligence agencies in the military budget. It has been examined with great care by the Commission on the Role and Capabilities in the Intelligence Community, chaired by the Secretary, former Secretary of Defense Harold Brown, by Warren Rudman, and even the gentleman from Florida [Mr. GOSS] served with some distinction on this committee. They recommend this.

The Council on Foreign Relations recommends this. In last year's Senate bill, this provision was included. I apologize, it is not radical, it is not revolutionary, it is embarrassingly modest, the aggregate figure of 14 intelligence agencies.

The President of the United States has indicated that he would accede to this request. The ranking member of the Committee on National Security has supported us year after year, so we are only doing what other allies of ours do on this subject. England reveals their aggregate figure, Canada reveals their aggregate figure, Germany reveals their aggregate figure, Australia reveals their aggregate figure. We are moving in the same way that the Framers of the Constitution moved in 1790 and 1793 when they made public disclosure of their aggregate sum even though British spying and counterespionage was at a very intense level.

I urge that Members support the measure. I would like to point out for those who will be spared this argument of why you do not go up to the green room and look at the intelligence figures. First of all, there are 14 of them. This is why only four Members have done this. Second, you are then bound by the House rules of secrecy and who knows what you can or cannot say.

What we are saying is that for two reasons, we need this amendment very badly. One is that we must not undermine the legitimacy of the need for secrecy where it does exist. Secondly, unless we reveal the aggregate budget, we will not gain the support of the American people.

For those reasons, I urge that we please support this amendment when it comes to a vote.

Mr. Chairman, I rise today to offer a modest but long overdue proposal. My amendment would simply declassify the aggregate amount of the intelligence budget. Specifically, it would require the President to provide an unclassified statement of the bottom-line number of the current appropriated amount and the amount being requested. It would not disclose any operations. It would not reveal any agency budgets. It would simply provide the American

taxpayers with information they are clearly entitled to.

The amendment is modeled after my bill, H.R. 753, the Intelligence Budget Accountability Act, a bill with 83 Democratic and Republican cosponsors. That bill, and the amendment I am offering today, seek to implement a key recommendation of a congressionally-mandated Commission on Intelligence Reform.

The Commission on the Roles and Capabilities of the United States Intelligence Community was chaired by former Secretary of Defense Harold Brown and former Republican Senator Warren Rudman. Dr. Brown, who is now at the Center for Strategic and International Studies, and Senator Rudman, who served on the Intelligence Committee, both endorsed the Intelligence Budget Accountability Act in a letter. Even a former Director of Central Intelligence, Stansfield Turner, wrote me a letter supporting my bill. I am submitting all these materials for the RECORD.

I would also like to point out that the gentleman from Florida who is the current chairman of the House Intelligence Committee sat on the Brown-Rudman Commission when it recommended disclosure of the intelligence budget. When the Commission's report came out, the White House publicly declared that "The President is persuaded that disclosure of the annual budget for intelligence should be made public, and that this can be done without any harm to intelligence activities." So my amendment is really a mainstream proposal, with the support of Republicans and Democrats in and out of government.

During my service as chairman of the Government Operations Committee, I became intimately familiar with mounds of classified information and with secrecy policy. I became convinced that too much secrecy is not only counterproductive to our democracy, but it also undermines the credibility of our legitimate secrets.

Another congressionally-mandated study, the Commission on Protecting and Reducing Government Secrecy made some of the same observations. This Commission was chaired by Senator DANIEL PATRICK MOYNIHAN, and the gentleman from Texas who served as the chair of the House Intelligence Committee last year. It observed in its report that "Secrecy exists to protect national security, not government officials and not agencies." It also noted that the expansion of the national security bureaucracy has far outpaced oversight by the public and the Congress.

It's time to stop blurring legitimate secrecy that serves our national defense with arbitrary secrecy that is used to avoid the debate on the balanced budget.

You will likely hear some of my colleagues today say that once we disclose the aggregate figure on the intelligence budget, we'll be starting down a slippery slope. This is absurd. The Defense Appropriations Committee in 1994 accidentally disclosed not only the total figure, but even an agency by agency breakdown. Three years later we're still waiting to hear how that harmed our national security.

You will also likely hear some say today that it is currently within the President's power to disclose the intelligence budget, and if he wants to he can. Talk about debating the chicken and the egg. That is precisely what this amendment would do anyway: require the President to submit an unclassified statement of the current appropriated amount and the current requested amount.

Finally, as a member of the Judiciary Committee, I would like to mention that the Constitution wanted all arms of the government to be fiscally accountable. Article I, section 9, clause 7 states that "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time."

I think if the Framers could disclose the aggregate figure of their secret expenditures after the Revolutionary War, then we sure can disclose such a sum after the cold war. I urge a "yes" vote on the amendment.

Mr. Chairman, I include the following:

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 "Intelligence Budget Accountability Act of 1997".

SEC. 2. PURPOSE.

It is the purpose of this Act to require the publication of the aggregate intelligence budget figure to provide a more thorough accounting of Government expenditures as required by article I, section 9, clause 7 of the Constitution.

SEC. 3. FINDINGS.

The Congress finds that—

(1) article I, section 9, clause 7 of the Constitution states that "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.";

(2) during the Cold War the United States did not provide to the American people a "regular Statement and Account of the . . . Expenditures" for intelligence activities;

(3) the failure to provide to the American people a statement of the total amount of expenditures on intelligence activities prevents them from participating in an informed, democratic decision concerning the appropriate level for such expenditures; and

(4) the Report of the Commission on the Roles and Capabilities of the United States Intelligence Community recommended the disclosure of "the total amount of money appropriated for intelligence activities during the current fiscal year and the total amount being requested for the next fiscal year".

SEC. 4. ANNUAL STATEMENT OF THE TOTAL AMOUNT OF INTELLIGENCE EXPENDITURES FOR THE PRECEDING FISCAL YEAR.

Section 1105(a) of title 31, United States Code, is amended by adding at the end thereof the following new paragraph:

"(31) a separate, unclassified statement of the appropriations and proposed appropriations for the current fiscal year, and the amount of appropriations requested for the fiscal year for which the budget is submitted, for national and tactical intelligence activities, including activities carried out under the budget of the Department of Defense to collect, analyze, produce, disseminate, or support the collection of intelligence.".

ORIGINAL COSPONSORS

Pete Stark, Lynn Rivers, Luis Gutierrez, Maurice Hinchey, Sam Farr, David Bonior, Earl Blumenauer, George Miller (CA), Bob Filner, Peter DeFazio, Louise Slaughter, Ron Dellums, Nancy Pelosi, Jerrold Nadler, Jim Oberstar, Cynthia McKinney, Mel Watt (NC), Sidney Yates, Nita Lowey, John Olver, Anna Eshoo, Ed Pastor, Nydia Velazquez.

ADDITIONAL COSPONSORS

Norm Dicks, Barney Frank (MA), Bennie Thompson, Eleanor-Holmes Norton, Earl Pomeroy, Sheila Jackson-Lee, Bernie Sanders, Bobby Rush, Jim McGovern, Sander Levin, Lee Hamilton, Bill Luther, John Lewis (GA), Adam Smith (WA), Martin Meehan, Danny Davis (IL), Floyd Flake, Lane Evans, Elizabeth Furse, David Minge, Xavier Becerra, John Tierney, George Brown (CA), Neil Abercrombie, Chaka Fattah, Ron Kind, Debbie Stabenow, Maxine Waters, Diana DeGette, Carolyn Maloney (NY), Tom Allen, Vic Fazio, Ron Paul, Henry Gonzalez, Lucille Roybal-Allard, Tom Barrett (WI), Major Owens, Ted Strickland, William Delahunt, Rod Blagojevich, Carrie Meek, Jim Clyburn, Lynn Woolsey, Dennis Kucinich, William Coyne, Eddie Bernice Johnson, Ellen Tauscher, Chris Shays, Darlene Hooley, Esteban Torres, James Traficant, Charles Rangel, Robert Underwood, John Spratt, David Skaggs, James Maloney (CT), Donna Christian-Green, Joe Kennedy (MA), Alcee Hastings (FL), Julian Dixon (CA), Sam Gejdenson (CT).

HOUSE OF REPRESENTATIVES,
Washington, DC, March 31, 1997.

SUPPORT FISCAL ACCOUNTABILITY: COSPONSOR H.R. 753—THE INTELLIGENCE BUDGET ACCOUNTABILITY ACT

DEAR COLLEAGUE: I recently re-introduced the Intelligence Budget Accountability Act. This bill will make public the total appropriations for the current fiscal year and the total amount being requested for the new fiscal year. The intelligence budget includes funding for the CIA, the National Security Agency and other intelligence services. It also includes funding for the intelligence function of agencies such as the DEA and the FBI. If Congress is going to honestly deal with balancing the budget, it only makes sense that it at least acknowledge the tens of billions of dollars it spends on intelligence every year.

Keeping the intelligence budget secret is unnecessary after the demise of the cold war, unfair to American taxpayers, and inconsistent with the accountability requirements of the Constitution. The Constitution clearly states that "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time." Half a century and hundreds of billions of dollars later, it is time that we begin meeting our obligation to inform the public how their tax dollars are spent.

Official public disclosure of the intelligence budget is long overdue. Last year's Congressionally mandated report to President Clinton by the Brown-Aspin Commission entitled "Preparing for the 21st Century: An Appraisal of U.S. Intelligence" recommended opening up the spy budget. It proposed that "at the beginning of each congressional budget cycle, the President or a designee disclose the total amount of money appropriated for intelligence activities for the current fiscal year . . . and the total amount being requested for the next fiscal year." The Senate Intelligence Committee unsuccessfully sought to implement this recommendation during last year's intelligence authorization process.

A copy of the bill is on the reverse. If you would like to co-sponsor or if you need more information please do not hesitate to contact Mr. Carl LeVan of my staff at 5–5126.

Sincerely,

JOHN CONYERS, Jr.,
Member of Congress.

CONGRESS OF THE UNITED STATES,
Washington, DC, April 30, 1997.

FORMER DIRECTOR OF CENTRAL INTELLIGENCE STANSFIELD TURNER SUPPORTS MAKING THE INTELLIGENCE BUDGET TOTAL PUBLIC

DEAR COLLEAGUE: We are writing to bring a letter (on the reverse) to your attention from Admiral Stansfield Turner, the former Director of Central Intelligence, and to urge your support for the Intelligence Budget Accountability Act of 1997. This legislation would declassify the aggregate figure—just the bottom line number—of the intelligence budget for the current fiscal year and the amount requested for the next fiscal year.

The intelligence budget includes spending for the CIA and a dozen other agencies with an intelligence function. This figure has been classified by the executive branch since the birth of the modern national security establishment in 1947. We believe, like Admiral Turner, that this multibillion dollar budget can be made public without harm to the national security of the United States.

We hope you will join the growing bipartisan list of members who have decided to cosponsor H.R. 753. If you have any questions, or would like to co-sponsor, please do not hesitate to call Mr. Carl LeVan in the office of Rep. Conyers at 5–5126.

Sincerely,

JOHN CONYERS, Jr.
LEE HAMILTON.
BILL LUTHER.
Members of Congress.

STANSFIELD TURNER,
February 7, 1997.

Hon. JOHN CONYERS, Jr.,
House of Representatives, Russell House Office Building, Washington, DC.

DEAR REPRESENTATIVE CONYERS: I am pleased that you are again introducing legislation to require the open publication of the aggregate intelligence budget figure.

It has been my opinion since shortly after becoming the Director of Central Intelligence in 1977 that there would be no harm to the country's security in releasing such a figure. I agree fully with the emphasis in the legislation on the importance of all government agencies being accountable to the public. While total accountability may not be feasible in the case of intelligence budget, just one aggregate figure certainly is.

I wish you every success.

Yours,

ADM. STANSFIELD TURNER,
U.S. Navy (retired).

HOUSE OF REPRESENTATIVES,
April 8, 1997.

COMMON SENSE BUDGET ACCOUNTABILITY—H.R. 753, THE INTELLIGENCE BUDGET ACCOUNTABILITY ACT

DEAR COLLEAGUE: I am writing to urge your support of H.R. 753, the Intelligence Budget Accountability Act and to bring a letter (on the reverse) from Taxpayers for Common $ense to your attention. This important legislation, introduced by Representative Conyers and twenty other Members of Congress, would simply declassify the aggregate figure of the intelligence budget.

The intelligence budget, which is widely believed to be over $30 billion a year, has been classified for fifty years. Now that the Cold War is over and the war on the deficit has begun, it is time for a fair accounting of our expenses. As Taxpayers for Common $ense point out in their letter, ''the intelligence agencies, just like all other federal agencies, should be accountable to those who pay their bills—the taxpayers.''

Unaccountable spending has been a demonstrated problem in the past with the intelligence agencies. For example, we learned in 1994 that the National Reconnaissance Office (NRO), which handles spy satellites, was building a luxurious $300 million complex with an extra fourteen acres. Then the public found out that the NRO had accumulated $4 billion in unspent funds, half of which it had simply lost track of. An unclassified bottom line number of the intelligence spending would help end the excessive secrecy that makes this kind of budget banditry possible.

Certainly if we are serious about balancing the budget, we should know at least in a general way where billions of dollars are spent. Our nation needs to be secure from foreign threats, but our budget process also must maintain a sense of integrity. An official acknowledgment of how much we spend on intelligence would help provide that integrity. H.R. 753 meets this criteria by requiring the current requested and appropriated amounts be unclassified.

If you have any questions or would like to cosponsor, please contact Tim Bromelkamp in the office of Representative Minge at 5–2331 or Carl LeVan in the office of Representative Conyers at 5–5126.

Sincerely,

DAVID MINGE,
Member of Congress.

TAXPAYERS FOR COMMON $ENSE,
Washington, DC, March 17, 1997.

TAXPAYERS ''NEED TO KNOW'' WHERE THE INTELLIGENCE BUDGET GOES—COSPONSOR CONYERS BILL

DEAR REPRESENTATIVE: Taxpayers for Common $ense urge you to cosponsor H.R. 753, the Intelligence Budget Accountability Act. Sponsored by Rep. John Conyers, this bill would require that the aggregate intelligence budget figure be disclosed to the public. The intelligence agencies, just like all other federal agencies, should be accountable to those who pay their bills—the taxpayers.

Disclosing the intelligence agencies' aggregate budget figure does not threaten national security. In 1996, the Congressionally-mandated Brown-Aspin Commission declared that classifying the aggregate budget figure is not a matter of national security and the figure should be disclosed to the public. Both President Clinton and the Senate Intelligence Committee supported the Commission's conclusion. The Conyers bill would simply require that the total amounts requested and currently appropriated for intelligence activities should be unclassified.

The intelligence agencies should not be allowed to keep their multi-billion-dollar budget a secret. At a time when all federal programs are under increased scrutiny and must meticulously account for their spending, it is only fair that the overall level of spending on intelligence be available to the taxpayers. Taxpayers should know the amount spent on intelligence in order to make informed choices regarding the allocation of government funds.

In the military, secrets are shared only with those who ''need to know.'' Taxpayers for Common $ense urges that this same standard be applied to the intelligence budget. Taxpayers pay the intelligence budget, and their support and trust is ultimately the strength of the intelligence services. We urge you to defend the taxpayers' ''need to know'' where their money goes by supporting the Conyers bill.

Sincerely,

JILL LANCELOT,
Legislative Director.

CONGRESS OF THE UNITED STATES,
Washington, DC, May 22, 1997.

Hon. HAROLD BROWN,
Counselor, Center for Strategic and International Studies, Washington, DC
Hon. WARREN RUDMAN,
Paul Weiss Rifkind Wharton & Garrison, Washington, DC

DEAR DR. BROWN AND SENATOR RUDMAN: Last year the Commission on the Rules and Capabilities of the U.S. Intelligence Community, which you cochaired, submitted its report to the President and the Congress as mandated by the Fiscal Year 1995 Intelligence Authorization Act. One of the Commission's recommendations was the disclosure of the aggregate figure of the intelligence budget. The Intelligence Budget Accountability Act, which we all strongly support, would implement this key recommendation.

The intelligence budget has been classified by the Executive branch since 1947. The Church Committee, the Pike Committee and the Rockefeller Commission in the 1970's all suggested some level of disclosure. Your Commission specifically proposed that ''at the beginning of each congressional budget cycle, the President or a designee disclose the total amount of money appropriated for intelligence activities for the current fiscal year and the total amount being requested for the next fiscal year.'' H.R. 753, a bipartisan bill with 80 cosponsors, is modeled after this recommendation and seeks to implement it precisely as proposed in the Report.

We believe that secrecy is important to effective intelligence, but it needs to be compatible with a democratic form of government. As the Commission pointed out, intelligence agencies need to be responsible ''not only to the President, but to the elected representatives of the people, and, ultimately to the people themselves. They are funded by the American taxpayers.'' We agree with this observation and would like to hear your opinion of the proposed legislation which is enclosed.

Sincerely,

JOHN CONYERS, JR.
RONALD V. DELLUMS.
LEE HAMILTON.
CHRISTOPHER SHAYS.
Members of Congress.

CENTER FOR STRATEGIC & INTERNATIONAL STUDIES,
Washington, DC, June 2, 1997

Hon. JOHN CONYERS, Jr.,
Hon. RONALD V. DELLUMS,
Hon. LEE HAMILTON,
Hon. CHRISTOPHER SHAYS,
House of Representatives, Washington, DC.

GENTLEMEN: In response to your letter of May 22, I continue to subscribe to the statement that you quote from the report of the Commission on the Roles and Capabilities of the U.S. Intelligence Community, recommending disclosure of the total amount of money appropriated for intelligence activities during the current fiscal year and the total amount being requested for the next fiscal year. H.R. 753 appears to meet this criterion and therefore I believe it would accomplish the purpose of the Commission's recommendations. It is important, in my judgment, that no breakdown of the total into its components be made public. Senator Rudman joins me in this response.

Sincerely,

HAROLD BROWN.

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

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

the distinguished chairman of the Committee on the Judiciary, a gentleman who is well versed on this issue.

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

Mr. HYDE. Mr. Chairman, with some but not a great deal of reluctance, I rise to oppose the amendment of my good friend from Michigan. Traditionally, the aggregate amount of funds spent to support our intelligence agencies has not been disseminated publicly. It is a classified amount. However, it is not unavailable to this House. There are six committees in Congress that have access to that number, three in the House, three in the other body: The Permanent Select Committee on Intelligence, the Committee on Appropriations, and the Committee on National Security. Those committees are set up to receive this information, they are cleared for top secret, and they have the ability to absorb it and to do with it whatever is necessary in our democratic process.

The classified records are available to be looked at. The gentleman from Michigan [Mr. CONYERS] objects to that because you are then bound by an oath of secrecy. Well, then do not go look at it, but you have got six committees in this Congress to get that information.

Why do we keep it secret? It is a mistake to think that the intelligence budgets of these agencies is a static thing. There are bumps. Sometimes it goes up, sometimes it goes down. What does that signify? It means we may be working on an expensive new weapons system, and that information ought not to be made available to those who wish us harm. There is no urgency, there is no need for this to be made public other than to tell the rest of the world or give them a hint as to what we are doing and perhaps even why we are doing it. The amount of money is overseen by six congressional committees bipartisanly. It is available to anybody who has a burning need to know by going and reviewing the classified annex. And so there is no need to violate what has traditionally been the case; that is, keep the aggregate amount confidential, keep it classified so that our adversaries, and believe me there are some out there, do not have an idea or a clue as to what we are working on.

With good wishes to my friend from Michigan, I just think his amendment is wrong and I hope it is defeated.

Mr. CONYERS. Mr. Chairman, I yield myself 30 seconds, because the amicable nature of the ranking member and the chairman of the Committee on the Judiciary is very close, and I respect his learned judgment. But this time he is up against the Secretary of Defense, the former Secretary of the CIA. The gentleman from Florida [Mr. GOSS] was on this committee as well, the Committee on Foreign Relations in the other body, the framers of the Constitution and 176 of his colleagues.

Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. DICKS], the distinguished ranking member of the Permanent Select Committee on Intelligence.

Mr. DICKS. Mr. Chairman, absent a clear national security interest, information should not be classified. In fact, Executive Order 12,958, which governs classification, prohibits classifying information unless to do so is required to protect national security.

I do not think anybody can stand up here tonight and say that disclosing the number, disclosing this number, is going to do anything to harm national security. I do not believe a case can be made that the aggregate budget figure for intelligence meets that standard. The arguments that are made in favor of keeping the budget secret have little to do with the number in question and more to do with the potential damage that could occur if more information were released.

□ 1745

Some people are afraid that public release of the intelligence budget will lead to drastic cuts in intelligence spending. Not only is that an improper reason for classification, but I firmly believe we can defend the overall amount, as we just did, we spent on intelligence as well as we will defend the overall amount we spend on defense. Releasing the aggregate budget total changes business as usual, and some people are understandably uncomfortable with changing the practices of 50 years. But this is not a radical proposition. It is an idea that has been endorsed by two panels of experienced and knowledgeable experts serving on the Aspen Brown Commission and the Council on Foreign Relations.

The overall intelligence budget figure is a significant piece of information by which the American people can judge the operations of their Government. I believe we should tell the American people about how we are spending their hard-earned money. We tell them what the overall number for defense is; I do not see how we can then argue that we cannot tell them what the overall number for intelligence is, and frankly I think it would do a lot to clear up much of the confusion that we have heard today on the floor about what this number is because, as I said earlier, the number that we have heard is inaccurate, significantly inaccurate.

So I rise in strong support of the Conyers amendment. I remember our colleague, Congressman Glickman, who was chairman when we were in the majority, was the first chairman of this committee to strongly endorse this. I think it is time to do it, and I hope we can do it today on a bipartisan basis.

Mr. GOSS. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from California [Mr. LEWIS], subcommittee chairman.

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

Mr. LEWIS of California. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I will be brief.

I just want to say to my friend, the gentleman from Washington [Mr. DICKS], who surprises me that he is for disclosing this amount of money, the truth is, of course, the aggregate figures do not tell us anything. They give us a rough idea, but the next step is who is getting what? If we want to know the aggregate, we want to know who is spending it and for what purpose. What is the National Reconnaissance Office spending? What is the CIA spending? What is the DIA spending? And we want to break it down so it means something. That is the next step. The aggregate figure does not really inform us.

But the gentleman and I know it is the opening wedge in a total lay it on the table strategy, what agency is spending how much money, for what systems, and for what covert activity and for what satellites, and what are we spending overseas? And it never ends.

And so that is why it ought to remain secret, in my opinion.

Mr. LEWIS of California. Mr. Chairman, I must say following the remarks of both the gentleman from Washington [Mr. DICKS] and the gentleman from Illinois [Mr. HYDE] I cannot help but be a bit disconcerted by that disconnect, for I am quite surprised at the position of the gentleman from Washington [Mr. DICKS] as well. In the short time, 4 years, that it has been my privilege to serve on this committee, I have become very, very impressed by the fact that America is pretty good at what they do. A combination of my service on the defense subcommittee of Appropriations and this committee tells me that America is more than just leading the world, we are the strength for the future of peace in the world, in no small part because of the work done by many of these agencies. But there is little doubt that those who suggest that the gross number means almost nothing, there is absolutely no doubt in my mind that underlying that is the balance. And it is not the people here in this room who necessarily want to know what may be all of the spending of some of our subagencies involved. It is the people who would be our enemies who would like to have that information.

Excellent work being done by the FBI as well as other agencies relative to controlling the impact of drugs in our society, a tremendous war developing there that will be very important to the future of our youth. Absolutely no question that the impact that we are beginning to have upon potential terrorists is very important as related to this work.

There are those who love to see what our satellites are all about, exactly what they mean and what we are spending. Indeed it is very important that we recognize that it is the people who largely wish America ill who like to have those kinds of details, and because of that I am supporting the

chairman's position. I certainly would urge the ranking member to reconsider his position, for America's future is involved in the work that we are about in the Permanent Select Committee on Intelligence.

Mr. CONYERS. Mr. Chairman, I yield 30 seconds to the gentleman from Washington [Mr. DICKS], the frequently talked about ranking member.

Mr. DICKS. Mr. Chairman, I want to say to my friend from California, Mr. LEWIS, and my friend, the gentleman from Illinois, Mr. HYDE, who has served on this committee with great distinction, I still go back to Executive Order 12958 which governs classification. It prohibits classifying information unless to do so is required to protect national security.

Now I do not see how anybody can make a case that this number has anything to do with national security. It is the amount of money we spend on intelligence, but by disclosing it I do not see how we in any way endanger national security, and therefore we cannot classify it.

It is almost an open and shut case, and that is why I think the gentleman from Michigan [Mr. CONYERS] is correct in calling for this to be disclosed.

Mr. CONYERS. Mr. Chairman, I yield myself 15 seconds because some may be surprised at the gentleman from Washington [Mr. DICKS] but I am not surprised at the gentleman from Illinois (Mr. HYDE). Mr. HYDE said it makes hardly any difference what the aggregate amount would be. He is worried about what comes after that. Well, we are not legislating about after that, and he is quite right. It does not make any difference.

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

I think this is, as the gentleman from Michigan has said, a debate we have had many times, and I tend to believe that not much has changed and the previous wisdom we have had that it is correct, that the matter should remain classified. I realize that the gentleman has quoted the Aspen Brown report, and in fact I did dissent from the vote on that. That was a consensus report. I argued for the position of keeping the matter classified. In that particular group of people, it was not seen that way. Not all of those people have had the same experience that those of us on the Senate committee have had, and there is a legitimate disagreement about this.

The other point I think is very important is that no good deed seems to go unpunished, no matter what we do around here. I would point out, and I am reading from the committee report, the committee has authorized additional resources in the fiscal year 1998 budget for CIA classification management, including declassification activities in support of Executive Order 12958.

Now I know that the gentleman from Massachusetts [Mr. FRANK] has a cutting amendment we are going to hear, and I know the gentleman from Vermont [Mr. SANDERS] had a cutting amendment. Well yes, we did put more money in this bill to get to the declassification question, and I certainly believe as part of the declassification question we ought to be examining the issue that the gentleman from Michigan [Mr. CONYERS] has raised. I think it is a very fair debate to ask and we should do it in a comprehensive way.

So I am totally prepared to say that as part of the initiative of the gentleman from Colorado [Mr. SKAGGS] a very valued member on our committee, to deal with declassification, that this should be part of that study. I just do not want at this point to create an initiative to go forward and say, well, we suddenly made a decision that really is of interest in the Beltway, but not for the American people to suddenly declassify this matter. It will be of interest to those who have interests that are inimicable to the United States of America. They would dearly love to have this information. The gentleman from Illinois [Mr. HYDE] is right, it is a slippery slope.

Now I realize that there are some Members who serve on other committees who would love to know what a percentage of the NRO budget is so they can get their hand on a number and say, surely the interests of my committee match this and surely, therefore, we could take a little bit here and put a little bit there. But as the gentleman from Washington [Mr. DICKS] has said, under 602(b) we are still in line, and I think that is extremely important. So my colleagues can rest assured that there is not really any opportunity here, there is no pork here, this is all proper.

The other thing I have got to point out on this besides the slippery slope and the fact that there is not a clamor across this country to have this information, I hardly ever at a town meeting get asked, gee, exactly how much money is being spent on intelligence? Sometimes I get asked exactly what is intelligence doing, and there is this perception that it is all CIA, and as the gentleman from Washington [Mr. DICKS] has properly said earlier in this debate today, it is much, much more. The CIA is indeed a very minor part of it. I am very happy to say it is a minor part of it. I do not think I ought to say specifically what that minor part is though.

The other thing I have got to point out here, the President of the United States in fact can go ahead and release information. He has that ability. The President does not do that. The President has made the choice to keep the matter classified.

Before we go off and do something like this, I think it should be properly studied and have the proper input from our folks in the other part of Government, our sister branch of Government. After all, he is charged with the national security. It is a matter of the Constitution, it is a matter of his specific charge, and he can declassify when he chooses with a stroke of his pen. Every President since Harry Truman has decided to send us the bill with the number classified. I suspect there is a reason for that, and I suspect that we probably ought to take the President and his people into consideration before we go off in a new direction.

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

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for the time.

Our distinguished friend from Illinois has really conceded the point. This proposal will not hurt national security. What will it do? It will enhance our responsibility to the American public for them to have as much information as possible about their government. And I think it is irrelevant whether we get asked at town meetings about this. I happen to, actually. And what does the American public learn? They have a sense of proportion: How much of our resources are we putting to this purpose? They have, I would concede, no particular need to know the details of particular sub-agencies. But it is a legitimate matter for them to have a sense in this large sense what their government is about in the intelligence field relative to other things that they spend their tax money for.

Really all that we have by way of argument against this proposal is the slippery slope argument. What does that really mean? It means that we do not trust future Congresses to exercise judgment about what will and what will not protect the national security of this country.

I think that is a highly rude position to take relative to our successors in these jobs. They will be able to figure this out. They will know whether or not further disclosures make any sense. I do not think that they will err in that judgment, and we can trust them to do so.

On the other hand, the default position always ought to be if this information is not going to damage national security, let us make it available to the public. The real national security issue here is the strength of the democracy and the willingness of the American people to trust a government that is leveling with them whenever it possibly can.

Mr. GOSS. Mr. Chairman, will the gentleman yield for a brief question?

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. GOSS. Mr. Chairman, I yield 1 minute to the gentleman from Colorado if the gentleman will yield.

Mr. SKAGGS. I yield to the gentleman from Florida.

Mr. GOSS. Mr. Chairman, I believe that the gentleman is exactly on the point that if it does no damage then there is no reason to keep it hidden. That is a very valid point. But it is a

point that applies to several other pieces of information, which is exactly why the committee has provided at the gentleman's request, which I totally agree with, conceded to, applauded in committee, that we provide for a study on declassification.

Does the gentleman believe that this should be outside of the study of the declassification that we have provided for, committed funds for and I hope we will have the funds when we get through with this process to proceed with the study.

Mr. SKAGGS. If I can reclaim enough time to respond, I believe, as the gentleman knows, that funding is for looking at past classified information, things that have been sitting in the archives that need additional staffing in order to be able to be reviewed for declassification purposes. That is the real thrust of the funding that we put in the bill for declassification.

□ 1800

Mr. GOSS. Again, if the gentleman will continue to yield, I believe that the question of declassification includes the question of classification, because I think there is great abuse there, as the gentleman has heard me say. I believe this is comprehensive and should be treated as such.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Massachusetts [Mr. JOHN TIERNEY].

Mr. TIERNEY. Mr. Chairman, I appreciate the efforts of my colleague, the gentleman from Michigan [Mr. CONYERS], and I voice my support for this amendment.

Let me just say that I do not think any of us are not mindful of the comments that are made by our colleagues on the other side of this issue, but the fact of the matter is that the American public are the people that have a burning need to know at least what the aggregate number is in this situation.

The time has come and it is long overdue for us to be able to have a debate with real numbers down here about real issues. We are in the midst of a debate right now in this country and in this House about the amount of money that we are going to be spending on programs, and in fact, with spending constraints on a number of programs, we are told the money just is not there.

The budget these days is a zero sum game. The fact of the matter is that if this is the case, we should have a disclosure so the American public can see what proportion of our budget we are spending on so-called intelligence matters. It ought to be known how many millions or billions of dollars in relation to the rest of our budget is being spent in this area at a time when we have schools that are in need of repair, when we have cities and communities that are in need of development, when we have infrastructure needs that are going unmet, roads, bridges, and airports left unbuilt, the restraint of growth and missing opportunities for job creation, when we have a debate over insuring half of our children and not insuring the other half, and when we continue to fail to debate the idea of having insurance available for all Americans.

The Constitution requires that we have a statement and account of receipts and expenditures for all the money. I think it is an absolute disgrace that we hide here behind secrecy and say that we cannot even tell the American public what the aggregate number is on so-called intelligence matters.

In fact, my colleague from across the aisle indicated that the President may well have authority to release these numbers. In fact, I would agree with the gentleman that he does; that in 1996 he said he favored doing just that. Now we see him waiting for us to move, and they are over there with others saying we are going to wait for him to move.

The American public wants somebody to move off the dime and tell us what those numbers are. He ought to do it, and if he is not going to do it we ought to do it, because simply there is no reason in the world to say that security is involved.

Mr. Chairman, we need to move on this matter. The public has a burning need to know.

Mr. CONYERS. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, the argument that the President can do it and has not done it but he approves of it is not a reason for us not to go ahead and do it. If the gentleman does not object if the President declassifies, then why do not we do it? We were only 30 votes away last year from doing it.

Mr. Chairman, I yield 2 minutes to the gentlewoman from California, Mrs. ELLEN TAUSCHER.

Mrs. TAUSCHER. Mr. Chairman, I thank the gentleman from Michigan for yielding time to me.

Mr. Chairman, I rise in strong support of the Conyers amendment. In this post-cold-war era it is as important as ever that our Nation maintain an efficient, effective, and trustworthy intelligence apparatus. With national and economic security threats around the world, we must collect accurate information about the activities of countries and organizations that jeopardize our stability.

At the same time, at the end of the cold war we are now provided with the opportunity to be more forthcoming about the money and the resources we spend on intelligence gathering. The Director of the Central Intelligence Agency has already taken steps to make more public the activities of our intelligence agencies. The fact that the general level of intelligence spending is a poorly kept secret only strengthens the argument that it should be publicly disclosed.

As we attempt to balance the Federal budget, we are forced to make decisions about spending priorities. It is important that the American people know how much of their money proportionally is being spent to support the intelligence community, just as they need to know about how much money is spent on Medicare, transportation, and the arts.

I intend to vote for the Intelligence Authorization Act for 1998. I believe it properly funds the important intelligence-related activities of the United States. But I also believe that the American public deserves to know the aggregate amount we are authorizing for these activities. The Conyers amendment is a commonsense proposal that places no threat to our national security. I encourage my colleagues to support this amendment.

Mr. GOSS. Mr. Chairman, I yield such time as he may consume to my colleague, the gentleman from Florida [Mr. MCCOLLUM].

Mr. McCOLLUM. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I oppose the Conyers amendment, which is intended to force the disclosure of the aggregate total of the intelligence community's budget. I think primarily I oppose it for basic reasons of common sense, that it does not make any sense to disclose this number and let people who would be our enemies know what it is.

But as Chairman GOSS has noted, there are several reasons to oppose it. For example, one could argue that disclosure of the aggregate number is the first step on a slippery slope toward total disclosure of very highly sensitive security information. Chairman GOSS has also made a very persuasive argument that the President already possesses the necessary legal authority, we have heard that discussed, to unilaterally disclose this information without seeking any approval of Congress.

But I would like to particularly address the assertion by some that disclosure is required by the statement and account clause of the Constitution; that is, article I, section 9, clause 7.

Professor Robert F. Turner of the University of Virginia School of Law testified before the Permanent Select Committee on Intelligence on the issue of, and this is his quote, ''Secret funding and the 'statement and account' clause'' in February 1994.

Professor Turner made a number of legal and historical observations on the statement and account clause which are quite pertinent to today's debate. He said, ''The Founding Fathers did not view 'secrecy' as being incompatible with democratic government. One of the first measures adopted by the Constitutional Convention of 1787 was a secrecy rule—without which James Madison said there would have been no Constitution.

''Perhaps the first 'covert action' in which the United States was involved was a 1776 decision by France to secretly transfer 200,000 pounds worth of

arms and ammunitions to the colonies for use in their struggle against King George. The offer was reported by secret messenger to Benjamin Franklin, chairman of the Committee of Secret Correspondence of the Continental Congress, and Robert Morris, the only members of the 5-man committee then in town. Given the sensitivity of the matter, they concluded—and here I quote—that 'it is our indispensable duty to keep it secret even from Congress.'

''They set forth several reasons for this decision, including this one—and again I quote—'We find by fatal experience that Congress consists of too many members to keep secrets.'

''It should not come as a surprise to learn that the first Congress in 1790 appropriated a substantial contingent account for the President to use in making foreign affairs and intelligence expenditures, and that Congress expressly exempted the President from any requirement to inform either Congress or the public how those funds were expended. This was the start of a long tradition of 'secret' expenditures.''

I believe that Professor Turner has demonstrated in his work that the Founding Fathers did endorse the use of certain secret funds to support the new Nation's intelligence and foreign policy activities. I think Benjamin Franklin would agree that the disclosure of the aggregate funding amount for the intelligence community would indeed be penny-wise and pound-foolish.

I am going to ask at the appropriate time, though I realize it is not now since we are in the time for the amendments, to put Professor Turner's prepared statement on secret funding into the RECORD and when that time comes in the full House I will do so.

I again urge the defeat of the Conyers amendment. I ask that the Members of this body vote down the Conyers amendment. It is a dangerous precedent. We should not adopt it. We do have times and places for secrecy, and the intelligence community is one of those places where it is absolutely imperative.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from California [Ms. PELOSI].

(Ms. PELOSI asked and was given permission to revise and extend her remarks.)

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding time to me.

As a member of the Committee on Intelligence, I rise in support of the Conyers amendment. This amendment at heart is about accountability and the public's right to know. The amendment supports the underlying belief that the government of this country is and should be accountable to the people of the country.

In today's world there is no rational reason why the American public should be denied information about how much the United States Government is spending on intelligence activities. President Clinton recognized this fact when in April of 1996 he said that the bottom line for intelligence spending should be published. John Deutch, then Director of the Central Intelligence Agency, said that same month, ''Disclosure of the annual amount appropriated for intelligence purposes will inform the public and will not in itself harm intelligence activities.''

The continued classification of the total amount spent annually on intelligence activity is not only unnecessary, but it is also ridiculous. U.S. intelligence spending is considered by many to be one of Washington's worst-kept secrets. Estimates of intelligence spending appear with some regularity in the press. By continuing to refuse to release the amount publicly, Congress is only serving to fuel suspicions that the government is hiding something.

Those who support openness and accountability in government should support this effort to make our government accountable in one of the last bastions of secrecy, a secrecy that in today's world is unwarranted. In a democratic society citizens have a right to know what their tax dollars support.

In fact, inside the Beltway an estimate of intelligence spending is widely reported, but ordinary citizens are oddly denied this information. I urge my colleagues to support openness and to support the Conyers amendment.

Mr. CONYERS. Mr. Chairman, I yield myself 45 seconds.

Mr. Chairman, this just in: The reason maybe Chairman GOSS' people do not ever ask him about it, about this financing of the intelligence, is that they do not know that we are not being told. They may not even know that he is being told.

For my dear friend, the gentleman from Florida [Mr. MCCOLLUM], again, with whom we have had great discussions about American history, in 1770 and 1773, in those 2 years the intelligence budgets were in the aggregate disclosed. If Members need a more recent time, check in 1994, when the Subcommittee on National Security of the Committee on Appropriations inadvertently released the whole blooming thing and nothing happened.

Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. ADAM SMITH].

Mr. ADAM SMITH of Washington. Mr. Chairman, I, too, rise in support of the Conyers amendment to disclose the aggregate budget of the Committee on Intelligence to the full public. I think the important thing to remember is the presumption should always be in favor of disclosure.

As I listened to the arguments against, I do not hear anything to rebut that presumption. I think the American public wants to know as much as possible about what we do back here. Part of the reason why this institution has the confidence problem it has with this country is they figure we are keeping stuff from them, that we do not trust them to know what is going on back here, and they feel left out of the process. There should be a strong presumption in letting them into as much of the process as is humanly possible.

If there is some special reason here why that cannot be done, fine. We can explain it and keep it secret. But no special reason has been offered during the course of this debate not to release the aggregate figure that we spend on intelligence in this country.

There have been some camel's nose under the tent arguments about how in the future we might authorize the release of something that would cause a problem, but that is not good enough. That does not rebut the presumption that this body should have to disclose whatever possible to the public. I urge support of the amendment.

Mr. CONYERS. Mr. Chairman, I am privileged to yield 30 seconds to the gentleman from California [Mr. SHERMAN].

Mr. SHERMAN. Mr. Chairman, we have an extraordinary event in the world. The entire world has virtually acquiesced to having one superpower. That has never happened in history. It has occurred because the world knows that for the most part our decisions are based on values and on respect for democracy.

Democracy begins at home. A revelation of the amount that we are spending on security is one of the building blocks of the consensus that our power relies upon. Otherwise, it will only be a matter of time, if we do not respect our values, before the rest of the world questions whether there should be one superpower.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. FARR].

(Mr. FARR of California asked and was given permission to revise and extend his remarks.)

Mr. FARR of California. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in support of the Conyers amendment to declassify the size of the Intelligence Budget

There is simply no reason to keep the size of the Intelligence budget hidden.

Former CIA Directors, including John Deutch and Bob Gates, say that it would not harm National Security.

This amendment would not reveal what we spend on individual programs, only on intelligence as a whole.

Other countries, like Israel and Britain, already disclose their spending on intelligence.

It simply serves no purpose to keep the size of the intelligence budget a secret.

At a time when the rest of the Federal Budget is being cut, slashed, and squeezed, the American people ought to know how much of their tax dollars are going to intelligence programs.

By maintaining needless secrecy, we do nothing for American intelligence while keeping secrets from the American people.

Let's bring some sunshine to Government and some honesty to the American people support the Conyers amendment.

Mr. Chairman, It is unnecessary after the end of the cold war to keep the budget secret. Keeping general information like the budget classified undermines the credibility of other information which really needs to be secret.

If we really are serious about balancing the budget, how can we sign a secret, multi-billion dollar blank check every year, with such a minimal public discussion?

Since almost all intelligence spending is hidden in the defense budget, the American people are not only kept in the dark about intelligence spending, they are misled about the real amount of defense spending through false line-items in the defense budget. We need budget integrity.

Porter Goss, the current Chairman of the House Intelligence Committee was a member of the Brown-Aspin (later the Brown-Rudman) Commission that recommended disclosure of the aggregate figure of the intelligence budget. Why should his position change?

The intelligence budget is the worst-kept secret in Washington anyway. Each year it is disclosed dozens of times in the press with no harm done to ''national security.''

Keeping this budget officially secret while watching it discussed openly in the press adds to a cynicism that the American public has about its government. No-one wants to foster a pessimism that discourages participation in our democracy.

''The President is persuaded that disclosure of the annual total budget for intelligence activities should be made public and that this can be done without any harm to intelligence activities.''

With an open intelligence budget, the Director of Central Intelligence and others would be able to better justify the funding it receives from Congress. (A counter-argument might be, for example, that the CIA will not be able to publicly defend its budget because may of its successes are secret.)

Only a handful of Members of Congress actually go look at the intelligence budget (as they are permitted to do). Declassifying the new budget request and the current fiscal year's appropriated amount for purposes of comparison would contribute to a more informed debate.

Releasing the intelligence budget would help make it conform to the ideals for the framers of the Constitution. The Constitution states: ''No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.''

In 1994, Defense Appropriations Subcommittee hearings disclosed almost a complete breakdown of the categories of intelligence spending, which added up to $28 billion. Three years later, we're still waiting to hear how this disclosure harmed ''national security.

Similarly, the Brown-Aspin Commission Report recommended disclosure only of the aggregate intelligence budget and no further detail, then inadvertently specified the CIA's budget at $3.1 billion in a graph. (See attached article.)

The *Washington Post* reported that the National Reconnaissance Office, the intelligence agency which manages spy satellites reported a surplus of $3.8 billion that has accumulated over the years from unspent money and bad accounting practices! This is partly the result of a lack of open discussion about intelligence spending. (See attached article.)

While HUD, the Department of Commerce and [insert your favorite agency] are fighting for their life, isn't it only fair that the American people at least know how many of their tax dollars are going to intelligence?.

Taxpayers for Common Sense writes: ''At a time when all federal programs are under increased scrutiny and must meticulously account for their spending, it is only fair that the overall level of spending on intelligence be available of the taxpayers. Taxpayers should know the amount spend on intelligence in order to make informed choices regarding the allocation of government funds.''

Other democracies such as Israel, Britain, Australia and Canada disclose their intelligence budgets. (FYI: Israel spends less than a billion shekels on the Mossad and the Shin Bet combined.)

Larry Combest, the former Chairman of the Hose Intelligence Committee and last year's lone opponent of budget disclosure, was the vice-chair (with Senator MOYNIHAN) of the Commission on Protecting and Reducing Government Secrecy. While Commission's report, released in March of this year, did not deal directly with the intelligence budget, it noted:

''Secrecy exists to protect national security, not government officials and agencies'' (page xxiii).

''[E]xpansion of the Government's national security bureaucracy since the end of World War II and the closed environment in which it has operated have outpaced attempts by Congress and the public to oversee that bureaucracy's activities'' (page 49).

There are twelve ranking members who are so-sponsors of H.R. 753, ranging the ideological spectrum, including: Representatives JOHN CONYERS, NORM DICKS, JOHN SPRATT, LEE HAMILTON, GEORGE BROWN, RON DELLUMS, LANE EVANS, SAM GEJDENSON, HENRY GONZALEZ, GEORGE MILLER, JIM OBERSTAR, and CHARLES RANGEL.

□ 1815

Mr. CONYERS. Mr. Chairman, I yield myself the balance of my time.

May I point out that the arguments, the more we go over them each year, the more it becomes clear that there is very little objection to revealing the aggregate budget for the 14 intelligence agencies in our system. It is a practice that is followed by at least four of our allies that I know with no harm. It is like trying to get us to agree to a secret that is already open.

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

Mr. CONYERS. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend the gentleman for his initiative. To my friend who says this is a slippery slope, we can say what the number is and say, out of that we fund the CIA, the DIA, the NSA, NIMA, right down the line. We do not have to tell them what that second amount is. I think it would do a lot to help the American people understand how many different entities are funded by this budget and how much of it is in the Department of Defense. We have heard all kinds of misstatements here today on the floor. I think we look kind of foolish. Numbers are in the New York Times. They are not that far off. They are wrong but they are not that far off. In my judgment, it is time for us to let the American people know. I think the gentleman deserves to be commended for his initiative.

Mr. CONYERS. Mr. Chairman, I thank the gentleman.

The fact of the matter is that for us to say to the American people that they really do not need to know this or that nobody is asking me about it so we will keep it from them is the shallowest kind of presentation to make. We need to know the aggregate amount. I am confident for one that this body will not proceed down a slippery slope. I do not think this body, no matter what we do on this measure today, will further want to break this thing down.

I am not certain that I would support any further disclosure than the revelation of the aggregate amount.

Mr. DICKS. Mr. Chairman, if the gentleman will continue to yield, I certainly agree with the gentleman. I would oppose going to the individual amounts, but I think the aggregate will help us with the American people.

Mr. GOSS. Mr. Chairman, I yield myself the balance of my time.

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

Mr. GOSS. I yield to the gentleman from Florida.

Mr. MCCOLLUM. Mr. Chairman, I just wanted to make a point that in the time for general leave, I am going to ask to have the Turner statement with regard to constitutionality inserted right after my remarks during this debate. I know this is not the formal place, but we seem to need to put a place marker in there. I thank the gentleman for yielding to me.

Mr. Chairman, I include the following for the RECORD:

SECRET FUNDING AND THE ''STATEMENT AND ACCOUNT'' CLAUSE: CONSTITUTIONAL AND POLICY IMPLICATIONS OF PUBLIC DISCLOSURE OF AN AGGREGATE BUDGET FOR INTELLIGENCE AND INTELLIGENCE-RELATED ACTIVITIES

(Prepared statement of Prof. Robert F. Turner)

INTRODUCTION

Mr. Chairman, it is a pleasure to be here this afternoon to provide testimony on the constitutional implications of authorizing and appropriating funds for intelligence operations without making the aggregate amount of those funds public. It is a particular pleasure to see you again, Mr. Chairman, whom I have not seen since our work together nearly a decade ago in getting the U.S. Institute of Peace off the ground. I am also pleased to join my old friend Dr. Lou Fisher—who has done landmark scholarship in these areas—and to have a chance to listen to Dr. George Carver, whose work has influenced my own thinking for more than two decades.

I understand that the Committee is considering a proposal that has been around in one form or other for many years to make public the aggregate sum of money appropriated for

the various agencies of the Intelligence Community—money which has for nearly half a century been concealed, if public accounts are to be believed,[1] largely within the budget of the Department of Defense.

This practice was authorized by Public Law 81–110, the Central Intelligence Agency Act of 1949, section 5 of which authorizes the Agency to ''receive from other Government agencies such sums as may be approved by the Bureau of the Budget [now OMB]'' for the performance of authorized functions, and also authorizes ''any other Government agency . . . to transfer to . . . the Agency such sums without regard to any provisions of law limiting or prohibiting transfers between appropriations.''[2] It is perhaps worth noting that this process was agreed to in 1949 by voice vote in the Senate and by a vote of 348 to 4 in the House—with only a single Member of either House speaking in opposition.[3]

Members of this Committee will know the current mechanics of this process far better than I do, but it is my understanding that the precise amounts authorized and appropriated for the Intelligence Community are normally known only to the two intelligence committees and select members of the appropriations committees. I am working from the understanding that all fund provided to the Intelligence Community from the federal treasury have, in fact, been appropriated by law and that the process itself is not contrary to any statute. Thus, the issue I am prepared to address is not whether Congress has agreed to the current funding process; but rather, whether that congressionally established process complies with the requirements of the Constitution.

I do not have a sense that the large majority of Americans are upset at the realization that our government keeps many facts concerning intelligence agencies and their work secret—indeed, I suspect a scientific poll would reveal that most Americans would share my own personal preference that such matters ought not to be made public if there is any reasonable likelihood their disclosure will compromise sensitive sources or methods or in any other manner undermine our security or benefit our nation's enemies.[4]

This expectation is predicated upon the assumption that the current practice is consistent with the Constitution; for, if the question were worded ''should the Constitution be obeyed,'' the answer would presumably also be a strong affirmative. So it seems to me that, in deciding whether to change the status quo, the Committee has a two-stage process to undertake:

First, you need to ascertain whether the Constitution requires the publication of the aggregate annual budget for intelligence and intelligence-related activities (or perhaps even a more detailed accounting of those appropriations); and, if the answer is yes, you need to make those figures public.

If the answer to the constitutional question is no, it would seem wise to undertake a thorough policy review to decide whether such figures should nevertheless be made public—and, if so under what constraints or guidelines.

While I understand that my role here this afternoon is to help you answer the first question, with your permission I will also comment briefly upon the broader policy issues.

THE CONSTITUTIONAL ISSUES

Article 1, Section 9, clause 7 of the Constitution provides:

No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.

Many respected individuals and groups have concluded on the basis of this language that it is unconstitutional for the Congress not to publish at least the aggregate sum of appropriations for the Intelligence Community.[5] I shall address that issue, but with your permission I would propose to first place the issue in the context of the Founding Fathers' attitude toward secrecy in the areas of foreign intercourse and intelligence. I believe there is a great deal of misunderstanding on this point that may confuse this important debate.

SECRECY, DEMOCRACY, AND THE EARLY AMERICAN EXPERIENCE

There seems to be a common assumption that the Founding Fathers viewed secrecy in government as a terrible evil, a practice quite incompatible with democratic theory. While it is true that they believed that an informed public was essential to democratic government,[6] they were practical men who recognized that intelligence and national security matters often had to be kept secret—not only from the American people, but even from their elected representatives in Congress.

THE COMMITTEE OF SECRET CORRESPONDENCE

The obvious inability of legislative bodies to manage the details of foreign intercourse led the Continental Congress to establish a ''Committee of Secret Correspondence'' on 29 November 1775.[7] Two weeks later, the Committee dispatched Thomas Story as a secret messenger to France, Holland, and England, with instructions to make contact with a network of unofficial ''secret agents'' serving the United States in foreign capitals—people like Silas Deane in France and Arthur Lee in England.

After meeting with Lee, Story returned to America and gave this report to the Committee, as recorded in a memorandum dated 1 October 1776 found among the Committee's official papers:

''On my leaving London, Arthur Lee, Esq., requested me to inform the Committee of [Secret] Correspondence that he had had several conferences with the French Ambassador, who had communicated the same to the French court; that in consequence thereof the Duke de Vergennes had sent a gentleman to Mr. Lee, who informed him that the French Court could not think of entering into a war with England, but that they would assist America by sending from Holland this fall two hundred thousand pounds sterling worth of arms and ammunition to St. Eustatius, Martinico, or Cape François. That application was to be made to the Governours or Commandants of those places by inquiring for Monsieur Hortalez, and that on persons properly authorized applying, the above articles would be delivered to them.''[8]

This may arguably have been the very first ''covert operation'' to which the United States was a party, and the secret offer of £200,000 worth of arms was welcome news in America. But it was also recognized as highly sensitive news, and for that reason Benjamin Franklin and the members of the small committee he chaired agreed without dissent that it could not be shared with their colleagues in the Congress. Their memorandum explains:

''The above intelligence was communicated to the subscribers [Franklin and Robert Morris], being the only two members of the Committee of Secret Correspondence now in the city, and our considering the nature and importance of it, we agree in opinion that it is our indispensable duty to keep it secret even from Congress, for the following reasons:

''First, Should it get to the ears of our enemies at New-York, they would undoubtedly take measures to intercept the supplies, and thereby deprive us not only of those succours, but of others expected by the same route.

''Second, as the Court of France have taken measures to negotiate this loan of succour in the most cautious and secret manner, should we divulge it immediately, we may not only lose the present benefit, but also render that Court cautious of any further connection with such unguarded people, and prevent their granting other loans and assistance that we stand in need of, and have directed Mr. Deane to ask of them. For it appears from our intelligence they are not disposed to enter into an immediate war with Britain, although disposed to support us in our contest with them. We therefore think it our duty to cultivate their favourable disposition towards us, draw from them all the support we can, and in the end their private aid must assist to establish peace, or inevitably draw them in as parties to the war.

''Third, *We find by fatal experience that Congress consists of too many members to keep secrets*. . . . [Emphasis added.]''[9]

The memorandum contained the written endorsements of Richard Henry Lee and William Hooper, to whom it had been shown some days later, with the notation that Lee ''concur[red] heartily'' and Hooper ''sincerely approve[d]'' of its contents.[10]

JOHN JAY AND FEDERALIST NO. 64

One of the criticisms of American government under the Articles of Confederation was that all functions of government were entrusted to the Congress, which tended to micromanage military and diplomatic affairs and could not keep secrets. Robert R. Livingston agreed to serve as ''Secretary of the United States of America for the Department of Foreign Affairs'' in February 1782, but by the end of the year he had submitted his resignation in frustration. Nearly two years passed before John Jay was chosen his successor as the ''agent'' of Congress in diplomatic intercourse; and he, too, was quickly frustrated by such things as the demand of Congress to receive every proposal submitted by the Spanish Chargé during treaty negotiations.[11]

Jay was particularly frustrated by the demands by Congress—which, in the absence of any ''executive'' organ of government, had exclusive control over war, treaties, and other aspects of the nation's foreign intercourse—for access to confidential information and diplomatic letter. Professor Henry Wriston, in his classic 1929 study, Executive Agents in American Foreign Relations, explains:

It is interesting, in connection with the submission of Lafayette's letters to Congress, to observe that Jay regarded this as a serious limitation upon the value of the correspondence. *Congress never could keep any matter strictly confidential; someone always babbled*. ''The circumstances must undoubtedly be of a great restraint on those public and private characters from whom you would otherwise obtain useful hints and information. I for my part have long experienced the inconvenience of it, and in some instances very sensibly.'' [Emphasis added.][12]

These frustrations were widely shared, and Jay went on to play a key role both in explaining the Constitution as a co-author of the Federalist Papers and in interpreting it as the nation's first Chief Justice. He took on the issues of secrecy and intelligence squarely in Federalist essay number 64, explaining the benefits of entrusting matters requiring secrecy to the Executive while requiring the approval of two-thirds of the Senate before the President could ratify a completed treaty:

[1] Footnotes at the end of article.

There are cases where the most useful intelligence may be obtained, if the persons possessing it can be relieved from apprehensions of discovery. Those apprehensions will operate on those persons whether they are actuated by mercenary or friendly motives, and there doubtless are many of both descriptions, who would rely on the secrecy of the president, but who would not confide in that of the senate, and still less in that of a large popular assembly. The convention have done well therefore in so disposing of the power of making treaties, that although the president must in forming them act by the advice and consent of the senate, yet he will be able to manage the business of intelligence in such manner as prudence may suggest.[13]

Jay added, with an allusion to the shortcomings of the Articles of Confederation: ''So often and so essentially have we heretofore suffered from the want of secrecy and dispatch, that the Constitution would have been inexcusably defective if no attention had been paid to those objects.''[14]

WASHINGTON, THE SENATE, AND CONGRESSIONAL LEAKS

Further contemporary insight into the Founding Fathers' perception that Congress could not keep secrets is found in an informal note made by our first Secretary of State, Thomas Jefferson. Beginning during his service in this capacity, Jefferson made various ''notes''—what he called ''passing transactions''—to assist his memory. These he later combined into three volumes which we today know as The Anas. The following entry is instructive:

April 9th, 1792. The President had wished to redeem our captives at Algiers, and to make peace with them on paying an annual tribute. The Senate were willing to approve this, but unwilling to have the lower House applied to previously to furnish the money; they wished the President to take the money from the treasury, or open a loan for it. . . . They said . . . that if the particular sum was voted by the Representatives, it would not be a secret. The President had no confidence in the secresy of the Senate, and did not choose to take money from the treasury or to borrow. But he agreed he would enter into provisional treaties with the Algerines, not to be binding on us till ratified here. [Emphasis added.][15]

Mr. Chairman, this is an important, if largely forgotten, part of our history. However, in the interest of time, I will mention but one further example of the Founding Fathers' recognition of the value of secrecy: and what example could be more fitting than the Constitutional Convention itself.

THE FEDERAL CONVENTION OF 1787

On 29 May 1787, the fourth day of deliberation,[16] the Constitutional Convention adopted a series of rules as part of the Standing Orders of the House. Rules three through five provided:

That no copy be taken of any entry on the journal during the sitting of the House without the leave of the House.

That members only be permitted to inspect the journal.

That nothing spoken in the House be printed, or otherwise published, or communicated without leave.[17]

The great constitutional historian Clinton Rossiter has described this ''so-called secrecy rule'' as ''the most critical decision of a procedural nature the Convention was ever to make,'' and notes that ''in later years, Madison insisted that 'no Constitution would ever have been adopted by the convention if the debates had been public.' ''[18] Indeed, at his insistence, Madison's own important Notes on the convention were not published until 1840, four years after his death and more than half a century after the convention had ended.[19]

Because the debates of the convention were held in secret, and Madison's Notes were thus not available to the people when they ratified the Constitution, such influential contemporary records as the Federalist Papers and state ratification convention debates probably deserve greater weight in interpreting the document as it was understood by the sovereign American people when it was ratified. Nevertheless, Madison's Notes do provide important details about the give-and-take that produced the constitutional text, and they are certainly worthy of study. The entire debate on this issue occupies approximately one page of the hundreds of pages devoted by Madison to the convention proceedings. It occurred only three days before the end of the debate, seemingly as an afterthought, on Friday, 14 September 1787:

Col. [George] Mason moved a clause requiring ''that an Account of the public expenditures should be annually published'' Mr. Gerry 2ded the motion.

Mr. Govr. Morris urged that this wd. be impossible in many cases.

Mr. King remarked, that the term expenditures went to every minute shilling. This would be impracticable. Congs. might indeed make a monthly publication, but it would be in such general statements as woud afford no satisfactory information.

Mr. Madison proposed to strike out ''annually'' from the motion & insert ''from time to time,'' which would enjoin the duty of frequent publications and leave enough to the discretion of the Legislature. Require too much and the difficulty will beget a habit of doing nothing. The articles of Confederation require halfyearly publications on this subject. A punctual compliance being often impossible, the practice has ceased altogether.

Mr. Wilson 2ded & supported the motion. Many operations of finance cannot be properly published at certain times.

Mr. Pinkney was in favor of the motion.

Mr. Fitzimmons. It is absolutely impossible to publish expenditures in the full extent of the term.

Mr. Sherman thought ''from time to time'' the best rule to be given.

''Annual'' was struck out—& those words—inserted nem: con:

The motion of Col: Mason so amended was then agreed to nem: con: and added after—''appropriations by law'' as follows—''And a regular statement and account of the receipts & expenditures of all public money shall be published from time to time.''[20]

It is perhaps worth noting that the issue of ''secrecy'' had arisen earlier that same day with respect to publishing the journal of each House of Congress,[21] and the statements by Gouverneur Morris (annual publication would be ''impossible in many cases''), Madison (on the need for legislative discretion), James Wilson (''Many operations of finance cannot be properly published at certain times'')—and others who supported Madison's amendment—may have been made with this concern in mind.

That the need to protect certain secret expenditures was, in fact, a primary underlying rationale for the decision to give Congress discretion as to what expenditures could be made public, and when, becomes clearer from a reading of the debates in the state ratification conventions—especially in the Virginia Convention, where both Mason and Madison were present to revisit the original debate. Colonel Mason took a second bite at the apple during the Virginia Convention, arguing on 17 June 1788 that ''the loose expression of 'publication from time to time,' was applicable to any time. It was equally applicable to monthly and septennial periods.''[22] He then explained:

The reason urged in favor of this ambiguous expression, was, that there might be some mattes which might require secrecy.

In matters relative to military operations, and foreign negotiations, secrecy was necessary sometimes. But he did not conceive that the receipts and expenditures of the public money ought ever to be concealed. The people, he affirmed, had a right to know the expenditures of their money. But that this expression was so loose, it might be concealed forever from them, and might afford opportunities of misapplying the public money, and sheltering those who did it. He concluded it to be as exceptionable as any clause in so few words could be. [Emphasis added.][23]

As had been the case in Philadelphia, Mason lost this debate. But, by raising the issue again, this time in public debate, he made a useful contribution to our understanding of the ''original intent'' behind this clause. We now know that the reason Congress was given this discretion was to protect ''matters which might require secrecy,'' that Mason acknowledged that secrecy was sometimes necessary in military and diplomatic matters, and that—even after he warned that this ''ambiguous'' language might allow Congress to keep some secret expenditures ''concealed forever''—Mason's colleagues at the Virginia convention were not persuaded to strengthen the clause and deny Congress this discretion.

THE EARLY PRACTICE OF CONFIDENTIAL EXPENDITURES

Of particular value in trying to understand the original constitutional scheme are the acts of the First Congress, elected in early 1789. Two-thirds of its twenty-two senators and fifty-nine representatives had either been members of the Philadelphia Convention of 1787 or of state ratifying conventions, and only seven of them had opposed ratification. Therefore, their actions are entitled to special weight. As Chief Justice Marshall observed in 1821, in trying to determine the intent of the Founding Fathers ''[g]reat weight has always been attached, and very rightly attached, to contemporaneous exposition.''[24]

It is therefore noteworthy that the First Congress appropriated a ''contingent fund'' of $40,000—a considerable sum at the time[25]—for the President to use for special diplomatic agents and other sensitive foreign affairs needs. The statute expressly provided:

''The President shall account specifically for all such expenditures of the said money as in his judgment may be made public, and also for the amount of such expenditures as he may think it advisable not to specify.''[26]

Note the language here—the President was not required to account to Congress ''under injunction of secrecy'' for sensitive expenditures, he was required simply to inform Congress of the sums expended so that the fund could be replenished as necessary. Congress was not to be told the details, as the Founding Fathers had learned first hand the harm that could be done by ''leaks.''

It is perhaps worth noting that the contingent account was not only replenished, within three years it was increased to the level of one million dollars—much of it reportedly was used for such expenditures as bribing foreign officials and ransoming hostages.[27]

In this era of Boland Amendments and massive appropriations bills packed with ''conditions'' it may be difficult to realize that the Founding Fathers envisioned something quite different; but it is important, from time to time, to remind ourselves of the original plan. In an 1804 letter to Secretary of the Treasury Albert Gallatin, President Thomas Jefferson summarized the practice during the nation's first fifteen years:

''The Constitution has made the Executive the organ for managing our intercourse with foreign nations. . . . The Executive being thus charged with the foreign intercourse, no law has undertaken to prescribe its specific duties. . . . [I]t has been the uniform opinion and practice that the whole foreign fund was placed by the Legislature on the footing of a contingent fund, in which they undertake no specifications, but leave the whole to the discretion of the president.''[28]

When Jefferson used his contingent account to fund a paramilitary army of Greek and Arab mercenaries to invade Tripoli and pressure its Bey to surrender American hostages, no one seems to have complained that Congress was not informed in advance of the operation.[29] Jefferson's successor, James Madison—a man of some familiarity with the meaning of the Constitution and its ''Statement and Account'' clause—found that he needed additional funds to underwrite a covert action to gain control over disputed territory between Georgia and Spanish Florida in 1811, so he asked Congress to enact a ''secret appropriation'' of $100,000 for that purpose. The need for secrecy having passed, the secret appropriation was discretely made public years later, in 1818.[30]

The modern practice arguably dates back to 1941,[31] but official congressional sanction was provided by the Central Intelligence Act of 1949.[32] Over the years a variety of efforts have been made to change the practice, without success.[33] The political forces behind the current effort are considerable—but so much of the rhetoric is premised upon the need to ''obey the Constitution'' that it is difficult to gave the sentiment on policy grounds alone.

In reality, these constitutional concerns are ill founded. The record behind Article 1, Section 9, clause 7 of the Constitution—whether viewed on the basis of ''original intent'' or with the gloss of historic practice—clearly establishes that Congress is not required to publish either an aggregate figure of the money it makes available to the Intelligence Community or a more detailed accounting at this time. All of these sums, I gather, have been taken from the Treasury ''in consequence of appropriations made by law''—and most apparently have been identified already in broad terms to the public as appropriations for purposes of national security or national defense.

James Mason, to be sure, objected to the argument that the need for ''secrecy'' required that Congress be left with discretion in this area; but in both the federal and state conventions he made his case and failed to carry the day. The First Congress appropriated a contingent fund for which the President did not even have to disclose his expenditures to Congress; and Madison himself—the ''father'' of our Constitution and the author of the successful amendment to the ''Statement and Account'' clause—sought and received a ''secret appropriation'' that was not revealed to the public for many years.

THE VIEW FROM THE FEDERAL JUDICIARY

Any remaining doubts which might exist should be put to rest by a review of the handling of this issue by federal courts. The issue came before the Supreme Court in United States v. Richardson,[34] but the Court found it unnecessary to reach the merits because the Complainant lacked standing. However, in the course of his majority opinion, Chief Justice Burger reasoned in a footnote:

''Although we need not reach or decide precisely what is meant by 'a regular Statement and Account,' it is clear that Congress has plenary power to exact any reporting and accounting it considers appropriate in the public interest. . . . While the available evidence is neither qualitatively nor quantitatively conclusive, *historical analysis of the genesis of cl. 7 suggests that it was intended to permit some degree of secrecy of governmental operations.* . . .

''Not controlling, but surely *not unimportant, are nearly two centuries of acceptance of a reading of cl. 7 as vesting in Congress plenary power* to spell out the details of precisely when and with what specificity Executive agencies must report the expenditures of appropriated funds and *to exempt certain secret activities from comprehensive public reporting.*'' [Emphasis added.][35]

Even more significant is the District of Columbia Circuit Court of Appeal's 1980 decision in Halperin v. Central Intelligence Agency,[36] a very useful case for which we are indebted to Mr. Stern's predecessor at the ACLU, my litigious friend Morton Halperin. Following the Supreme Court's holding in Richardson, the D.C. Circuit affirmed the District Court's summary judgment in favor of the CIA. But it went further, addressing the case on the merits, and holding in the alternative that ''Congress and the President have discretion, not reviewable by the courts, to require secrecy for expenditures of the type involved in this case.''[37]

The Halperin court engaged in a detailed review of Madison's Notes and the state convention debates, concluding that: ''Madison's language strongly indicates that he believed that the Statement and Account Clause, following his amendment, would allow government authorities ample discretion to withhold some expenditure items which require secrecy.''[38] While noting George Mason's argument that ''he did not conceive that the receipts and expenditures of the public money ought ever to be concealed,''[39] the court concluded:

''But the Statement and Account Clause, as adopted and ratified, incorporates the view not of Mason, but rather of his opponents, who desired discretionary secrecy for the expenditures as well as the related operations. . . .

''Viewed as a whole, the debates in the Constitutional Convention and the Virginia ratifying convention convey a very strong impression that the Framers of the Statement and Account Clause intended it to allow discretion to Congress and the President to preserve secrecy for expenditures related to military operations and foreign negotiations. Opponents of the 'from time to time' provision, it is clear, spoke of precisely this effect from its enactment. We have no record of any statements from supporters of the Statement and Account Clause indicating an intent to require disclosure of such expenditures.''[40]

Since the Supreme Court elected not to address the issue on the merits in Richardson, the Halperin case remains the authoritative judicial interpretation on this subject.

OPINION OF THE ATTORNEY GENERAL

Finally, Mr. Chairman, although I have not seen it, I understand that Attorney General Griffin Bell was asked by President Carter to consider this issue in depth and to prepare an opinion for the President. He concluding that the current Intelligence Community funding practices are not in conflict with the Constitution.[41]

ISSUE OF POLICY

Mr. Chairman, I believe that the text of the Constitution, the clear intentions of the Founding Fathers, and more than two centuries of consistent practice, support the conclusion that the current practice of concealing appropriations for intelligence activities in the budgets of other agencies is constitutional. As I have indicated, that conclusion has the support of the D.C. Circuit Court of Appeals, and, I am informed, of the Office of the Attorney General. I believe you may rest comfortably on this point, and the only reasons for departing from traditional disclosure practice would be of a policy nature. At this time I would like to turn briefly to some of those considerations.

A PRESUMPTION OF DISCLOSURE

Perhaps first of all, in a free society there ought to be a presumption in favor of openness and the diffusion of knowledge and information. This may reflect my parochial prejudices as a product of Mr. Jefferson's University, but I am reminded both of his caution against trying to remain ''ignorant and free,''[42] and more directly his statement that the University of Virginia would be ''based on the illimitable freedom of the human mind,'' and would not be ''afraid to follow truth wherever it may lead, nor to tolerate any error so long as reason is left free to combat it.''[43]

OVERCOMING THE PRESUMPTION

Having said that, I would argue that the most compelling arguments to overcome that presumption of openness are those legitimately based upon the security of the nation. As John Jay noted in Federalist No. 3, ''Among the many objects to which a wise and free people find it necessary to direct their attention, that of providing for their safety seems to be the first.''[44] Similarly, the Supreme Court noted in Haig v. Agee that ''it is 'obvious and unarguable' that no governmental interest is more compelling than the security of the Nation.''[45]

COMITY AND DEFERENCE TO THE PRESIDENT

In addition, I urge you to recognize that the management of intelligence matters was recognized by the Founding Fathers to be at the core of the President's responsibilities; and, toward this end, I would urge you not to decide to disclose these figures if the President asks that they be kept confidential. To do otherwise would depart from two centuries of precedent. I don't know the preferences of the current Administration on this issue, but I urge you to give them the weight that comity among the branches would warrant.

BALANCING THE INTERESTS

Ultimately, if the President does not object, I would suggest that you apply a balancing test in reaching your decision. You are entertaining a motion to depart from a practice dating back in some respects to the earliest days of our country, and in others to the creation of the agencies you are charged with overseeing. The proponents of change ought to be expected to justify a departure from these well-established practices—and their constitutional arguments are unpersuasive.

Ask yourselves first, what real benefit to the American people or our system of government will likely result from disclosing the aggregate intelligence budget. How meaningful will this one figure be to our citizens? Presumably the sums are already disclosed under the broad ''National Defense'' budgetary category. Will any identifiable good be served by publicly identifying a portion of that larger sum as being earmarked for ''intelligence and intelligence-related activities?'' Would the result of these efforts not be, to borrow from the argument Rufus King made in objecting to a mandatory annual statements, ''such general statements as would afford no satisfactory information.''[46]

AN AGGREGATE FIGURE WILL NOT SATISFY THE CRITICS

You can be certain that releasing a single, aggregate figure will not satisfy those who are demanding meaningful information

about the Intelligence Community. In 1974 a student note in the New York University Journal of International Law and Politics, for example, concluded that ''Not only may the Constitution mandate the reporting of CIA expenditures to Congress as a whole, but it may even require publication of the CIA budget.''[47] Similarly, a 1975 note in the Yale Law Journal argued that ''Even a lump-sum appropriation and disclosure would prevent both Congress and the public from fixing or analyzing internal priorities within the CIA; it would also be impossible to determine if there has been waste, corruption, or spending prohibited by statute or by the Constitution.''[48] The observation would seem sound, and once you start releasing details it will probably become more difficult to draw any bright lines. Ultimately, the very existence of a separate intelligence committee may be called into doubt as your colleagues and the critics demand more and more details and become frustrated with your inexplicably selective cooperation.

EXPOSING YOUR BUDGET TO ''SHARK'' ATTACKS

It strikes me that the most likely result of such a disclosure from the standpoint of the American taxpayer is that this large chunk of money will become highly vulnerable to attack as the budgetary belt is tightened. While Americans may overwhelmingly favor having an effective intelligence service and a strong defense establishment, when it comes down to your being pressured to cut jobs and benefits programs in your districts or taking a few million here and there from this gross ''intelligence'' account—money which will have little clearly identifiable short-term benefits to constituent groups—the intelligence budget is going to be placed at risk.

And then, I suspect, you are going to be asked to ''justify'' such a large budget—and you are either going to have to start ''telling secrets'' or you will face amendments to cut your aggregate budget by 2% here and 3% there so the money can go for health care, education, and other special interests that have far more extensive and effective PR operations than do the agencies you are charged with overseeing. I don't think any of us want to have the CIA or NSA ''propagandizing'' the American voters to pressure Congress for adequate funding; and because of that handicap I suggest that you have a special responsibility to the American people not to allow their intelligence services to be compromised in order to appease more politically powerful special interest groups.

Candidly, I don't see much in the way of identifiable benefits from disclosing the current aggregate Intelligence Community budget. Perhaps they are there—but the burden of proof ought to be placed upon those who are advocating the change.

INTELLIGENCE COMMUNITY BUDGET FIGURES OUGHT EVENTUALLY TO BE MADE PUBLIC

This is not to say, however, that these figures ought to remain perpetual secrets. On the contrary, I can think of no reason why the sums made available to the Central Intelligence Agency and other components of the Intelligence Community in the 1940s, 1950, and 1960s ought not be made public at this time (if that has not already been done). I don't know whether the delay ought to be three decades, two decades, or even less—but I would be inclined to defer to the judgment of the President and the DCI in making such a policy decision.

LIVES AND FREEDOM ARE AT STAKE

Finally, if you can identify genuine benefits to the American people of disclosing this information, you need to ask what harm might reasonably be foreseen to result from such a change—and to weight any such harm against the perceived benefits. Perhaps I am in the minority today, but I believe that when the security of the nation may be at stake we ought to act with a presumption of caution and secrecy. The fact that the rest of the world follows that practice is not proof of its wisdom—but it should give us justification to pause, at least briefly, before moving off in a radically new direction.

Some experts have argued what has been called the ''conspicuous bump theory''—suggesting that a foreign intelligence service might be able to confirm the existence of an expensive new program or technology by spotting a change in the CIA or Intelligence Community budget. Former DCI William Colby—a man of great wisdom and integrity, who has decades of relevant experience on which to judge—has suggested that the introduction of the U–2 program produced just such a ''bump'' in our budget.[49]

I am not privy to the future plans of the Intelligence Community or the current details of its budget, and I can certainly not identify any particular development that might be compromised by publishing an aggregate figure—but I can certainly conceive of such a development. Indeed, I can conceive of a decision of such a development. Indeed, I can conceive of a decision by the United States to curtail intelligence spending dramatically—requiring the termination of programs in many Third World countries—and I can project that public release of figures showing a dramatic drop in funding might well lead a potentially hostile foreign leader to conclude that he no longer needed to abide by his NPT commitments because the Americans no longer had adequate resources to keep good track of his activities.

THE INTELLIGENCE ''JIG-SAW PUZZLE''

The business of intelligence gathering is in many respects much like putting together a jig-saw puzzle. If you are looking at the United States, you certainly want to subscribe to the Congressional Record and Aviation Week & Space Technology, and also to attend scientific conferences and carefully review the latest Statistical Abstract and some of the thousands of other government publications that might reveal some of the many pieces to the puzzle. When you see areas where you are missing key pieces, perhaps you pay off a secretary, seduce a file clerk, break in to a hotel room while an international conference is in session to rifle a briefcase or two, and perhaps eavesdrop on a few million telephone calls. Much of your efforts are fruitless, but more and more of the puzzle falls into place as each week goes by. The ones that remain ''critically important'' are the ones you do not have.

That makes the counter-intelligence function a difficult one; because, without knowing what pieces of the puzzle one's adversaries have already acquired, it is virtually impossible to identify any size piece as being ''vital'' to U.S. security interests. And yet, quite possibly, almost any single piece of the puzzle could be the critical part that allows our enemies to break an important code and do us harm. Thus, the tradition has developed that the intelligence business ought, even in a democracy, be cloaked in a web of secrecy.

Over the years, this Committee and your Senate counterpart have taken testimony from a number of former DCIs and other experts asking what specific harm they could identify that would result from disclosing the aggregate intelligence budget. Many, if not most, of them, I gather, have said they could not point to clearly identifiable harm. Others have urged you not to make the figures public.

I wonder if it might have been useful to ask them another question. Ask them how much they would pay to have the annual aggregate intelligence budget figures for countries like the former Soviet Union, Cuba, Libya, Iran, Iraq, or North Korea. Would these figures be of interest to them? Might the trends in these figures over a decade or more be helpful to them? If they say ''no,'' then I would be less concerned.

CONCLUSION

Mr. Chairman, let me close with the observation that this is an important issue. Other than making us feel good—a byproduct, perhaps, of the strange but all too prevalent belief that keeping secrets from our nation's enemies is somehow ''un-American,'' ''dirty,'' or even ''evil''—I don't believe that publishing the aggregate intelligence budget is going to benefit very many Americans. It may make a few super hawks feel relieved that we are throwing enough money at the problem,[50] I suspect Oliver Stone and others who believe that the United States is an evil force in the world may buy a few extra cases of Malox, and some of your constituents may even accept the allegation that you will have somehow ''saved the Constitution''[51] by passing such a disclosure requirement. But most Americans simply don't know enough about the Intelligence business, about how this money is actually being spent, to be able to evaluate a figure presumably in the tens of billions of dollars.

The most likely consequence of publishing an unsupported aggregate figure is that it will become a sitting duck for colleagues seeking accounts to cut in order to satisfy the demands of special interest constituent groups without further adding to the deficit. You will then be forced to choose between further breaking down the intelligence budget—and then being asked, at minimum, to provide public justification for any future increases—or watching the very important sum of money you are charged with overseeing ripped apart as some of your colleagues go on a feeding frenzy. Members of Congress who do not understand the important business of intelligence—and, equally importantly, who know that this large account can't be publicly defended without disclosing details that its champions will not wish to reveal to our nation's enemies—are likely to argue that their pet ''pork'' project can easily be funded by just taking a few hundred thousand dollars from this vast ''intelligence'' account—charging the DCI with finding a little more ''fat'' to trim from his presumably bloated bureaucracy. It could give a whole new meaning to the term ''graymail''—defend your budget on the merits in public by compromising secrets, or watch large chunks of it vanish before your eyes.

The Intelligence Community could easily suffer the fate of the prized sausage the fabled German butcher is said to have left displayed unguarded on his counter while he swept out one afternoon. He returned to find that a tiny slice had been taken while he was away; but, noting its small size, he concluded it really didn't matter all that much. An hours later, when he returned from his storeroom, he found another piece was gone. This continued for several days. Each missing slice, after all, was quite modest in size and could hardly be said to have destroyed the value of the whole. Little by little, the prized sausage vanished. Pretty soon, only a small piece of string was left—and that wasn't worth fighting for either.

In a very real sense, the Intelligence Community budget is as defenseless as the sausage in the fable. We don't want the CIA ''propagandizing'' the public to pressure Congress for additional funds, and we know they can't discuss the important details of their work without harming their effectiveness even if they wanted to do so. They provide

''services'' to Americans of incalculable value, by helping to keep the world peaceful and identifying threats to our security sufficiently early that we can address them without having to expend the lives of our young men and women in uniform.

Thanks to our Intelligence Community, we learned about the existence of Soviet missiles in Cuba in 1962, and about dangerous nuclear weapons and ballistic missile threats from North Korea three decades later. Each of you could probably add numerous other examples, because you have been entrusted with special access to information that must be denied to the rest of us. But, when the sharks come, you will be precluded by your promise of secrecy from mentioning those examples in public debate. How can you possibly expect to convince your colleagues not to earmark a couple of hundred thousand dollars for a new public building to honor the beloved Tip O'Neil, a few million dollars for a powerful committee chairman's favorite hospital—perhaps to fund some promising AIDS research—or perhaps to pay for the unanticipated earthquake relief needs in Los Angeles?

It would not surprise me if some of your constituents would vote to shut down the entire Intelligence Community if the money saved could rescue one small child trapped in a well, to ease the suffering on a pediatric cancer ward, or to take a real ''bite'' out of crime. After all, the Cold War is over—and many Americans couldn't find North Korea on a map without great effort. One of the nice things about being outside the policy process is that most Americans don't have to worry about long-term strategic solvency or the risks that lurk around the corner in an increasingly complex and not yet safe world. They elected you to represent them in deciding how to allocate the nation's limited resources, and in this regard I would remind you of the famous 1774 speech to the Electors of Bristol, in which Edmund Burke observed: ''Your representative owes you, not his industry only, but his judgment; and he betrays instead of serving you if he sacrifices it to your opinion.''

Because of your membership on this important Committee, you have a special duty—not only to the constituents in your individual districts, but to all of the American people—to oversee and pass judgment upon the work of the Intelligence Community. This system has worked well, in general, by having your colleagues rely upon you to make recommendations based upon the special information to which you are given access. Most of your colleagues hesitate to second-guess your judgments, because they know they lack your expertise. Simply gratuitously tossing out an aggregate budget sum—a figure presumably in the tens of billions of dollars—may well break some of the mystique that has helped guard these critically important funds from the sharks in the past.

As I have said, the potential consequences are great. Imagine the lives that might have been saved had we been able to prevent the Pearl Harbor surprise attack. Consider what might have happened had we not learned of the Soviet nuclear missiles in Cuba. How many more Americans might have died in the gulf during Operation Desert Storm had it not been for the information we were able to gain from our overhead platforms?

Information provided by the American Intelligence Community reportedly helped to convince the International Atomic Energy Agency that North Korea was violating its treaty commitments under the NPT—and that may allow us to avoid a nuclear confrontation in East Asia that could either engulf U.S. forces in South Korea or, in the alternative, provoke Japan to become a nuclear weapons State and undermine the Nuclear Non-Proliferation Treaty. As we meet here today, American intelligence assets are presumably monitoring the efforts by Libya to build new poison gas facilities that could fuel further terrorism and undermine our interests and the cause of peace in the coming years.

Mr. Chairman, the job which you and your colleagues on this Committee have accepted is not an easy one. Today, the American people are still rejoicing at the end of the Cold War. They are turning inward, looking for ''peace dividends.'' But you have a greater responsibility than simply pandering to their short-term desires. You must decide what national resources ought to be allocated to the intelligence functions, and then you must try to protect those funds in a very competitive budget process.

If you err, and the nation is left unprotected, American soldiers may well pay with their lives for your frugality. The stakes in this game are high: they are measured in human lives and individual freedom. In this regard, you may wish to keep in mind that the American people are not very forgiving when their elected representatives fail in their duty to protect the nation's security—even when their actions are initially fully in accord with the public opinion polls. Few of the isolationists who tied President Roosevelt's hands in the 1930s in the name of ''peace'' and ''neutrality'' survived the elections following Pearl Harbor, an event which itself might have been prevented by a serious national intelligence collection effort.[52]

In the backlash to Watergate and Vietnam two decades ago, the American public turned against the Intelligence Community—egged on, I would add, by irresponsible charges from the Hill that the CIA had become a ''rogue elephant.''[53] Our elected representatives responded by cutting back on funding and reducing intelligence assets in several areas—in particular we reduced money for HUMINT in such ''unimportant'' areas as El Salvador. I need not emphasize that by 1981 that cutback had proven to be a costly mistake—both in terms of undermining our efforts to assist a neighbor resist an externally-supported Leninist insurgency and our campaign for important human rights objectives.

When Iranian militants seized American hostages in Tehran in 1979, the American people wanted quick action. Support for the CIA shot up dramatically in the polls. Some of the reductions that had been made in the mid-seventies seemed hard to explain, and the voters turned out an administration in Washington that had, for the most part, been very much in tune with the neo-isolationist sentiments of the Nation prior to the ''wake up call'' from the Ayatollah Khomeini

The Cold War is now over, but, if anything, the world is a far more complex reality than was the case when Moscow held the strings to many of its problem children. The existence of radical regimes like those in North Korea, Iraq, Iran, Libya, the Sudan—to name a few—combined with the growth of ultra nationalism in Eastern Europe, the growing threat of proliferation of weapons of mass destruction, and our own obvious vulnerability to international terrorism, make it more important than ever for us to have a strong and effective Intelligence Community. Human lives are at stake in the decisions you make—not only those of our soldiers, but also those of secretaries and office workers who may find themselves in situations like the World Trade Center bombing.

You invited me here to address the rather technical question of whether the Constitution requires the publication of an aggregate budget figure for the Intelligence Community. My answer is that it clearly does not—a view consistent with more than two centuries of established practice, and one shared by the federal judiciary and at least the Carter Administration's Justice Department. In contrast, it is worth noting that in 1977, when your colleagues in the Senate studied this issue and concluded that the aggregate budget should be released, they relied upon three law review articles (all written in the wake of Watergate and the emotions of the Church and Pike Committee investigations) in concluding that ''the legal commentators outside the government who have studied this clause and publicly commented have concluded that it requires disclosure of at least an aggregate figure for intelligence activities.''[54] What they did not disclose—and what most of the Senators quite probably did not realize—is that each of the three law review articles were nothing more than ''Notes'' written by law students.[55]

The Constitution clearly does not require you to release current aggregate appropriation figures for the intelligence community at this time. Whether to do so is entirely within the discretion of the Congress. That leaves you with the policy question of whether to publish such a figure for other reasons. For the reasons already stated, I urge you to consider the pros and cons of that issue very carefully before making a decision. I honestly believe it would prove to be a tragic mistake.

Thank you, Mr. Chairman. That concludes my statement.

FOOTNOTES

[1] Perhaps the most detailed public account I have seen to date is TIM WEINER, BLANK CHECK: THE PENTAGON'S BLACK BUDGET (1990).

[2] 50 U.S.C.A. §403 f (a).

[3] Douglas P. Elliott, *Cloak and Ledger: Is CIA Funding Constitutional?,* 2 HAST. CONST. L. Q. 717, 731–32 (1975).

[4] I have not had time to search to see if such polls have been taken, but I recall that during the height of the Gulf War the polls showed overwhelming support for the restrictions placed by the military upon the press.

[5] The ''Church Committee' concluded ''that publication of the aggregate figure for national intelligence would begin to satisfy the Constitutional requirement and would not damage the national security.'' *Quoted in,* SENATE SELECT COMMITTEE ON INTELLIGENCE, REPORT ON WHETHER DISCLOSURE OF FUNDS FOR THE INTELLIGENCE ACTIVITIES OF THE UNITED STATES IS IN THE PUBLIC INTEREST 2 (95th Cong., 1st sess., Sen. Rep't 95–274 (1977). The ''Rockefeller Commission'' identified this as an issue warranting congressional consideration. COMMISSION ON CIA ACTIVITIES WITHIN THE UNITED STATES, REPORT TO THE PRESIDENT 81 (1975). There have also been several ''Notes,'' written by law students, reaching this conclusion. See, *e.g., Fiscal Oversight of the Central Intelligence Agency: Can Accountability and Confidentiality Coexist?,* 7 N.Y.U.J. INT'L L. & POLITICS 493 (1974); *The CIA's Secret Funding and the Constitution,* 84 YALE L. J. 608 (1975); and Douglas P. Elliott, *Cloak and Ledger: Is CIA Funding Constitutional?,* 2 HAST. CONST. L. Q. 717 (1975).

[6] Presumably every school child is familiar with Jefferson's famous maxim that, ''If a nation expects to be ignorant and free, in a state of civilization, it expects what never was and never will be.'' 14 WRITINGS OF THOMAS JEFFERSON 384 (Mem ed. 1903). Only slightly less popular is Madison's warning that ''A popular Government, without popular information, or the means of acquiring it, is but a Prologue to a Farce or a tragedy; or, perhaps both. Knowledge will forever govern ignorance. And a people who mean to be their own Governors, must arm themselves with the power which knowledge gives.'' 9 THE WRITINGS OF JAMES MADISON 103 (Gaillard Hunt, ed. 1910).

[7] 3 JOURNALS OF THE CONTINENTAL CONGRESS 392 (1904–14).

[8] ''Verbal statement of Thomas Story to the Committee,'' 2 P. FORCE, AMERICAN ARCHIVES: A DOCUMENTARY HISTORY OF THE NORTH AMERICAN COLONIES, Fifth Series, 818–19 (1837–53). For reasons of readability, I have departed from the practice of italicizing most of the proper nouns followed in the original.

[9] *Id.* at 819.

[10] *Id.*

[11] An excellent discussion of this period is contained in HENRY MERRITT WRISTON, EXECUTIVE AGENTS IN AMERICAN FOREIGN RELATIONS 18–22 (1929).

[12] *Id.* at 23. The internal quotation is cited to a letter from Jay to Thomas Jefferson (then Minister to Paris) dated 24 April 1787.

[13] The FEDERALIST, No. 64 at 434–35 (Jacob E. Cooke, ed. 1961) (J. Jay) (emphasis added). Jay's contribution to understanding the Constitution in this essay can not be understated. Discussing Jay's subsequent role in explaining the meaning of the Constitution—and, specifically, this essay—University of Washington Professor Arthur Bestor (hardly a champion of strong executive power) has observed: ''In this contribution to the *Federalist* Jay was of course examining the completed Constitution, not offering suggestions to those about to frame it. As an interpretation of the original intent of the document. Jay's essay is of the highest importance. *His diplomatic experience commencing* with his appointment as minister to Spain in 1779; followed by his participation, as one of the commissioners, in the negotiation of peace with Great Britain; and continuing, from 1784 on, with his service as Secretary of the United States for the department of Foreign Affairs—*fitted him better than anyone else to judge the intended effect of the new Constitution both on the actual process of negotiation and on the character of the relationship that would have to be maintained between executive and legislative authorities.*'' Bestor, *Separation of Powers in the Domain of Foreign Affairs*, 4 SEATON HALL L. REV. 527, 532–33 (1974). Professor Gordon Baldwin concludes: ''John Jay, an experienced attorney and diplomat, suggested that intelligence gathering arrangements are within the sole power of the President. In his view, they are a purely executive function linked to the treaty negotiation process, and the information so gained need not be reported to Congress.'' Gordon Baldwin, *Congressional Power to Demand Disclosure of Foreign Intelligence Agreements*, 3 BROOKLYN J. INT'L L. 1, 17 (1976).

[14] *Federalist* No. 64.

[15] THE COMPLETE ANAS OF THOMAS JEFFERSON 72–73 (Franklin B. Sawvel, ed. 1903). This document also appears in 1 THE WRITINGS OF THOMAS JEFFERSON 191 (Paul Ford, ed., 1892).

[16] The Convention was to begin on the second Monday in May (14 May), but a quorum did not arrive until the 25th.

[17] 1 MAX FARRAND, THE RECORDS OF THE FEDERAL CONVENTION OF 1787 at 15 (1966).

[18] CLINTON ROSSITER, 1787: THE GRAND CONVENTION 167 (1966).

[19] FARRAND, THE RECORDS OF THE FEDERAL CONVENTION, SUPRA note 17, at xv.

[20] James Madison, 2 ''The Journal of the Constitutional Convention,'' in 4 THE WRITINGS OF JAMES MADISON 456–57 (Gaillard Hunt, ed. 1903). With only minor changes in punctuation and typography, this same debate appears in 2 MAX FARRAND, THE RECORDS OF THE FEDERAL CONVENTION OF 1787 at 618–19 (1966).

[21] 4 WRITINGS OF JAMES MADISON 449–50; 2 FARRAND, RECORDS OF THE FEDERAL CONVENTION 613.

[22] 3 FARRAND, RECORDS OF THE FEDERAL CONVENTION 326.

[23] *Id.*

[24] *Cohens v. Virginia*, 19 U.S. (6 Wheat.) 264, 418 (1821).

[25] Not being privy to the budgetary figures for the Central Intelligence Agency I can not say with certainty, but I suspect this 1790 appropriation provided the President with a larger portion of the federal budget than is today allocated to the CIA.

[26] Act of 1 July 1790, 1 Stat. 129 (1790).

[27] Ed Sayle, *The Historical Underpinnings of the U.S. Intelligence Community*, 1 INTERNATIONAL JOURNAL OF INTELLIGENCE AND COUNTERINTELLIGENCE 9 (1986).

[28] 11 THE WRITINGS OF THOMAS JEFFERSON 5, 9, 10 (Mem. ed. 1904). For a discussion of Jefferson's theory that the ''executive power'' clause of Article II, section 1, had vested in the President the entire business of external intercourse save for the expressed grants to Congress and the Senate (such as the power of the Senate to approve nominations and treaties, and the veto given Congress over a decision to initiate an offensive ''war'')—a view shared by Washington, Hamilton, Jay, Marshall, and others—see ROBERT F. TURNER, REPEALING THE WAR POWERS RESOLUTION: RESTORING THE RULE OF LAW IN U.S. FOREIGN POLICY 47–107 (1991).

[29] I discuss this incident in some detail in a forthcoming book.

[30] 3 Stat. 471 (1818).

[31] President Roosevelt appointed ''Wild Bill'' Donovan as ''Coordinator of Information''—which led directly to the OSS and CIA—on 18 June of that year, and funding for the Manhattan Project apparently began around 9 October. *See* TIM WEINER, BLANK CHECK: THE PENTAGON'S BLACK BUDGET 19, 113 (1990).

[32] 63 Stat 208, Pub. L. 81–110, codified at 50 U.S.C.A. § 403 et seq.

[33] The most noteworthy of these, perhaps, was the effort by the Senate Select Committee on Intelligence to change the practice in 1977. While a majority of the committee voted for that end, the dispute was apparently so heated that no one brought the measure to the floor.

[34] 418 U.S. 166 (1974).

[35] 418 U.S. at 178 n.11.

[36] 629 F.2d 144 (D.C. Cir. 1980). Another useful case from the same circuit is *Harrington* v. *Bush*, 553 F.2d. 190 (D.C. Cir. 1977), in which the court rejected on standing grounds a similar challenge brought by a Member of Congress, and in the process concluded with respect to the ''regular Statement and Account'' clause: ''This clause is not self-defining and Congress has plenary power to give meaning to the provision. . . . Since Congressional power is plenary with respect to the definition of the appropriations process and reporting requirements, the legislature is free to establish exceptions to this general framework, as has been done with respect to the CIA.'' *Id.* at 194–95.

[37] 629 F.2d at 162.

[38] *Id.* at 155.

[39] *Id.*

[40] *Id.* at 156.

[41] Letter from President Carter to the Senate Select Committee on Intelligence, *quoted in* SENATE SELECT COMMITTEE ON INTELLIGENCE, REPORT ON WHETHER DISCLOSURE OF FUNDS FOR THE INTELLIGENCE ACTIVITIES OF THE UNITED STATES IS IN THE PUBLIC INTEREST at 6.

[42] *Quoted supra*, note 6.

[43] 15 THE WRITINGS OF THOMAS JEFFERSON 303 (Mem. ed. 1903).

[44] FEDERALIST NO. 3 at 13–14 (Jacob E. Cooke, ed. 1961) (emphasis in original).

[45] 453 U.S. 280 (1981).

[46] *See supra*, text accompanying note 20.

[47] *Fiscal Oversight of the Central Intelligence Agency: Can Accountability and Confidentiality Coexist?*, 7 N.Y.U. J. INT'L L. & POLITICS 493, 521 (1974).

[48] *The CIA's Secret Funding and the Constitution*, 84 YALE L. J. 608, 633 n.137 (1975). Keep in mind that the Church Committee said ''publication of the aggregate figure . . . would *begin* to satisfy the Constitutional requirement . . . [emphasis added].'' *See supra*, note 5.

[49] SENATE SELECT COMMITTEE ON INTELLIGENCE, REPORT ON WHETHER DISCLOSURE OF FUNDS FOR THE INTELLIGENCE ACTIVITIES OF THE UNITED STATES IS IN THE PUBLIC INTEREST 8.

[50] Without further details, no one will be able to make an intelligent judgment about the wisdom of the expenditures contained in the aggregate figure; and I predict that if you do release such a figure you will be forced to break it down further (at least by agency or category) within a few years.

[51] If your primary interest is in upholding the Constitution, I can suggest any of a number of measures Congress might take toward that end—such as repealing the 1973 War Powers Resolution, which even Senator George Mitchell admits is unconstitutional, or repealing some of the hundreds of new ''legislative vetoes'' that have been enacted after the 1983 Supreme Court decision (*INS. v. Chadha*) declaring such measures to be unconstitutional. *See, e.g.*, ROBERT F. TURNER, REPEALING THE WAR POWERS RESOLUTION: RESTORING THE RULE OF LAW IN U.S. FOREIGN POLICY (1991).

[52] *See, e.g.*, 95 CONG. REC. 1948 (1949) (remarks by Sen. Tydings), *cited in* Douglas P. Elliott, *Cloak and Ledger: Is CIA Funding Constitutional?*, 2 HAST. CONST. L.Q. 717, 729 (1975).

[53] To be sure, the Intelligence Community engaged in activities that most of us today would consider improper—but even Senator Church ultimately acknowledged that the ''rogue elephant'' metaphor he coined was inaccurate and the Community has been following instructions from the nation's elected political leaders.

[54] SENATE SELECT COMMITTEE ON INTELLIGENCE, REPORT ON WHETHER DISCLOSURE OF FUNDS FOR THE INTELLIGENCE ACTIVITIES OF THE UNITED STATES IS IN THE PUBLIC INTEREST at 4 n.6.

[55] The student Notes in question are cited *supra*, note 5.

Mr. GOSS. Mr. Chairman, this is one of the situations where there is a lot of misinformation, a lot of perception, a lot of misperception frankly. There clearly is a slippery slope here, because the gentleman from Michigan's amendment talks about the annual statement of the total amount for intelligence expenditures. The problem with that is that if we give a number and we say these are intelligence expenditures, then we have to start defining what is intelligence. It is not exactly what other people think it is going to be. We will have to start paring out different programs and different functions to determine what we mean.

Are you talking about the amount we spend on national security? That should surely be a big number. It is required in the Constitution. That is something the Federal Government does. Are we talking about the intelligence function in national security? And if so, what does that number mean and what specifically does it include and what does it leave out? What is intelligence? Is the State Department gathering of information or reading Le Figaro, is that part of intelligence? Is that open source intelligence or not? You have to start making further descriptions and definitions. That is the slippery slope.

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

Mr. GOSS. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I think this bill is intelligence. We are the ones that just authorized it. So that is pretty much what it is.

Mr. GOSS. Mr. Chairman, I quite agree. The gentlewoman from California said one of the worst kept secrets in Washington is the intelligence budget. One of the worst kept secrets in Washington is, what is the intelligence part of the intelligence budget? What is the intelligence part of the defense budget?

Some have said that we are hiding something from Americans. We are not trying to hide anything from Americans. We are trying to keep some secrets from our enemies. That is true. We are trying to do that. But I would point out to those who say we are trying to hide something from Americans, we have a representative form of government. This is democracy at its finest in the world. Those of us here represent those of us abroad in our land.

Those of us on the committee are charged with the responsibility of oversight. It was not always such good oversight. It is very good oversight now, and we are accountable. I would say we are hiding nothing from the Americans because there is no American that I would look at right in the eye and say, we are spending the money as wisely and as well as we can and as appropriately as we can. Fifteen men and women, good and true, making that decision about what our intelligence needs are at this time, I have no problem with that. I think that is entirely reasonable.

When I go beyond that and start talking about specifics, I start removing some of the confusion the enemy seize out there. I think confusion to

our enemies is not a bad thing. It is somewhat Biblical, in fact. I think it has worked very well over in the past. I do not see the game. If it is accountability, the accountability is there. We already have it.

The final point of the gentlewoman from California, the President is somehow waiting for the signal; whoever made that statement, perhaps it was not the gentlewoman from California, let me tell my colleagues that it was President Clinton himself who classified the number when he sent his budget submission to Congress in March. It was not the Congress. We do not have the authority to classify anything. It is the executive branch that classifies things.

We are putting money in our bill to examine the question of declassification because we are properly concerned about it. That also in my view means abuse of classification. I know that takes place. So I would suggest the right way to deal with this is to go to the comprehensive study we have called for in our bill, that we have provided for in our bill, authorized funds for and I hope we will get those funds from the appropriators, and I believe we are and that we proceed in an orderly way. That way we protect national security. We provide for accountability. And we give the President and his people the opportunity to chime in on the debate.

Mr. Chairman, I urge a ''no'' vote on the Conyers amendment.

Mr. STARK. Mr. Chairman, I rise in support of the Conyers amendment to H.R. 1775, the Intelligence Authorization Act of 1997.

There is no reason for the intelligence budget to be classified information. How can we justify a multibillion—or is it more—blank check every year without adequate oversight and minimum public discussion?

If this Congress is serious about balancing the budget, we should not throw money into an unaccountable hole. Since almost all of the intelligence spending is hidden within the defense budget, we are misled about the real amount of intelligence spending through false line items in the defense budget. We must have budget integrity.

The intelligence budget is routinely reported by the media without compromising national security. When the Government keeps this open secret clandestinely hidden, the American public grows increasingly cynical about their Government.

I believe that our intelligence community could better justify the funding they receive from Congress with a disclosed budget. In the same vein, the intelligence community could help to balance the budget by submitting their funding to the same scrutiny faced by domestic priorities.

This amendment is about accountability and the public's right to know. There is no reason to keep this information from a full and open debate.

I urge my colleagues to support the Conyers amendment.

Mr. FARR of California. Mr. Chairman, I rise today in support of the Conyers amendment to declassify the size of our Nation's intelligence budget.

It makes no sense to keep the size of our intelligence budget a secret. It would not threaten our national security. Several former Directors of the Central Intelligence Agency and the bipartisan Brown-Aspin Commission have agreed that disclosure of the aggregate intelligence budget would not reduce our Nation's security. In fact, many other countries disclose the amount they spend on intelligence, with no impact on their own nation's security.

But what such secrecy does do is keep our own citizens in the dark. At a time when so many programs are being drastically reduced in the name of deficit reduction, the American taxpayer isn't even told how much is being spent on intelligence programs.

I am a proud cosponsor of H.R. 753, the Intelligence Budget Accountability Act, which would declassify the aggregate intelligence budget. This is long overdue, and I urge adoption of the Conyers amendment to the Intelligence Authorization Act to accomplish this important goal.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CONYERS].

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

RECORDED VOTE

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 192, noes 237, not voting 5, as follows:

[Roll No. 254]

AYES—192

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Carson
Chabot
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crapo
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Duncan
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Fox
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Goode
Goodlatte
Gordon
Green
Gutierrez
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Istook
Jackson (IL)
Jackson-Lee (TX)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Leach
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Poshard
Price (NC)
Rangel
Reyes
Riggs
Rivers
Roemer
Rohrabacher
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tauscher
Thompson
Thurman
Tierney
Torres
Traficant
Turner
Velazquez
Vento
Waters
Watt (NC)
Waxman
Wexler
Weygand
Woolsey

NOES—237

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chambliss
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Everett
Ewing
Fawell
Foley
Forbes
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (OH)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Jefferson
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kim
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Mica
Miller (FL)
Molinari
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pappas
Parker
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riley
Rodriguez
Rogan
Rogers
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—5

Bass Schiff Yates
Edwards Towns

□ 1851

Mr. BOB SMITH of Oregon, Mr. BOB SCHAFFER of Colorado, and Mr. GILMAN changed their vote from ''aye'' to ''no.''

Mr. MANTON and Ms. EDDIE BERNICE JOHNSON of Texas changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. SKAGGS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I have a brief statement to make about a matter in the bill; and then I believe the chairman will be asking unanimous consent to deal with the program for the rest of the evening. I just wanted Members to be alerted to that. I will be brief.

I just want to talk for a minute about something that is referenced in our report concerning the nonacoustic submarine warfare research program that is conducted by an office under the Assistant Secretary of Defense responsible for intelligence. It is generally referred to by the acronym ASAP, the Advanced Sensor Application Program.

It was created by Congress, and we have always insisted that it be managed independently of the Navy. We have recently learned that there is an effort underway by the Navy and elements within OSD to transfer this program to Navy management, in direct contravention of years of consistent guidance from Congress.

This came too late to be incorporated into our bill, but I want to the make Members aware of it. There is guidance regarding this program in our report. Most particularly, this language was drafted to repeat the congressional intent, and I quote, that ''we have repeatedly addressed the need to maintain two separate independent but coordinated nonacoustic submarine warfare programs within the Department of Defense.'' And it goes on to state that, ''ASAP is expected to continue investigating advanced technology in nonacoustical anti-submarine warfare.''

Mr. Speaker, in my view, this is very important and precludes the Department from transferring this program to the Navy. I think that is the correct course. We have a great deal riding on maintaining the small insurance program in our nonacoustical anti-submarine warfare research programs.

Mr. GOSS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MCINNIS], having assumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 1775), to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, had come to no resolution thereon.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 1775, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. GOSS. Mr. Speaker, I rise to make a unanimous consent request which I think will be of great interest to all Members, concerning what we expect to be the events of the next hour and a half or so.

I ask unanimous consent that during further consideration of H.R. 1775, pursuant to House Resolution 179, the Chairman of the Committee of the Whole may, (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to 5 minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the time for electronic voting on the first in any series of questions shall be a minimum of 15 minutes.

I further would like to explain my unanimous consent request, Mr. Chairman, by saying that my understanding and part of the unanimous consent request is that the remaining amendments, which I will outline, on H.R. 1775, my understanding, the Frank amendment and all amendments thereto would be considered for a total of 30 minutes, that would be 15 minutes a side; that the Waters amendment that has to do with the Los Angeles drug problem be limited to 60 minutes, that would be 30 minutes a side, and all amendments thereto, if that amendment is in fact in order, which I am not certain about at this time; and that the Waters Amendment No. 2 and all amendments thereto, which has to do with the Gulf war chemical warfare amendment, be limited to 60 minutes, 30 minutes a side.

That would, by my judgment, wrap up all of the amendments that we have provided, then to get back to the normal motions to recommit and closing out the bill in the normal way. I believe that if there is no opposition to our unanimous consent request, that would ensure Members until approximately 8:30, probably thereafter, before we would have the rolled votes; and that is my unanimous consent request.

I would be very happy to yield if there is a question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. DICKS. Mr. Speaker, reserving the right to object, is it my understanding that the chairman on the second amendment might have a substitute amendment?

Mr. GOSS. Mr. Speaker, if the gentleman will yield, if the gentleman is referring to the Waters second amendment, which is the one on the Gulf war chemical warfare problem, the gentleman is correct. There is a substitute amendment that will be offered and that, indeed, could extend the time out.

Mr. DICKS. Further reserving the right to object, Mr. Speaker, do we understand that we would roll the votes and we would have a 15-minute vote followed by two 5-minute votes if there were 3 votes requested? Is that the understanding?

Mr. GOSS. If the gentleman would yield further, my understanding is that the first vote in the series would have to be a 15-minute vote and all subsequent votes would be 5 minutes. It is hard for me to say how many there will be because there is a germaneness question on one of these; and my substitute I would not think would take very long.

I am told that there is confusion about whether my substitute is included in the 60 minutes that is set aside for Waters 2.

Mr. DICKS. Mr. Speaker, I thought it was 60 minutes with all amendments thereto.

Mr. GOSS. Mr. Speaker, if the gentleman would continue to yield, that is my understanding. I want to make sure that that is the understanding of the gentlewoman from California (Ms. Waters) also. In that case, there is no misunderstanding.

Mr. DICKS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. The Chair would clarify that the Gulf war amendment is amendment No. 6 by the gentlewoman from California [Ms. WATERS].

Mr. GOSS. I am sure the Speaker is correct on that.

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

There was no objection.

□ 1900

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

The SPEAKER pro tempore (Mr. MCINNIS). Pursuant to House Resolution 179 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1775.

□ 1900

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1775) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the U.S.

Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, with Mr. THORNBERRY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, amendment No. 2 offered by the gentleman from Michigan [Mr. CONYERS] had been disposed of.

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

AMENDMENT NO. 3 OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Chairman, I ask unanimous consent to offer an amendment that was printed in the RECORD. I ask unanimous consent because I, relying on advice I was given earlier, thought that we were going to have amendments in order at any time. Therefore, I missed the specific time. I ask unanimous consent to offer an amendment which is covered by the time agreement articulated by the gentleman from Florida.

The CHAIRMAN. Is there objection to amending title I of the bill at this point?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment No. 3 offered by Mr. FRANK of Massachusetts:

Page 6, after line 24, insert the following new section:

SEC. 105. REDUCTION IN FISCAL YEAR 1998 INTELLIGENCE BUDGET.

(a) REDUCTION.—The amount obligated for activities for which funds are authorized to be appropriated by this Act (including the classified Schedule of Authorizations referred to in section 102(a)) may not exceed—

(1) the amount that the bill H.R. 1775, as reported in the House of Representatives in the 105th Congress, authorizes for such activities for fiscal year 1998, reduced by

(2) the amount equal to 0.7 percent of such authorization.

(b) EXCEPTION.—The amounts appropriated pursuant to section 201 for the Central Intelligence Agency Retirement and Disability Fund may not be reduced by reason of subsection (a).

(c) TRANSFER AND REPROGRAMMING AUTHORITY.—(1) The President, in consultation with the Director of Central Intelligence and the Secretary of Defense, may apply the limitation required by subsection (a) by transferring amounts among accounts or reprogramming amounts within an account, as specified in the classified Schedule of Authorizations referred to in section 102(a).

(2) Before carrying out paragraph (1), the President shall submit a notification to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate, which notification shall include the reasons for each proposed transfer or reprogramming.

Mr. FRANK of Massachusetts (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

The CHAIRMAN. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] and a Member opposed, the gentleman from Florida [Mr. GOSS], will each control 15 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume. I thank the chairman and ranking member for allowing me to offer this amendment, although because of the misinformation I missed the time.

We had a long debate about cutting this. We now have a shorter one because we have got a time agreement. The amendment I offer would reduce the authorization by 0.7 percent, seven-tenths of 1 percent. I cannot tell the Members how much that is in dollars because there might be a spy that knows algebra and if a spy knew algebra he could take 0.7, he could multiply, he could do some other things and he would know the total. I certainly would not want to violate the law by indicating the total. So in deference to the algebraic literate Iranians who may be lurking, I will tell any Member who comes to me privately what the dollar amount is. Let me say it is significant. Seven-tenths of 1 percent does not look like a lot, but we are not dealing here with the NEA or the CPB or low-income fuel assistance. We are here dealing with national security, which means it is serious money. So I will be glad to tell people how much we are talking about. I cannot tell it publicly because they are listening. What I am proposing to do is to reduce this to the amount the President requested.

We have had conversations about how the amount was reduced. Ten years ago, we faced a heavily nuclear armed Soviet Union. Fortunately, we no longer have that serious problem. Indeed, the greatest intelligence problem in Europe in the months and years ahead may be to keep track of just how many countries have joined NATO. We certainly have had a substantial reduction in the threat, and we have not had a remotely commensurate reduction in the spending.

I happen to believe that the administration has given in and asked for too much in the national security area, but I accept the judgment of the House, we are not going to make any substantial reduction of the sort I voted for. But I do not understand how we could vote to raise what the President has requested for this item. Because, remember, we are in the zero sum game situation of the budget deal, and every $10 or $100 or $200 million by which we raise what the President has asked for in this account, we must reduce somewhere else. We must reduce elsewhere in defense or we must reduce in transportation. Members here almost voted to increase transportation. So the question before us is, shall we at this point increase by a significant albeit unstatable sum what the President has asked for for intelligence, knowing that we do this at the cost of other important items?

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

Mr. GOSS. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. YOUNG], the distinguished chairman of the Subcommittee on National Security of the Committee on Appropriations.

Mr. YOUNG of Florida. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to this amendment. The proponent of the amendment is suggesting it is a small amount, it is only 0.7 percent, but what the gentleman assumes with this amendment is the members of the Permanent Select Committee on Intelligence did not pay attention to what was being done when this bill was being marked up. The truth of the matter is that under the chairmanship of the gentleman from Florida [Mr. GOSS] and the leadership of the gentleman from Washington [Mr. DICKS], the ranking minority member, the members of this committee, and the staff looked at every item in this bill and looked at it closely to see where we needed to add or to see where we could save a few dollars to try to come in with as low a number as possible. I think we did a pretty good job. My job as chairman of the appropriations Subcommittee on National Security, the chairman's responsibility, and all the Members of this Congress, our responsibility to our Nation, to the people that we represent, is to keep the Nation secure, and that requires a very effective intelligence community to establish worldwide information that we need. And who needs it? Not only do people at the Pentagon, not only the people at the CIA but the soldiers in the field need it, the people that we send to battle need intelligence. Would it not be a shame to send somebody into combat and not provide them the necessary intelligence?

That is what we are trying to do, is to have an effective intelligence operation, to guarantee a commitment that I and many of my colleagues have made over the years that we are not going to be willing to send an American into a hostile situation unless we know we have done the best to provide him with the best training, with the best equipment, the best technology and the best intelligence, and knowledge of the situation. That is what we

are doing here today. We are trying to guarantee that our soldiers and those responsible for our Nation's security have the intelligence, the knowledge that they need. We have done the very best we could to get as much for the money. I would say that the committee has done a good job, and I compliment the leadership of the committee. I would hope that the Members of the House would be willing to vote a strong no on this amendment as they did on the Sanders amendment earlier this evening.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 3 minutes. I understand that the chairman, a hard-working diligent chairman of an appropriations subcommittee would argue that we never should change what his committee does. I understand that. I do not think, however, that we should treat every amendment to an appropriations or an authorization bill as a vote of confidence.

I have great confidence in the gentleman from Florida and the gentleman from Washington, but the argument of the gentleman from Florida is that once the committee has done the work, in fact, I do not know why we are here, let us just ratify what the committees do. He argues that my amendment would endanger the troops. Apparently General Shalikashvili did not think so. Secretary Cohen did not think so. The Director of the CIA did not think so, assuming we had one at the time. You are never sure over there.

The fact is that I am proposing what the administration asks for. As much as I agree that the committee did its work, I am unprepared to conclude that the administration and the National Security Council and the Secretary of Defense and all the others did not do their work. So we are not talking here about blind guesses. We are talking about choosing between the administration's figure and this figure.

Second, it is very clear that we could cut 0.7 percent without in any way endangering military intelligence. The intelligence agencies, the CIA in particular, went on a little job hunt after the Soviet Union collapsed. They were a little underemployed, I think. They have now become the source of economic intelligence. I believe we do better with the free market in terms of economic intelligence.

This amendment says the President will reduce after reporting to the committees, and I want to make one statement that I promised betrays no national security. We can cut 0.7 percent of this without in any way endangering military intelligence, tactical, strategic battlefield, global, et cetera. The CIA does a number of other things. It does some better than other intelligence agencies do.

The President and the national security advisers, I believe, cannot be accused of endangering the troops, and that is what this amendment would carry out.

Mr. GOSS. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. SPENCE], the distinguished chairman of the Committee on National Security.

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

Mr. SPENCE. I thank the gentleman for yielding me this time.

Mr. Chairman, H.R. 1775 specifically supports future military needs in terms of planning, operations, and force protection. Part of this support includes making sure that this Nation understands the nature of the threat that we face. For tomorrow's forces as well as the population at large, our major concern is the proliferation of weapons of mass destruction.

The intelligence community plays a vital role in detecting and monitoring the proliferation of weapons of mass destruction. Numerous intelligence sources, including imagery, signals and human intelligence, provide vital information to policymakers and military commanders who must determine ways to deter, prevent, halt or seize the transfer of weapons of mass destruction and associated technologies.

A recently released CIA report on foreign countries' acquisition of technology useful for the development or production of weapons of mass destruction highlights the national security threat posed by the spread of such weapons of mass destruction and technology. This report reveals the following, and I would like to take it one at a time.

Iran aggressively continues to acquire all types of weapons of mass destruction, technology and advanced conventional weapons. China and Russia have been primary sources for missile-related goods, while China and India supply the bulk of Iran's chemical weapons equipment.

During the last half of 1996, China was the most significant supplier of weapons of mass destruction related goods and technology to foreign countries, especially to Iran and Pakistan. China provided a tremendous variety of assistance to both Iran's and Pakistan's ballistic missile programs and to their nuclear programs.

In the last half of 1996, Russia supplied a variety of ballistic missile-related goods to foreign countries, especially to Iran. Russia also was an important source for nuclear programs in Iran and to a lesser extent India and Pakistan.

The intelligence community must focus a great deal of effort on monitoring such activities. The fiscal year 1998 intelligence authorization bill will help the intelligence community in its nonproliferation efforts by encouraging investments in new technologies and encouraging the community to work together as a more flexible corporate whole.

Mr. Chairman, I do not believe that it is prudent to make indiscriminate cuts to intelligence programs that the oversight committees have carefully reviewed and recommended to this body.

□ 1915

Consequently I oppose the gentleman's amendment, and I encourage my colleagues to vote ''no'' as well.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 4 minutes to the gentlewoman from California [Ms. PELOSI], a current member of the Permanent Select Committee on Intelligence.

Ms. PELOSI. Mr. Chairman, I was afraid the gentleman from Massachusetts was announcing my resignation from the committee without my knowledge. I thank the gentleman for yielding this time to me, and, yes, I do rise as a member of the House Permanent Select Committee on Intelligence in support of the gentleman's amendment. I think it is a commonsense amendment that is well-thought-out and worthy of the support of our colleagues.

As a member of the committee I with great reluctance voted against the Sanders amendment, which I think deserved this House's attention because it was a big cut, an across-the-board cut, not giving the discretion to the director or to the community to designate where that cut would come from. That was a 10-percent cut; this is a 0.7-percent cut, less than 1 percent.

Certainly, while every other aspect of this budget is subjected to the harsh scrutiny of fiscal responsibility, certainly there is 0.7 percent in the intelligence budget that can be cut, and that will be done, according to this amendment, by the intelligence community, by the director reporting to the committee and, of course, with the approval of the President of the United States, the No. 1 consumer of intelligence in our country, and this figure, the 0.7 percent reduction in the budget, represents the President's request.

Mr. Chairman, certainly we want the President to have all of the intelligence he needs to make the important and crucial decisions for our country, whether they relate to the proliferation of weapons of mass destruction or issues relating to our own military and their activities. So by giving the discretion to the Director of Central Intelligence, our colleague, the gentleman from Massachusetts [Mr. FRANK] says that this cut can be nonmilitary. Certainly there is 0.7 percent in nonmilitary spending, answering the challenge that one of our other colleagues made that this will hurt our troops in the field. I do not think that General Shalikashvili had that in mind when he supported the administration's request for this figure which I cannot mention, but that it is a 0.7 percent reduction.

As some of my colleagues have mentioned, we need information. Intelligence is information, but it is not raw data. It is information that is gathered and then has analysis performed upon it, and then when it is intelligence it is

presented to its consumers, which are the military and policy makers in our country. And as I have said, our commander in chief, our President of the United States, is the biggest consumer of this intelligence information and the most important one. So why would the President be asking for an intelligence budget that was less than he needed?

I supported the Conyers amendment earlier to disclose the aggregate figure of the intelligence budget because I thought, I believed, that the intelligence community should make that figure known to the American people so that it can be accountable for that figure, only the aggregate figure. While every other, as I say, item in this budget has to answer and be accountable to the American people, why does not the intelligence community have to do that as well? Is it because it cannot, in order to resist a small cut of less than 1 percent, if the full figure were divulged, it would have to justify why it could not absorb a 0.7 percent decrease.

I think today we are making some mistakes here. We should be accountable to the American people by disclosing the aggregate figure. We rejected that. But certainly this body should be able to support the administration's request, the request of the leading consumer of intelligence in this country, the President of the United States, for his budget number, and I urge my colleagues to support the Frank amendment.

Mr. GOSS. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Nebraska [Mr. BEREUTER], a former member of the committee, a very valuable member of the House Committee on International Relations and the chairman of the North Atlantic Assembly Delegation of this body.

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

Mr. BEREUTER. Mr. Chairman, I oppose the Frank amendment. This is a case of data-free analysis. It is not based on an assessment of the work of the committee or the needs of the intelligence community. Now admittedly it is difficult for Members to make that kind of an assessment, but we give a special responsibility and privilege to Members of this House to serve 6, now 8 years on the Permanent Select Committee on Intelligence, to make the tough decisions, to make an assessment about what is appropriate. And we rotate them off the committee so they cannot become co-opted, so they are objective. Also I would point out that this is the recommendation of the intelligence authorization committee by unanimous vote.

Now some supporters of cuts in intelligence funding say that since the end of the cold war there is no longer the national security threat. Actually there is, but it is more diverse. The one that we face today is more complicated. Today's problems include terrorism, proliferation of weapons of mass destruction, instability, and the foreign intelligence threat which has not gone away.

Now in May of this year I had the privilege of leading a North Atlantic Assembly delegation to the Aviano NATO base in Italy, and I saw some dramatic improvements we are making which are going to help our tactical leaders on any future battlefield. There have been big changes since the Persian Gulf war. If we ever have to face combat again, in the Balkans or wherever, the kind of intelligence changes we are spending our money on now are going to be making a big, big difference on the safety and success of our troops and other military, naval, and air force personnel.

When I was on the committee I focused during the last 3 or 4 years on high-technology issues, and I would tell my colleagues that our intelligence expenditures in that area protects and serves well our military and our intelligence community. We must protect against the espionage or theft of advanced technologies that represent huge investments of our defense dollars. The files of the Intelligence Committee are replete with stories of how the intelligence community saved tens of millions of dollars for the defense acquisition community by protecting against our technological lead in military and intelligence matters.

I would also say that we cannot talk much about the security threats that we have solved, and about the terrorism threats that we have met. But, for example, we can talk about Ramsi Youssef, who was involved in the World Trade Center bombing. Without the intervention of the Intelligence Committee he successfully would have simultaneously bombed a number of planes crossing the Pacific. We were able to intervene there because of our intelligence capability to stop that threat and save not just hundreds of lives but probably thousands of lives.

So the intelligence protects against the intelligence theft of valuable proprietary investments. The committee has repeatedly encouraged us to adequately fund this area.

Let me say that what committee assessment has shown in budgetary and programmatic shortfalls. Clearly in the current budget environment the President of the committee cannot address all of the needs. What this budget represents is a good-faith effort by the Members we have given the responsibility for this whole House of Representatives to make an assessment about the kind of increases or modest adjustments in our intelligence budget meets the most critical needs. If the Frank amendment passes, funding for some modernization, for training and improved intelligence collection, and especially analysis, will be sacrificed. We are not going to lose it all for we are making progress, but there are dramatic improvements that can be made without this amount of additional money that the committee has recommended.

I urge my colleagues to support the recommendations of the Permanent Select Committee on Intelligence unanimously approved by this authorizing committee and approve them.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 2 minutes.

The argument for committee infallibility continues to lack any persuasive effect. The gentleman said I am offering an amendment without analysis. I am offering the President's budget. I very much have to disagree that the President and the National Security Council and the Central Intelligence Agency and the Defense Intelligence Agency and the Joint Chiefs did no analysis. That simply is not worthy of consideration. The argument is that our committee, which we designated, is infallible, and the administration and all of the people involved in national security did no informational work here at all.

The gentleman mentioned that we need to protect private investment. Well, I would disagree that that is an absolute national security priority. I just voted in committee for the Export-Import Bank, to protect it, but the argument that we have got to in a secret budget fund economists and others to analyze economics and that once the committee has put its imprimatur on the figure it is unchallengeable is simply not sensible.

I do think we have a right to say given the priorities, given priorities in the environment and law enforcement on the streets and other things, all of which are hurting in this budget, we would rather not put an extra *x* hundred million dollars into economic analysis by the intelligence people. We may tell people that they can do their own security checking when they are investing. And no, I do not equate terrorism with economic investment, and I insist that the 0.7 percent can come out of areas that have zero, zero to do with physical security, zero to do with the military, zero to do with proliferation. They clearly are doing much more than 0.7 percent in a whole lot of other areas.

But I simply have to reject this notion that what the committee did must be accepted and we dismiss as somehow totally improvident and endangering our troops what the administration proposed.

Mr. GOSS. Mr. Chairman, I yield 2 minutes to the distinguished ranking member himself, the gentleman from Washington [Mr. DICKS].

Mr. DICKS. I appreciate the gentleman's yielding this time to me, and without fear of disclosure here my good friend from Massachusetts [Mr. FRANK], and he and I voted together on disclosing the overall number, but he asked me a very important question. He asked me how much the intelligence budget has been cut in nominal terms and figuring inflation.

Now this does not violate any intelligence prohibitions. I want to tell my colleagues that between 1992 and 1997

in nominal terms the cut is 13.4 percent. In real terms, considering a 2-percent inflation rate, which is very, very low, the cut has been 21.4 percent. So I would point out to our colleagues we have cut this budget. We have also cut defense by about 40 percent.

Now I still believe that intelligence is a force multiplier. By being able to use these national technical means, being able to use UAV's, by getting this information to our commanders, we can save American lives, and I believe that we carefully went through this budget. We added some money, we cut some money, and Mr. YOUNG is here. We did the same thing over the last 2 days in the Appropriations Subcommittee on National Security. So we do not always agree with everything the President does. We see some areas, for example, in analysis where we think more needs to be done. We added money for that.

So I would urge the committee to stay with the recommendations of our bipartisan Permanent Select Committee on Intelligence. Fifteen members voted for this, and I think that the right thing to do is to stay with that recommendation, I would stress again when you consider inflation, we've cut this budget by 21.4 percent since 1992.

□ 1930

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Massachusetts [Mr. FRANK] is recognized for 4 minutes.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman from Washington for his candor. He just said the committee, the infallible, highly respected committee, added money in analysis. So that means we can cut their additions without affecting technical means, without affecting battlefield intelligence. So we are fighting now over the sanctity of the economic and political analysis.

I submit to those of us who have seen this that we are not here endangering anybody's security. We are talking about the extent to which we get political judgments made and economic judgments made. That is what is at issue.

The gentleman said that the amount has been cut in nominal terms, in dollars, 13 percent. He also used a 21 percent real figure, but I have to tell the gentleman, as he knows, his Republican colleagues with whom he is allied on this measure do not accept that. We have people who say, none of this inflation stuff, a cut is a cut. So the argument that we cut by not meeting inflation, he should understand, is repudiated by the honest gentlemen on the other side.

They would certainly never claim that we give an inflation factor for defense and not for Medicare. These are people who repudiate the notion that we fail to keep Medicare up with inflation, you are cutting it, and the gentleman would not want to get them in trouble by arguing contrariwise here.

So then the question is, is it outrageous that we reduce in dollars 13 percent from 1992? The 1992 budget formulated in 1991 was still formulated at a time that was the height of the cold war. The Soviet Union was crumbling. We were not sure of that then.

I agree that terrorism is a problem, but terrorism is not a new problem. There was terrorism in 1982. There was terrorism in 1989; the bombing in Lebanon; terrible things have happened. Terrorism is not a new problem. Nuclear proliferation is not a new problem. India and Pakistan did not get their nuclear weapons a week ago. All those things were there, and we had the heavily armed Soviet Union and the Warsaw Pact. So I would submit that there has been a reduction in the physical threat the United States faces of greater than 13 percent.

I think the capacity of our enemies, particularly the Soviet Union, to damage us has been more than 13 percent. I think when the Warsaw Pact nations switched sides, when Poland, and Hungary, and the Czech Republic go from being our enemies, as we consider them to be in 1980's and early 1990's to being on our side, that is more than a 13 percent reduction in the real threat.

We have a difficult budget situation. We will be underfunding by most measures COPS on the streets. Yes, there are dangers to Americans, but there are dangers to most Americans more immediately, unfortunately, in their own communities from a handful of criminals who terrorize them. We have provided in the past the Federal money to help that. That competes with this.

Money for transportation safety competes with this. Money to clean up the environment, to undo Superfund, competes with this. Money to help poor elderly people heat their homes competes with this.

The question is not in the abstract, is it a good idea to have an extra couple of hundred million, $300 million, whatever, $150 million, I have to disguise it, million. The question is, do we increase the analysis capacity, the economic analysis capacity of the intelligence community over the recommendation of the administration, and take that money from other programs?

If Members vote against this amendment and they vote to give the intelligence community this extra analysis money, I hope Members will be good enough to make that clear when people come to them and say, I would like more money for NIH, more money for cancer research, for COPS on the streets. When Members say to them, I am sorry, I agree but I cannot afford it, have the grace to tell them that one of the reasons we cannot afford it is that we gave this money to the intelligence community over and above what was asked for, because that is what is at issue.

We are talking about a zero sum game. If Members vote to give more than was asked to the intelligence community, more than was asked by the enemies community and the President and his national security advisors, explain to people what we are taking that away from.

Mr. GOSS. Mr. Chairman, I yield 30 minutes to the distinguished ranking member, the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, the only thing I would want to maybe say to my friend, the gentleman from Massachusetts [Mr. FRANK], is that if we take the money away from the intelligence community, that money is not going to go to NIH, it is not going to go to Medicare or Medicaid. It is going to go to defense spending. That is where it is going to go. It is going to go to somewhere else in the defense budget, because under the 602(b), the defense budget is there. We do not take money from it and move it somewhere else. It is going to be either intelligence or something else in defense. We think that this is the right balance between the two.

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

Mr. Chairman, this amendment assumes that the Permanent Select Committee on Intelligence just simply plussed up the program funding without regard to the merits of the program, without due deliberation, and simply because we wanted to increase the numbers. That is not true. If we cut 0.7 percent, we do not get the President's budget. We added, we cut, we changed programs, we did all kinds of things. We are not at the President's budget. We are not at the President's program. There may be a number that is similar but we do not have a program that is similar.

We have a program that provides more security for Americans, American interests, whether they are here or abroad, than the President's program does because this House and our Founding Fathers in their divine wisdom created balance of power, oversight, and our opportunity to check and balance with each other. We have a better product as a result of this.

I am proud of our product and I think it is better than what I believe is not thoughtless, a well-intentioned, but an amendment that does come out without sufficient thought to what happens, because a disproportionate share of the gentleman's amendment will fall to important parts of the program; because we have to spend a very large part for architecture, which everybody knows. And 0.7 percent of architecture means one thing, and 0.7 percent of something else which is very small but vital means something else. I do not want to get in that position.

I think we have been extremely thoughtful, and I think that as the gentleman understands the classified documents that we have worked with, as well as the nonclassified, and goes through them all, he would have to come to the same conclusion.

Mr. Chairman, the Permanent Select Committee on Intelligence looked at all the programs we went into. I tried to explain that across-the-board cuts like this do not get into the kind of cost-benefit assessment we did on a program-by-program basis, which is what we do and what we certainly did, and the record will show.

I think to be totally honest, when we go across the board in a cut like this, basically, to be honest, I think an approach that goes to a 0.7-percent reduction gets us to a lack of critical examination and intellectual rigor. It just simply is a number, like 10 percent, 5 percent, 50 percent, or any other percent, it is a number. It is not an intellectual cost-benefit program by program, which is what we have done.

I think that the gentleman's amendment puts the authorization at the level of the President's request but it does not get the President's program, as I said. I want to congratulate the President because I think he made a pretty good effort. But I think we have done a value-added approach, which is what our job is, value-added, next branch of government. We did it.

Mr. Chairman, the other thing I have to say is that unanimously on the committee every Republican and every Democrat saw areas where funding was clearly inadequate for intelligence needs. We are short on some programs that I worry about. I think the ranking member would say the same.

We could have done much more. We would love to have done much more. The gentleman mentioned a 13-percent reduction. Boy, I would hate to be one of the casualties in that 13-percent area that I had to go to the parents and say, gee, we just picked a number and we reduced it, and unfortunately you were in the target zone; oh, gee, that is too bad. The fact of the matter is we could have done better. The fact of the matter is we did do better. Where we did better was in our bill.

Mr. Chairman, I think that it is fair to say that for the gentleman from Washington [Mr. DICKS] and myself, that we have made painful decisions to forego funding for some very important intelligence activities, but we both agree that we do not have all that we would like to have. I think we are down at the point now where my conscience says, any more and we are in deep trouble.

I have talked about the disproportionate problem because we do have fixed infrastructure, fixed overhead, as the gentleman well knows. We cannot accept reductions in our efforts to detect weapons proliferators, I am sure the gentleman would agree, locate terrorists, I am sure the gentleman would agree, determine nefarious activities from rogue states, and on and on. We just cannot give up anymore.

The CHAIRMAN. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

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

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

The CHAIRMAN. Pursuant to the previous order of the House, further proceedings on the amendment offered by the gentleman from Massachusetts [Mr. FRANK] will be postponed.

The point of no quorum is considered withdrawn.

PARLIAMENTARY INQUIRY

Mr. DICKS. I have a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DICKS. Mr. Chairman, does that mean that the gentleman from Massachusetts [Mr. FRANK] has to re-request a recorded vote when we go back to vote on this at a later point?

The CHAIRMAN. The request for a recorded vote will be the pending business.

Mr. DICKS. I thank the Chair.

The CHAIRMAN. Are there further amendments to title III?

AMENDMENT NO. 6 OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I offer amendment No. 6.

The Clerk read as follows:

Amendment No. 6 offered by Ms. WATERS:

Page 10, after line 15, insert the following new section:

SEC. 306. STUDY OF CIA INVOLVEMENT IN THE USE OF CHEMICAL WEAPONS IN THE PERSIAN GULF WAR.

Not later than August 15, 1999, the Inspector General of the Central Intelligence Agency shall conduct, and submit to Congress in both a classified and declassified form, a study concerning Central Intelligence Agency involvement (or knowledge thereof) of the use of chemical weapons by enemy forces against Armed Forces of the United States during the Persian Gulf War. Such study shall determine—

(1) Whether there is any complicity of Central Intelligence Agency agents, employees, or assets in the use of chemical weapons;

(2) whether there is any use of appropriated funds for such purposes; and

(3) the extent of involvement of other elements of the Intelligence Community of the United States or foreign intelligence agencies in the use of such weapons.

Ms. WATERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

Mr. GOSS. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

Mr. GOSS. Reserving the right to object, Mr. Chairman, I want to be clear which amendment we are on, Mr. Chairman. I do not have the same numbering system. There are two amendments.

Ms. WATERS. If the gentleman will yield, it is amendment No. 6.

Mr. GOSS. The subject of this amendment is chemical weapons, chemical weapons in the Gulf?

Ms. WATERS. A study of the Central Intelligence Agency involved in the use of chemical weapons in the Persian Gulf war.

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

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN. Under a previous order of the House, the time will be alloted, 30 minutes to the gentlewoman from California [Ms. WATERS], and 30 minutes to a Member opposed to the amendment.

The Chair recognizes the gentlewoman from California [Ms. WATERS].

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

Mr. Chairman, I offer this amendment to establish a study of the Central Intelligence Agency, the CIA. This study is designed to explore the involvement and the use of chemical weapons in the Persian Gulf war. Specifically, this amendment requires the Inspector General of the Central Intelligence Agency to conduct a study and submit to Congress in both a classified and declassified form a report of its findings.

Mr. Chairman, I think it is important to expand a little bit on why I would want such a study. In order to do that, I would like to read information from the New York Times, May 6, 1997, the Tuesday late edition. It starts with the information concerning George J. Tenet, the fifth nominee for director of Central Intelligence in the last 4 years.

It states that he would be questioned by a Senate committee on that Tuesday, and the betting is, they said, that his nomination will be quickly approved by the panel and then promptly confirmed by the full Senate. The article goes on to explain what has been happening in trying to keep directors of the Central Intelligence Agency, and the turnover and the turmoil that this agency has been experiencing.

Mr. Chairman, they say, ''This turmoil at the top of American intelligence has no parallel except in the Watergate era, when five men served in rapid succession as director of Central Intelligence from 1972 to 1977, years when the agency was devastated by a disclosure of its Cold War history of assassination plots, coups, and dirty tricks.''

What is important about this article, however, is that it identifies much of the turmoil, much of the criticism, much of the faux pas, much of the problems that this agency has been experiencing. But this amendment today centers on what happened in Iraq. It talks about secret operations were exposed in Iraq, France, Japan, India, and Italy, but then it really targets in on the agency, the fact that the agency sat on evidence that chemical weapons had been present at the Iraq munitions dump blown up soon after the Persian Gulf war.

Members have heard references to this today, when they talk about the

20,000 soldiers that were exposed to sarin gas. Mr. Chairman, this is unacceptable. As Members know, I served on the Committee on Veterans' Affairs. I learned a lot in the period of time that I served on that committee.

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I gained deep respect for the sacrifices that are made by families and members in our armed services. I also witnessed a lot of other things having served on that committee.

These loyal individuals who gave of themselves, most of whom were very proud to serve their country, many of them belonging to families where they had other family members who had served their country, had died serving their country in previous wars, many of them now ailing and sick and disabled, many of them fighting day and in and day out because they cannot get their claims adjudicated with their own government. I learned deep respect for the veterans of this country, having served, watched them come to the Congress of the United States oftentimes asking for assistance and not getting that assistance, many of them not being taken care of properly in the veterans hospitals around the Nation, but they continued to be very loyal, very committed, very patriotic.

And I learned something else: Members of this House could wax eloquently about their support of the Members who had served, our veterans, members of the armed services. They could say over and over again how much respect they had for them, how much they honored and cherished them and how we should do everything in our power to make their lives comfortable once they had served. But it is very interesting, when we look at what the Central Intelligence Agency did to them in Iraq, how they had information about the chemicals that were stored there and they did not share this information, they did not tell them they were at risk and they exposed these 20,000 individuals.

How can we be comfortable with this agency that has been identified over and over today as an agency with serious problems, with serious trouble, an agency that is too closely associated with trafficking in drugs, an agency that has relationships with some of the worst people in the world, murderers, drug dealers, terrorists, an agency that has broken down where we have members who are there to protect and serve, who are selling us out, identified in a most prominent way in all of the news media of this country? Knowing all of this we do not want to in any way touch them.

Why are we so afraid of the CIA? Why are we as public policymakers not willing to pull them in? Why are we not ready to rap their wrists?

I have heard Members on this floor talk about all of the agencies that have failed and how they want to cut them. I have heard many times about the poverty programs and how they have not worked and how they have been fraught with problems and troubles. Well, we have an agency that is embarrassing us, an agency where our allies are telling us, get them out of their country, an agency that has committed just about every ill and every sin that any intelligence group could commit. Do we want to cut them back a little bit? Five percent? No, we do not want to do that. Do we want to share information about the budget? Do we want to shine the spotlight on this agency in any way? No, we do not want to do that.

In this post-cold-war era, we are satisfied to continue to let them run rampant. But I do not think we ought to do that. I think if we do nothing else, if we do not care about the children and communities that are the victims of drugs having been brought into this country where we have identified CIA involvement, which will be in my next amendment, if we do not care about the terrorists, who we claim to want to get rid of in the world, being associated with our own intelligence community, if we do not care about the fact that the breakdown in the agency is causing too much strife and dissemination of information, do we not care enough about the veterans to send a message to them to say to them, yes, the CIA was wrong; no, you should not have been put at risk; no, they should not have withheld this information; yes, they should be punished for having done so; yes, we should do everything that we can to make sure it does not happen again?

This is not about a movie. This is not something somebody made up. This is not gossip or speculation. This is fact. The fact of the matter is 20,000 soldiers exposed to sarin gas, information withheld, information that the CIA simply could say, oh, yes, we forgot to tell you; yes, we apologize; no, we should not have done it. That is not enough. Thirty billion dollars being spent on an intelligence community, no real oversight, no real transparency, no real understanding by the public policymakers who come to this floor year in and year out and simply give their vote to the intelligence community, not knowing how it is spent and what they are doing.

I think it is about time we live up to the responsibilities that have been bestowed upon us as public policymakers. It is about time that we say, no agency is so big and so bad that it threatens us in ways that cause us not to be good public policymakers.

Yes, there is a need for intelligence. I am not naive. I do understand that we need intelligence. But I am saying to my colleagues, the CIA does not deserve our support. I am saying to my colleagues, on the Senate side, Senator MOYNIHAN has said, strike them from the budget. Get rid of them. Over here, a modest amount tried, just cut them by 5 percent. And we sit and hold our hands and get up and make excuses about why we cannot control the CIA, why we do not have a right to do the oversight that we must do, why they are different from every other agency that we deal with, why we do not want to know, why we want to keep our heads in the sand.

It is not right. We can do better than this. So I offer this amendment. It is a very modest amendment. This amendment would simply, again, establish a study of the Central Intelligence Agency and their involvement in the use of chemical weapons in the Persian Gulf war. This is a limit to design, to do that, and I would like to send a message to the veterans that we all honor and cherish, the ones that we love so much because of the sacrifices that they have made, the ones who may die from this exposure, the ones whose families may never be satisfied that their health needs will be taken care of. I would like us to send a message here this evening, if we have got the guts to do it, I would like for us to send a message that we care. And not only do we care, we are going to do something about it. It is time to get rid of the rhetoric and step up to the plate and put our actions where our mouths are in terms of loving the veterans and the soldiers that have given to us and do this modest, very modest amendment that would shed some light on what happened in the Persian Gulf War; why did it happen and how do we prevent it from ever happening again?

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

AMENDMENT OFFERED BY MR. GOSS TO THE AMENDMENT NO. 6 OFFERED BY MS. WATERS

Mr. GOSS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Goss to the amendment No. 6 offered by Ms. Waters:

Strike all after ''Sec. 306.'' and insert in lieu thereof the following:

''REVIEW OF THE PRESENCE OF CHEMICAL WEAPONS IN THE PERSIAN GULF THEATER

''The Inspector General of the Central Intelligence Agency shall conduct a review to determine what knowledge the Central Intelligence Agency had about the presence or use of chemical weapons in the Persian Gulf Theater during the course of the Persian Gulf War. The Inspector General shall submit a report of his findings to the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence, no later than August 15, 1998 in both classified and unclassified form. The unclassified form shall also be made available to the public.''

The CHAIRMAN. The amendment is not separately debatable. Pursuant to the previous order of the House, the gentleman from Florida [Mr. GOSS] is recognized for 30 minutes.

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

I originally rose in opposition to the Waters amendment, but now I am rising in support of my substitute amendment.

I think it is very important that we understand here that this is not a new subject and that there are unclassified documents available to the public on

Khamisiyah and what happened there. One is entitled Khamisiyah Historical Perspective on Related Intelligence of 9 April 1997. And the second, more to the point, is CIA Supports the U.S. Military During the Persian Gulf War of 16 June 1997, which deals very directly with the subject at hand. These are available for all Members and the public at large, any veterans or soldiers or military civilians or anybody who would be interested. It is a very important subject. I quite agree with that.

The gentlewoman has pointed to her love of veterans and soldiers, and I certainly admire that and I will also say that I agree with it. I have a great many veterans in my district. We have a very large veterans population, seems to grow larger every day, which is not surprising given the wonderful area where I live in southwest Florida.

I think it is very important, however, that we understand that this is not an issue that has been ignored. I would like very much, therefore, to explain a little bit further what my substitute amendment will do in addition to these reports that are already out.

The gentlewoman is seeking an IG report and we have designed an approach that would bring about a result, I think, while avoiding some of the pitfalls I see in going with the gentlewoman's original amendment.

The Intelligence Committee is obviously very concerned about the issue of chemical weapons exposure during the gulf war or any other time, and we have been closely monitoring the DCI efforts to examine this subject fully. Again, the committee was very pleased to see the April release of the unclassified report from the DCI, that would be director of the Central Intelligence Agency, related to the events at the Khamisiyah storage facility where Iraqi, and I underscore, Iraqi chemical weapons were stored and were subsequently destroyed by U.S. troops. And in that process it is apparent that some have suffered exposure to chemical weapons.

The question has to be asked. What happened? What went wrong? We tried to find out. Since this is the first I have heard from the gentlewoman on this subject but not the first I have heard on the subject, I am going to encourage her to read these reports. And I will make them available if she has not already.

From the report we know that there was a breakdown in analysis and communications between the intelligence community and the Department of Defense related to the knowledge of chemical weapons storage at this particular facility. There was a ground location problem involved and how it was referred to.

We also know that steps are already being taken by both the intelligence community and the defense to make sure that this does not happen again. Again it is addressed in these reports.

Our committee remains very vigilant about monitoring the progress of that effort and other efforts because we know the catastrophic consequences of mishandling or not knowing the maximum amount about chemical warfare and all its ramifications. The Waters amendment implies that the CIA or CIA employees were complicit, and I think that word was used in her amendment, in the use of chemical weapons against U.S. troops. That is an accusation that obviously disturbs me and any American very greatly and warrants immediate consideration.

The facts that I know are that intelligence and defense were never closer in their working relationship even though there were opportunities for things to go wrong as there are in any hostile combat situation or any peacetime situation, as we know. But former chairman of the Joint Chiefs of Staff, Colin Powell, is I think, a man well regarded and certainly was well regarded in accomplishments of his duties in these events stated, and I quote: No combat commander has ever had as full or complete a view of his adversary as did our field commander. Intelligence support to operation Desert Shield and Desert Storm was a success story.

I am not making that up. That is not a newspaper story. That is something that Colin Powell said.

Mr. Chairman, I note that there are many, many studies that have been or are being conducted, several under the watchful eye of the Presidential Commission on Gulf War Illness. This is entirely appropriate. This committee will continue its oversight responsibilities and continue to look at activities related to this issue that belong in the area of the intelligence community, as I have said we are doing, as witnessed by these reports.

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I have said in my substitute that the gentlewoman's amendment calls on the CIA's Inspector General to conduct a review to determine what knowledge the Central Intelligence Agency had about the presence or the use of chemical weapons in the Persian Gulf theater during the course of the gulf war. This report would be submitted to the intelligence committees of the Congress, that would be both committees, no later than August 15, 1998 in both classified and unclassified form. And, frankly, I think it will happen much sooner because much of the work has already been done.

I believe the substitute will reach the goal the gentlewoman seems to have, the goal of getting as much information as possible about what we knew of the presence or use of chemical weapons during the gulf war without prejudging the outcome or implying complicity on the part of the men and women who work so hard on behalf of our national security.

I want to point that out. People are watching this debate. We are on C–SPAN. I know that it is for the benefit of the Members, but inevitably there are other observers who watch what goes on here, including the men and women of our intelligence community. I am sure that they feel a little bit let down when somebody implies that they may have been using or complicit in chemical warfare against American troops overseas.

I have trouble with that. I hope they do not believe that that is the feeling of the Permanent Select Committee on Intelligence because it is clearly not. I believe very strongly in oversight, the need for good discipline, a piercing look at what we are doing, calling it when we see it when there is a problem, not shrinking from that, but I certainly do not think we want to denigrate the men and women who are working so hard for our national security if it is not warranted. And in my case I have not seen any facts whatsoever to warrant it.

I hope the gentlewoman will support our approach, which is offered for our mutual interest of getting at the truth. And that is what we seek, the truth. I will urge my colleagues to support the substitute to the Waters amendment.

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

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

First, I would like to deal with the way in which the gentleman from Florida [Mr. GOSS] characterized the inquiry that I am seeking. I asked that a study be done to make determinations. I did not come to any conclusions about the involvement of the CIA. The idea of asking for the study is to make certain determinations, and I think that should be clear.

Further, allow me to share with the Members of this House that I believe that the gentleman from Florida and I are saying the same thing. It needs to be looked at. I brought this to the floor today because I intended very much to create a platform for a discussion about this issue. I am extremely concerned, even though the gentleman from Florida believes that I should know that some studying has been done, that just as I do not know other Members of this House do not know, the public does not know, and that we are left with the accounts that we have learned about. We have heard the CIA say, yes, we had the information and, yes, we should have revealed it. That much we know.

I think the gentleman from Florida and I and other Members of this House want to shed some light on this. We want more information. We want to be able to share with the American public everything that we know about what happened, and we want to be in a position to use whatever power we have to make sure it never happens again.

So I am pleased, Mr. Chairman, that I am joined and embraced, by way of this substitute amendment, because while it may be structured a little bit differently, I am pleased that it would get the information a little bit sooner than the way that I had structured the amendment. Either way, whether it is 1

year from now or 2 years from now, and for some reason it falls on my birthday, August 15, that is all right with me.

So let me just say that I think that having brought it here, it served a purpose. It got me what I wanted. It forced the discussion. It created the debate about something that never should be in the dark, and it got my colleagues on the other side of the aisle joining with me to have a study so that we can reveal everything that we know. And with that, that is all I ask. I am pleased to accept the substitute and I thank the gentleman from Florida for recognizing that it needed to be done.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to rise in support of the substitute, and I appreciate the efforts of the gentlewoman from Los Angeles, who has been very interested in this subject. I think the language drafted by the chairman gets to what we all want to get to.

Let me just say that when this happened, I had some serious reservations about the studies that were done by the Defense Department, the work that was done by the CIA on this. I asked Mr. Deutch, when he was still the director of the Central Intelligence Agency, to have the Inspector General start a study.

So the chairman is right, the Inspector General has already engaged in this, and particularly about the destruction of chemical weapons at a storage site in Khamisiyah. I also asked them to look at the whole question of what did the CIA know, when did it know it, and what did it say to the Department of Defense and to the Army and to the other units that were there about their knowledge about what was stored at these various sites.

This is one of those situations where knowledge may not have been shared in a timely way, and there was destruction of some of these weapons, and I am not sure we still, even to this day, know exactly what all those weapons were. I am worried that this goes beyond just chemical weapons; that we may have had biological or other infectious agents that were released on our own people. And whether it was done by the Iraqis or it was done in our destroying these weapons, there are a lot of unanswered questions.

I think one of the big problems here is the Department of Defense did such a lousy job of investigating this thing initially that it created suspicion everywhere. We had all these veterans coming home with these various symptoms and it just did not add up, and the Department's continued denial after denial after denial, and then finally having to say, oh yes, we may have made a big mistake here and there may have been something that actually happened, is one of the reasons why there is such suspicion, not only on the part of Members of Congress but on the part of the American people, about what actually happened over there.

That is why I insisted with Mr. Deutch that the Inspector General, Fred Hintz, out at the CIA, would do the investigation. I did not want the CIA, in essence, investigating itself. I wanted the independent Inspector General of the CIA tasked for this.

So I think what this study does is expand upon that, and I think it does get the information that my colleague wants sooner by making the date August. I am certainly glad it is on her birthday. I hope the report is something that she will find joyous. And hopefully this is not a report we will all be embarrassed about, and I hope it is not.

The bottom line here is I think the chairman has crafted a good compromise. I would like to see us accept it and then move on to the next amendment.

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

Mr. GOSS. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Chairman, I simply want to rise first of all to support the substitute amendment. I think what the chairman of the committee has offered is a perfectly logical proposal, and that is that the Inspector General report, after a review, what knowledge the Central Intelligence Agency had about the presence of the use of chemical weapons in the Persian Gulf theater during the course of the war over there.

I am, however, very disturbed by the language that was in the underlying amendment, and I do want to point this out. I think it needs to be reiterated. There is not a shred of evidence that I know of, anywhere in my tenure in looking at this matter, and I have been involved as a member of the Permanent Select Committee on Intelligence looking into this matter for some time now, that would support the idea that we need a study, which the language of this original underlying amendment said, a study concerning the Central Intelligence Agency's involvement in the use of chemical weapons by enemy forces against armed forces of the United States during the Persian Gulf War.

The insinuation or the implication, not that they knew something about the chemical weapons or that they had some knowledge in the efforts that were going on over there to destroy those weapons, but that they, the CIA, was involved in some way supporting the use of those weapons, involved in the use of those weapons by our enemies, by our enemies, is outrageous in my opinion. And I do not appreciate the underlying premise here.

So I think the substitute is terribly important, and I am appreciative of the fact the gentlewoman is willing to accept the substitute because, as I said, there is no shred of evidence whatsoever anywhere that our intelligence community in any way aided or abetted the enemy, which the implication, whether she intended it or not, is there in the underlying amendment.

So I am very supportive of this substitute, I urge its adoption, and I wanted the RECORD to be very clear that our men and women, as far as I can determine, as long as the eye can see, operating for our intelligence community, have been honorable supporters of the American cause and patriots. Whether we agree with everything they do or do not do, certainly they have not been working for the enemy.

Ms. WATERS. Mr. Chairman, may I inquire of how much time I have remaining?

The CHAIRMAN. The gentlewoman from California [Ms. WATERS] has 10½ minutes remaining, and the gentleman from Florida [Mr. GOSS] has 21 minutes remaining.

Ms. WATERS. Mr. Chairman, I yield myself such time as I may consume, because I think it is important to point out that not only did I accept the gentleman from Florida's substitute amendment, but I also offered, prior to that acceptance, an explanation of the wording that the other gentleman from Florida [Mr. MCCOLLUM] now is trying to latch on to in order to in some way imply that I made accusations unfairly.

If I had not accepted the substitute, perhaps he could do that kind of spinning. But the fact that I accepted the substitute explains very clearly, and in a way that cannot be misunderstood, what I am doing and why I am doing it, and that I congratulated them for embracing me, I think, does away with that kind of specious argument.

Certainly it is honorable for Members of this House, elected by the people, to come to this floor and raise the questions, no matter how hard they are, no matter how unpopular they are, no matter how difficult they are. And oftentimes when that is done, it is misunderstood by people who do not have the guts or the nerve to do that themselves. And sometimes it is embarrassing to take this floor and kind of push and nudge people into doing what they should be doing anyway. I understand that. But there comes a time when we need to do that.

I chose this moment, at this time, on this legislation to make an issue of what had happened in the Persian Gulf. I chose at this time, at this moment to point out that 20,000 of our soldiers were at risk. No matter whether it was intended or not, it happened. I chose at this time to demand more information, to share with the public, to demand an investigation so that we could have in writing something that people could pick up and read and know where we are going and what we are doing. I chose to do that because I think that is my responsibility and I do feel strongly about this.

So we can spin it any way we want, we can define it any way we want, but

I know what I have said and I know what I am doing and I am pleased that the gentleman has joined with me to do it, no matter how much he may not have liked the fact that I brought it, no matter how much the gentleman may not have liked the fact that I raised the kinds of questions that are oftentimes embarrassing. None of us like to think that we invest so much in our intelligence community to have those kinds of terrible costly mistakes.

Having said all of that, Mr. Chairman, the bottom line is we move forward with the substitute amendment that I have embraced. And, hopefully, this is a bipartisan concern, a bipartisan effort to do the right thing, to focus the attention on what happened there, get the answers that we can get and then move to make sure that it does not happen again.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Washington.

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Mr. DICKS. Mr. Chairman, I think that we ought to accept what the gentlewoman from California [Ms. WATERS] has said here. She is willing to accept this compromise. I would like to see this be a bipartisan study supported on both sides of the aisle, and I would urge that we all yield back our time and have a vote and move forward.

Mr. GOSS. Mr. Chairman, we are prepared to yield back. We have no further speakers on this subject at this time, and as long as we understand that this satisfies the full unanimous-consent request we had for the 30 minutes on either side and includes my substitute amendment, and that is the issue we will be voting on first, we are prepared to yield back.

Ms. WATERS. Mr. Chairman, I am prepared to yield back my time. I thank the gentleman from Florida [Mr. GOSS] for joining with me in this very special and important effort.

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

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. GOSS] to the amendment offered by the gentlewoman from California [Ms. WATERS].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California [Ms. WATERS], as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. Are there further amendments to title III?

AMENDMENT NO. 7 OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I offer amendment No. 7.

The Clerk read as follows:

Amendment No. 7 offered by Ms. WATERS:

Page 10, after line 15, insert the following new section:

SEC. 306. CLANDESTINE DRUG STUDY COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the ''Clandestine Drug Study Commission'' (in this section referred to as the ''Commission'').

(b) DUTIES.—The Commission shall—

(1) secure the expeditious disclosure of public records relevant to the smuggling and distribution of illegal drugs into and within the United States by the Central Intelligence Agency or others on their behalf or associated with the Central Intelligence Agency;

(2) report on the steps necessary to eradicate any Central Intelligence Agency involvement with drugs or those identified by Federal law enforcement agencies as drug smugglers; and

(3) recommend appropriate criminal sanctions for the involvement of Central Intelligence Agency employees involved in drug trafficking or the failure of such employees to report their superiors (or other appropriate supervisory officials) knowledge of drug smuggling into or within the United States.

(c) MEMBERSHIP.—The Commission shall be comprised of nine members appointed by the Attorney General of the United States for the life of the Commission. Members shall obtain a security clearance as a condition of appointment. Members may not be current or former officers or employees of the United States.

(d) COMPENSATION.—Members of the Commission shall serve without pay but shall each be entitled to receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(e) QUORUM.—A majority of the Members of the Commission shall constitute a quorum.

(f) CHAIRPERSON; VICE CHAIRPERSON.—The Chairperson and Vice Chairperson of the Commission shall be elected by the members of the Commission.

(g) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairperson or Vice Chairperson of the Commission, the head of that department or agency shall furnish that information to the Commission.

(h) SUBPOENA POWER.—

(1) IN GENERAL.—The Commission may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any matter which the Commission is empowered to investigate by this section. The attendance of witnesses and the production of evidence may be required from any place within the United States at any designated place of hearing within the United States

(2) FAILURE TO OBEY A SUBPOENA.—If a person refuses to obey a subpoena issued under paragraph (1), the Commission may apply to a United States district court for an order requiring that person to appear before the Commission to give testimony, produce evidence, or both, relating to the matter under investigation. The application may be made within the judicial district where the hearing is conducted or where that person is found, resides, or transacts business. Any failure to obey the order of the court may be punished by the court as civil contempt.

(3) SERVICE OF SUBPOENAS.—The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil procedure for the United States district courts.

(4) SERVICE OF PROCESS.—All process of any court to which application is to be made under paragraph (2) may be served in the judicial district in which the person required to be served resides or may be found.

(i) IMMUNITY.—The Commission is an agency of the United States for the purpose of part V of title 18, United States Code (relating to immunity of witnesses). Except as provided in this subsection, a person may not be excused from testifying or from producing evidence pursuant to a subpoena on the ground that the testimony or evidence required by the subpoena may tend to incriminate or subject that person to criminal prosecution. A person, after having claimed the privilege against self-incrimination, may not be criminally prosecuted by reason of any transaction, matter, or thing which that person is compelled to testify about or produce evidence relating to, except that the person may be prosecuted for perjury committed during the testimony or made in the evidence.

(j) CONTRACT AUTHORITY.—The Commission may enter into and perform such contracts, leases, cooperative agreements, and other transactions as may be necessary in the conduct of the functions of the Commission with any public agency or with any person.

(k) REPORT.—The Commission shall transmit a report to the President, Attorney General of the United States, and the Congress not later than three years after the date of the enactment of this Act. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as the Commission considers appropriate.

(l) TERMINATION.—The Commission shall terminate on upon the submission of report pursuant to subsection (k).

(m) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $750,000 to carry out this section.

Ms. WATERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mr. MCCOLLUM. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Florida [Mr. MCCOLLUM] reserves a point of order against the amendment.

Under the previous order of the House, the gentlewoman from California [Ms. WATERS] will be recognized for 30 minutes in support of her amendment and a Member opposed will be recognized for 30 minutes.

The CHAIRMAN. The Chair recognizes the gentlewoman from California [Ms. WATERS].

MODIFICATION TO AMENDMENT NO. 7 OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I ask unanimous consent to modify the amendment.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 7 offered by Ms. WATERS of California:

In subsection (h), strike paragraphs (2), (3), and (4), and strike ''(1) IN GENERAL.—''.

Strike subsection (i) and redesignate subsections (j), (k), (l), and (m) as subsections (i), (j), (k), and (l), respectively.

In subsection (k) (as so redesignated), strike ''subsection (k)'' and insert ''subsection (j)''.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

Mr. MCCOLLUM. Mr. Chairman, reserving the right to object, I would like to know from the gentlewoman, if she can explain, is the modification designed to correct the germaneness problem with the underlying amendment?

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. MCCOLLUM. I yield to the gentlewoman from California.

Ms. WATERS. Yes, it is, Mr. Chairman. I was advised that any reference to ''immunity'' would not be appropriate in this legislation, and it is designed to delete all references to ''immunity'' in this amendment.

Mr. MCCOLLUM. And is it further my understanding from the gentlewoman, if I might continue the reservation, that the agreement would be that she would have the 1-hour time limit that we have agreed upon to apply to this? I believe that is the Chair's understanding of this, regardless of the modification, is that not correct, 30 minutes to a side? Or is it 15 to a side? What is the time limit, Mr. Chairman?

The CHAIRMAN. The Chair would inform the gentleman that under the previous order of the House, the gentlewoman from California [Ms. WATERS] is entitled to 30 minutes and a Member opposed thereto is entitled to 30 minutes.

Mr. MCCOLLUM. And that would be applicable, Mr. Chairman, to this modification if the unanimous consent is agreed to?

The CHAIRMAN. The gentleman is correct.

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

The CHAIRMAN. Is there objection to the modification offered by the gentlewoman from California [Ms. WATERS]?

There was no objection.

The CHAIRMAN. The amendment is modified.

Mr. MCCOLLUM. Mr. Chairman, I withdraw my reservation of a point of order.

The CHAIRMAN. The gentleman from Florida withdraws his point of order.

The gentlewoman from California [Ms. WATERS] is recognized for 30 minutes.

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

Mr. Chairman, I offer this amendment to establish a clandestine drug study commission. This commission would be composed of nine members appointed by the U.S. Attorney General and would be required to report on the following:

Report on the steps necessary to eradicate any CIA involvement with drugs or those identified by Federal law enforcement agencies as drug smugglers.

No. 2, secure disclosure or the gathering of Government public records relevant to the smuggling and distribution of illegal drugs into and within the United States by the CIA or others on their behalf or associated with the CIA.

In addition, my amendment would authorize funds to be appropriated in the amount of $750,000.

Mr. Chairman and Members, I am sure there are those both within this House and within the sound of my voice who would wonder why would we need such an amendment, why would I take this floor and talk about taking steps to make sure that the CIA is not involved in drugs or drug smuggling.

Mr. Chairman, I do this because over the past year I have learned more than I have ever wanted to know about the CIA and drugs. How did it get started? It got started with a revelation about drug smuggling and drug trafficking that ended up in South Central Los Angeles back in the 1980's.

Oh, there has been a lot of controversy about the report. Many are aware that the San Jose Mercury News revealed that there was a drug ring and the basic points of that report remain uncontested. There are some points in the report that are contested. For example, the report said that as a result of the drug trafficking, millions of dollars were funneled to the Contras from the sale of drugs, crack cocaine in particular.

The exception that was taken to that identification simply was an exception that said instead of saying millions of dollars, they should have said they estimated there were millions of dollars. I can accept that. I maintain there should not have been $1 from the sale of drugs to support the Contras.

But this revelation got me involved, and I have spent a lot of time looking at the CIA and the allegations of their involvement in drug trafficking in south central Los Angeles. It has taken me to many places, all the way to Nicaragua, where I have gone up to a place called Grenada and interviewed a prisoner who is well known to have been connected with the Cali cartel and sold drugs both for the Sandanistas and the Contras.

Since my visit there, I made it known to the Inspector General, who is involved in an investigation, and the Inspector General further has sought out information from this individual. Even members of the House Permanent Select Committee on Intelligence fold followed me to Nicaragua and interviewed the same person that had been revealed to me.

But that is just a small part of the information that has come to me. As a result of my involvement, a lot of things have happened. The sheriff's department of the county of Los Angeles filed an extensive report about many of the allegations. The investigations continue.

The House Permanent Select Committee on Intelligence is involved. The Inspector General of the CIA, the Inspector General of the Justice Department, they are still doing interviews, and I do not know what is going to happen. Hopefully there will be a report. Hopefully there will be hearings. But I have learned enough to know that the CIA has come too close, rubbed shoulders with, and been involved in some ways that should make us all uncomfortable, with drug dealers.

Mr. Chairman, I have been involved for a long time and taken a closer look at the Central Intelligence Agency and these allegations that CIA operatives or assets have been involved in or had knowledge of drug trafficking in the United States. I mention South Central Los Angeles, but one need look no further than the current newspaper to find there are recent occasions of CIA involvement with drugs.

Let us look at Venezuela. Earlier this year, there was a general named Gen. Ramon Guillen Davila, Venezuela's former drug czar, who was indicted by Federal prosecutors in Miami for smuggling cocaine into the United States.

And according to the New York Times, uncontested by the CIA, this article that appeared as early as November 1993, they talked about the CIA and its so-called antidrug program in Venezuela and guess what? They concluded, and it is documented, that our CIA shipped a ton of nearly pure cocaine into the United States in 1990. That is a fact, uncontested.

When you unravel this story, you find that the CIA concocted some scheme to talk about the only way it could apprehend drug dealers was to get involved in shipping this cocaine and selling this cocaine. They went to the DEA to get their permission to do it, and the DEA turned them down flat and said they would not be involved in this scheme in any shape, form, or fashion.

But the CIA defied the DEA and they shipped this pure cocaine into the United States in 1990, and they have since acknowledged that they defied the laws of this government and allowed the drugs to be sold on the streets of the United States of America. I challenge anybody to tell me that it did not happen, because it is documented.

Now let me tell you what unnerves me about this. We spend a lot of money in this House, we spend a lot of money in this Government to apprehend drug dealers, to try to get rid of drug trafficking. We spend a lot of money on drug education and prevention. We even spend money on alternative crop development in countries that we want to get out of the business of raising the coca leaf. We spend billions of the taxpayers' dollars.

Knowing this and being involved in this struggle, it really unnerves me to find out that my own CIA brought cocaine into the United States and allowed it to get on the streets and be sold. Do you know what that means? We are representing communities

where drugs are devastating our communities. People are becoming addicted. Oh, and it is not simply in inner cities, it is in rural communities, it is in suburbia, it is everything, everywhere. It is swallowing us up.

I do not know what kind of cockamamie scheme they could have cooked up to talk about this would help them to apprehend drug dealers by allowing drugs to be sold on the streets of the United States of America. How many more people became addicted? How many more people got involved in crime? How many more people became a part of the destruction that we all hate so much? I do not like it and I am not going to get off this business about who they are and what they do and their involvement with drugs until this body has the guts and the nerves to do something about it.

□ 2030

The joint CIA/Venezuela force was headed by General Davila and the ranking CIA officer, I am going to call the names, was Mark McFarlin, who worked with the antiguerrilla forces in El Salvador in the 1980's. Not one CIA official has ever been indicted or prosecuted for this abuse of authority. I will give it to my colleagues again. General Davila and Mark McFarlin. Look it up.

What happened? Why can we not ask the questions? Why are we not outraged that these drugs found their way into our cities?

Let me go a little bit further and talk about this alignment, this association, the CIA being involved, coming too close to people who traffic in drugs. In a March 8, 1997, Los Angeles Times article, it was reported that Lt. Col. Michel Francois, one of the CIA's Haitian agents, and I defy anybody to tell me he was not, a former army officer and a key leader in the military regime that ran Haiti between 1991 and 1994, he was indicted in Miami and charged with smuggling 33 tons of cocaine into the United States. The article detailed that Francois met face to face with the leaders of three Colombian cartels to arrange for drug shipments to pass through Haiti via a private airstrip that he helped to build and protect. The CIA was right there in Haiti while he was building this airstrip. He was trained by the CIA. Francois is the CIA's boy.

Lieutenant Colonel Francois was trained by the U.S. Army in military command training for foreign officers in Georgia. He was a senior member of the Service Intelligence Agency, a Haitian intelligence organization founded with the help of the CIA in 1986.

After the 1991 coup put Francois in power, the cocaine seizures in Haiti just plummeted to near zero. He could do whatever he wanted to do. He built a strip. He met with the cartels. All of this is in DEA reports. U.S. prosecutors have requested the extradition of Francois from Honduras, where he has been living under a grant of political asylum. When I tell my colleagues our own CIA is documented as having brought cocaine in, in the Venezuelan fiasco, and when I tell my colleagues that Francois is a creation of the CIA and that the apprehension of drugs and drug smuggling and trafficking went down once he took charge, I am accusing the CIA of being too close, of being too involved, for turning its head.

Mr. Chairman, let me just wrap up my comments by saying I have pointed out today on several occasions some of the problems with the Central Intelligence Agency. I have pointed out the fact that some of our allies and our friends around the world have been sending us this quiet but stern message. They are asking us to leave. I have talked about something that none of us are proud of, the fact that there is a breakdown in this agency and we have people that we pay to protect and serve literally endangering us all with the selling of information. I have pointed out that not only do we have all of this occurring, but that our own soldiers were put at risk because something is wrong in this CIA. I am disturbed that we could not get much support in trying to slap them on the wrist, cut the budget just a little bit, but I am convinced that the American people will join us in the struggle because this is a struggle and a battle that we are going to have to wage for a long time.

I am not accusing the Members who have taken this floor in efforts to protect the CIA. I understand. There are responsible Members of this House who really believe, despite the problems of the CIA, everything should be done to protect them, to make sure they have all the money they need to operate with, that somehow if we question them, we are going to put at risk their ability to gather the intelligence information we need.

We need to redefine the role of the CIA in this post-cold-war era. Who are they and what do they do? Someone pointed out to me today that in every aspect of our society, with the new technology we have been able to reduce personnel, we have been able to put in systems and processes to better manage information, we have been able to reduce cost, and many on the opposite side of the aisle have made these arguments time and time again as they have gone about cutting and redesigning and privatizing and all of those things that we hear about on the floor.

Why is it the CIA escapes any of this? Why has the new technology not caught up with the CIA? Why can we not shine the light in ways that we understand, where the money is going? Why can we not redesign the ways in which we relate to them and still respect some of the secrecy and privacy that is needed?

I say to my colleagues, today I have been afforded the opportunity to take this floor and talk about this issue in the hopes that we can focus, we can really put this on our radar screen and begin to raise questions and get the American public involved in raising questions. I hope that this debate will allow that.

I am under no illusions about everything that I want being embraced by the protectors of the CIA, right or wrong. But I know one thing: This platform that is afforded to me by the voters on this floor of Congress is an important tool to be used to create a discussion. I see my responsibility to create discussions that maybe others will not. I am not afraid of the CIA, I am not going to run from the CIA, I am not going to tuck my tail and duck my head and talk about their untouchables. This day we unveiled some of the problems, along with other Members who have taken this floor.

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

Mr. GOSS. Mr. Chairman, I rise in opposition to the gentlewoman's amendment.

The CHAIRMAN. The gentleman from Florida [Mr. GOSS] is recognized for 30 minutes.

Mr. GOSS. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from California [Mr. DIXON].

Mr. DIXON. I thank the chairman of the committee for yielding me this time.

Mr. Chairman, I rise in reluctant opposition to the Waters amendment, reluctant for several reasons. The gentlewoman from California [Ms. WATERS] is the chairman of our Congressional Black Caucus. She represents a community that I represent, Los Angeles County, cities in that community, but probably most importantly because I think we, both of us, as well as most Members of this House, are seeking accurate and truthful information as it relates to the CIA involvement in crack cocaine in Los Angeles, or any other community of this country, and any involvement it has had with members or assets of the community in either aiding or abetting or having knowledge of the CIA involvement in the distribution of drugs.

The reason I rise in opposition to it, this commission that is being offered here as an amendment suggests that the process that we have here is either not operating in good faith or is broken. As most of the Members know, the inspector generals of the CIA and the Justice Department are investigating this matter at this point in time. Both gentlemen have reputations for not only being independent but calling it like it is, and I doubt if anyone here feels that if they find some wrongdoing or some culpability on the part of the CIA that in fact they will not include it in their reports.

It has been my experience as a member of the Permanent Select Committee on Intelligence that no member of that committee is an apologist or tries to represent the interests of the CIA, but as the gentlewoman from California [Ms. WATERS] does, represents the

interests of the citizens of this country. And so I stand here not as an apologist for the CIA, but with the same goal that the gentlewoman from California [Ms. WATERS] has, to get to the facts in this matter.

Mr. Chairman, we all know that facts that are suggested or alluded to in newspaper articles, there may be some truth to them, they may be entirely true, or they may be entirely untrue. But I think it is the responsibility of the House and the inspector generals to take the first cut at sorting out those facts.

The gentlewoman from California [Ms. WATERS] is right, that other than the publisher of the San Jose Mercury, no one has contested the points made in the article. No one has contested those points at this point in time because factually no one knows exactly what has occurred. This committee is about verifying facts in that report. I daresay we would be derelict if we came to the House on a bit-by-bit basis to either sanction what was in the article or criticize it, the point being that the investigations, if they are to go forward, will come to some conclusions about the validity of the arguments and the points made in the article.

As it relates to the CIA and drug trafficking, I can say that I think the CIA has made some terrible blunders in the past. I do not think that there is anyone here that would deny that. But the issue before us is whether or not they were either involved in trafficking by aiding and abetting, or knew of, had knowledge of, drug traffickers.

The reports that I have read thus far do not lead me to that conclusion at this point in time. Let me say that again: The reports that I have read thus far do not lead me to that conclusion at this point in time.

I have read the newspaper articles, I have read other materials and interviewed people, and at some point in time I may be joining the gentlewoman from California [Ms. WATERS] on this floor asking for some type of public commission. But now is not the time, I suggest to the members of this committee. Now is the time to let the structure of the Justice Department, the CIA inspector general and the House to move forward in an objective evaluation.

I am not naive enough to think whatever this committee finds and whatever the Inspector Generals find, that in fact there will be a consensus opinion. And if there is not a consensus opinion and there is fault to be found with either a lack of thoroughness or professionalism or even covering up, that would be the time to move forward with some commission. I have reservations about the composition of the commission and some of the structure, but I am sure that the gentlewoman from California [Ms. WATERS] and I at the appropriate time could work that out.

For example, there is a prohibition in here that any employee of the U.S. Government, past or present, could not be a member of that commission. I think that there are many people who have been employed by the U.S. Government who have expertise and abilities that could appropriately serve on the commission, and I would feel it is certainly insulting to say that anyone who has ever worked for Government could not be objective in this issue.

As it relates to the issue of people who have been assets of the CIA, whether they be in Venezuela or Haiti, there is no doubt that some of the assets should never have been employed by the CIA. There is no doubt that some of them have been involved in drug trafficking. But that is like saying some Member of Congress being arrested for drugs, that the Congress of the United States is responsible for it.

□ 2045

Let us sort through the facts without emotion. Then let people come forward and criticize the report, scrub it, examine it, and then at that point in time I may be joining the gentlewoman from California [Ms. WATERS] on some outside citizens panel to review that material and to carry the investigation forward, but now is not the time.

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

Ms. WATERS. Mr. Chairman, may I inquire as to how much time I have remaining?

The CHAIRMAN. The gentlewoman from California [Ms. WATERS] has 12½ minutes remaining, and the gentleman from Florida [Mr. GOSS] has 16 minutes remaining.

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

Mr. Chairman, let me just say that I hold the gentleman from California [Mr. DIXON] in the highest esteem and respect, and I have worked with him, and we do share this area of Los Angeles where the drug trafficking took place, where the CIA is alleged to have been deeply involved in trafficking in drugs and the profits of which, some of them, went to fund the contras, the contras having been created by the CIA. That was their body, and the FDN, the army of the contras, was a creation of the CIA's.

And I am working to get to the bottom of this, but my commission that I am asking for is not only about that. This is more generic, and it encompasses the question of drug trafficking, period, by the CIA.

And I would like to raise a question of the gentleman from California [Mr. DIXON] so that I can help make a determination about his representations regarding the investigations that are going on and the possibility that he may join me, depending on what he has discovered or they discovered as a result of the House intelligence investigation.

Has the gentleman's committee investigated the Venezuelan dope dealing of the CIA where I have in no uncertain terms identified on the floor of Congress the fact that they were responsible for tons of cocaine coming into the United States that got sold on the streets of America? Has the gentleman done anything about that? Has he looked at that?

Mr. DIXON. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from California.

Mr. DIXON. Mr Chairman, yes, there has been testimony before the committee. There has not been a thorough investigation, but there has been testimony before the committee by the CIA.

The CIA, as I recall their testimony, one, denied that they ever approved it because they recognized that in fact it would be hard to trace once it got into the United States and also DEA rejected it.

It is true that this man was an operative in form at some point in time with the CIA, but they deny ever having approved or sanctioned this activity, and this activity, according to them, was taken on independently by the general.

Ms. WATERS. May I ask of the gentleman whether or not there has been any report on it, and since this exposure was given to this in the New York Times, we have not seen a response of any kind, we have not seen the work of the gentleman's committee answering this in any way.

Mr. Chairman, we cannot have the New York Times or any other newspaper documenting and court records documenting trafficking in cocaine by the CIA and CIA operatives, and we just sit mum and not tell the American public anything.

So is there a report on this in any way? If there is no report, would the gentleman be willing to issue some kind of report between him and the chairman? Could the gentleman from California make some representation about what he will be willing to do, given we know this information about drug trafficking by the CIA?

Mr. DIXON. Yes. The staff informs me that in fact there has been a report to the House Permanent Select Committee on Intelligence by the inspector general, and I am sure with certain permission that the gentlewoman from California could review that report. But I will indicate to her since she has raised it and created the inference that the CIA was involved, I feel duty obligated to go forward and look at this once again.

Ms. WATERS. Mr. Chairman, yes, let me be clear about this one, and I do not go this far even in the South L.A. one. I am accusing the CIA on this one based on the information that I have of having been responsible for tons of cocaine coming into the United States that got sold on the streets of America. That is an accusation that I am making clear, simple, and without any reservations.

So what I am saying to the gentleman:

It is not enough for me to see the report. What can we do to share this information with the American public? Is

there anything that can be done to shed some light on this?

Mr. DIXON. If the gentlewoman will continue to yield, first of all I think that it would be good for her to read the report.

Ms. WATERS. I will do that.

Mr. DIXON. So that the CIA's perspective on this is there, and perhaps the committee chairman or others, since this issue has been raised that the report can be scrubbed and that some materials could be released; but I do think, Mr. Chairman, that we have a responsibility with the charge made just on the floor that the CIA was responsible for the Venezuelan drug transaction, to either refute or make some statement about this based upon an investigation in the materials that we have already collected. I think that is a very serious allegation.

Mr. GOSS. Mr. Chairman, will the gentlewoman yield to me?

Ms. WATERS. I yield to the gentleman from Florida.

Mr. GOSS. As far as I am concerned, if the gentlewoman has some new information that is additional or supplemental or complementary to any of the previous work that has been done on this, that she would bring it to the committee's attention, that we will obviously attend to it forthwith. My understanding is that there has been some work done on this; I do not know the exact status, because we are dealing with somewhat of a new subject that is just a little bit off the record here of what I thought we were talking about, but I am certainly willing, as we have been all along the way on this, with the gentlewoman, with the gentleman from California [Mr. DIXON], and as seen with the gentlewoman from California [Ms. MILLENDER-MCDONALD] earlier in our colloquy.

Ms. WATERS. Mr. Chairman, I do not want to be snowed, I do not want to be patronized, I do not want to be talked to in that way. I have asked. I have made an accusation on the floor of Congress about the CIA and the Venezuelan drug deal, and I am asking the gentleman based on the information that he has, is there any way that he can shed some light or share this information with the American public?

I want to know.

Mr. GOSS. If the gentlewoman will continue to yield, the gentlewoman is referring, I think, to events that transpired before I was privileged to be on this committee, and that is why, since I had no forewarning that that was going to be a subject today, I am simply not prepared to give her any specific information.

I am certainly welcome to assure that we will attend to her request to see if there is anything into it, as we would with any Member who brings forward that type of a serious allegation.

Ms. WATERS. Could the gentleman be a little bit clearer about what it is he is committing to? The gentleman said he would attend to it. Could the gentleman tell me how he can satisfy the concerns that I have raised, and I am not being facetious at this point, but I have made a specific charge, and I am asking the gentleman, even though he was not the Chair, the records did not leave with the last Chair; I want to know what can the gentleman do to shed some light on this information?

Mr. DIXON. If the gentlewoman will yield and if I could suggest to the gentleman from Florida [Mr. GOSS], one, that a lot of this evidentiary material will come out in the trial. As I understand, he is on trial in Florida. Second, I do think, Mr. Chairman, we have an obligation to go back and look at the inspector general's report, and, as I recall it, it did not in any way involve the CIA and the transportation or distribution of the drugs that the gentleman is being charged with.

But this is a very serious accusation that the gentlewoman from California [Ms. WATERS] is making, and I want to emphasize it. She is alleging that the CIA was involved with the Venezuelan general in bringing drugs into the country. I assume that means either aiding, abetting, or being a sponsor of those drugs.

Ms. WATERS. That is right.

Mr. DIXON. And I think that we have a responsibility to, once again, go back and look at this case, notwithstanding the prosecution that is going on in Florida and notwithstanding what the inspector general has said.

Ms. WATERS. And also would the gentleman add to this discussion whether or not the former drug czar who worked with the CIA is going to be extradited for this case? Is there an extradition problem?

Mr. GOSS. If the gentlewoman will yield to me, I presume these questions are being directed to me.

Ms. WATERS. The gentleman from Florida or anybody else who can answer that.

Mr. GOSS. Let me clearly tell the gentlewoman that I have tremendous respect for the gentleman from California [Mr. DIXON], and I think Mr. DIXON has said exactly the right thing.

The specific facts that the gentlewoman is basing her allegation on, I would like to know what they are. I will then deal with those facts, and I will advise the gentlewoman of relevant information, and the gentleman from California [Mr. DIXON] will be part of that process, as he has been, because he has been doing stellar service for our committee on this matter in Los Angeles because it is clearly part of his representation.

Ms. WATERS. The gentleman from California [Mr. DIXON] said that he felt a responsibility to answer my charge. What the gentleman from Florida is saying is if I can bring him more information——

Mr. GOSS. No, I am saying, if the gentlewoman will continue to yield, I will be very happy to join Mr. DIXON in responding as exactly as he has done. But it would be helpful to me to know all of the details of what the gentlewoman knows.

I take very seriously, living in Florida, which is not unlike the problem in California, of drug smuggling and the impact we see on our streets. We have a problem. We are not insensitive to this, I assure my colleague, and I assure her that there are unfolding events every minute in the war on drugs, every minute, and the intelligence part of that we are attending to. We are committing dollars, and we hope we have the gentlewoman's support for our budget for those dollars.

Ms. WATERS. Oh, no. I have been to every budget committee, every appropriations committee where there are appropriations for drugs to talk about the Black Caucus' No. 1 priority of eradicating drugs in this Nation. It is not only our No. 1 priority, we have come, we have testified before the committees, we have supported the drug czar, we have supported the President's budget, we have even asked for more money, and we have come up with ways by which to work closer with the drug czar on this issue.

So we are serious about this, but let me just say this:

Given my friend and my colleague's representations, along with the gentleman from Florida, about feeling a responsibility to respond to the very serious accusation that I have made here today, I accept that as not only a representation for himself, but for him and others, and the committee; and even though we are clear that my bringing forth new information is not a condition for his moving forward, if I have or can locate new information, I will be happy to work with the gentleman on it. But I do expect that this commitment on the House of the floor that has been made about shedding light per the gentleman from California [Mr. DIXON] and supported by the gentleman from Florida [Mr. GOSS] is something that we can rely on.

So let me just say this:

My colleague whom I have worked with not just since I came to Congress 6 years ago, but about 30 years now, having served with him in the State of California in the assembly and prior to that when I managed campaigns and all of that, I accept——

The CHAIRMAN. All time of the gentlewoman from California [Ms. WATERS] has expired.

Mr. GOSS. Mr. Chairman, I am very happy to yield 1 more minute to the gentlewoman from California to wrap up.

Ms. WATERS. I thought when the gentleman heard the word ''accept'' he would be generous, and I thank him very much.

I accept his representations that these investigations are going on now, and I know that. And I do think that perhaps it is a little premature, and maybe that is something we will do after if, in fact, we do not believe that the information is credible, the work

has been good, or we learn more about it.

□ 2100

I do think that that would be the correct order of things. Today provided us with the opportunity to shed more light, to get something moving. I accept that he rejects, he does not accept, my amendment. He believes the commission is premature. He will work with me. I will work with the gentleman, I will work with the other gentlemen, and everyone else.

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

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN. Are there further amendments to title III of the bill?

Mr. GOSS. Mr. Chairman, I ask unanimous consent that the remainder of the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

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

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute is as follows:

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. MULTIYEAR LEASING AUTHORITY.

(a) IN GENERAL.—Section 5 of the Central Intelligence Agency Act of 1949 is amended—

(1) by redesignating paragraphs (a) through (f) as paragraphs (1) through (6), respectively;

(2) by inserting ''(a)'' after ''SEC. 5.'';

(3) by striking ''and'' at the end of paragraph (5), as so redesignated;

(4) by striking the period at the end of paragraph (6), as so redesignated, and inserting ''; and'';

(5) by inserting after paragraph (6) the following new paragraph:

''(7) Notwithstanding section 1341(a)(1) of title 31, United States Code, enter into multiyear leases for up to 15 years that are not otherwise authorized pursuant to section 8 of this Act.''; and

(6) by inserting at the end the following new subsection:

''(b)(1) The authority to enter into a multiyear lease under subsection (a)(7) shall be subject to appropriations provided in advance for (A) the entire lease, or (B) the first 12 months of the lease and the Government's estimated termination liability.

''(2) In the case of any such lease entered into under clause (B) of paragraph (1)—

''(A) such lease shall include a clause that provides that the contract shall be terminated if budget authority (as defined by section 3(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(2))) is not provided specifically for that project in an appropriations Act in advance of an obligation of funds in respect thereto;

''(B) notwithstanding section 1552 of title 31, United States Code, amounts obligated for paying termination costs in respect of such lease shall remain available until the costs associated with termination of such lease are paid;

''(C) funds available for termination liability shall remain available to satisfy rental obligations in respect of such lease in subsequent fiscal years in the event such lease is not terminated early, but only to the extent those funds are in excess of the amount of termination liability in that subsequent year; and

''(D) annual funds made available in any fiscal year may be used to make payments on such lease for a maximum of 12 months beginning any time during the fiscal year.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to multiyear leases entered into pursuant to section 5 of the Central Intelligence Agency Act of 1949, as amended by subsection (a), on or after October 1, 1997.

SEC. 402. CIA CENTRAL SERVICES PROGRAM.

The Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) is amended by adding at the end the following new section:

''CENTRAL SERVICES PROGRAM

''SEC. 21. (a) ESTABLISHMENT.—The Director may—

''(1) establish a program to provide the central services described in subsection (b)(2); and

''(2) make transfers to and expenditures from the working capital fund established under subsection (b)(1).

''(b) ESTABLISHMENT AND PURPOSES OF CENTRAL SERVICES WORKING CAPITAL FUND.—(1) There is established a central services working capital fund. The Fund shall be available until expended for the purposes described in paragraph (2), subject to subsection (j).

''(2) The purposes of the Fund are to pay for equipment, salaries, maintenance, operation and other expenses for such services as the Director, subject to paragraph (3), determines to be central services that are appropriate and advantageous to provide to the Agency or to other Federal agencies on a reimbursable basis.

''(3) The determination and provision of central services by the Director of Central Intelligence under paragraph (2) shall be subject to the prior approval of the Director of the Office of Management and Budget.

''(c) ASSETS IN FUND.—The Fund shall consist of money and assets, as follows:

''(1) Amounts appropriated to the Fund for its initial monetary capitalization.

''(2) Appropriations available to the Agency under law for the purpose of supplementing the Fund.

''(3) Such inventories, equipment, and other assets, including inventories and equipment on order, pertaining to the services to be carried on by the central services program.

''(4) Such other funds as the Director is authorized to transfer to the Fund.

''(d) LIMITATIONS.—(1) The total value of orders for services described in subsection (b)(2) from the central services program at any time shall not exceed an annual amount approved in advance by the Director of the Office of Management and Budget.

''(2) No goods or services may be provided to any non-Federal entity by the central services program.

''(e) REIMBURSEMENTS TO FUND.—Notwithstanding any other provision of law, the Fund shall be—

''(1) reimbursed, or credited with advance payments, from applicable appropriations and funds of the Agency, other Intelligence Community agencies, or other Federal agencies, for the central services performed by the central services program, at rates that will recover the full cost of operations paid for from the Fund, including accrual of annual leave, workers' compensation, depreciation of capitalized plant and equipment, and amortization of automated data processing software; and

''(2) if applicable credited with the receipts from sale or exchange of property, including any real property, or in payment for loss or damage to property, held by the central services program as assets of the Fund.

''(f) RETENTION OF PORTION OF FUND INCOME.—(1) The Director may impose a fee for central services provided from the Fund. The fee for any item or service provided under the central services program may not exceed four percent of the cost of such item or service.

''(2) As needed for the continued self-sustaining operation of the Fund, an amount not to exceed four percent of the net receipts of the Fund in fiscal year 1998 and each fiscal year thereafter may be retained, subject to subsection (j), for the acquisition of capital equipment and for the improvement and implementation of the Agency's information management systems (including financial management, payroll, and personnel information systems). Any proposed use of the retained income in fiscal years 1998, 1999, and 2000, shall only be made with the approval of the Director of the Office of Management and Budget and after notification to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

''(3) Not later than 30 days after the close of each fiscal year, amounts in excess of the amount retained under paragraph (2) shall be transferred to the United States Treasury.

''(g) AUDIT.—(1) The Inspector General of the Central Intelligence Agency shall conduct and complete an audit of the Fund within three months after the close of each fiscal year. The Director of the Office of Management and Budget shall determine the form and content of the audit, which shall include at least an itemized accounting of the central services provided, the cost of each service, the total receipts received, the agencies or departments serviced, and the amount returned to the United States Treasury.

''(2) Not later than 30 days after the completion of the audit, the Inspector General shall submit a copy of the audit to the Director of the Office of Management and Budget, the Director of Central Intelligence, the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

''(h) DEFINITIONS.—For purposes of this section—

''(1) the term 'central services program' means the program established under subsection (a); and

''(2) the term 'Fund' means the central services working capital fund established under subsection (b)(1).

''(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund $5,000,000 for the purposes specified in subsection (b)(2).

''(j) TERMINATION.—(1) The Fund shall terminate on March 31, 2000, unless otherwise reauthorized by an Act of Congress prior to that date.

''(2) Subject to paragraph (1) and after providing notice to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate, the Director of Central Intelligence and the Director of the Office of Management and Budget—

''(A) may terminate the central services program and the Fund at any time; and

''(B) upon any such termination, shall provide for dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such Fund, as may be necessary.''.

SEC. 403. PROTECTION OF CIA FACILITIES.

Subsection (a) of section 15 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403o(a)) is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) by striking ''powers only within Agency installations,'' and all that follows through the end, and inserting the following: ''powers—

''(A) within the Agency Headquarters Compound and the property controlled and occupied by the Federal Highway Administration located immediately adjacent to such Compound and in the streets, sidewalks, and the open

areas within the zone beginning at the outside boundary of such Compound and property and extending outward 500 feet; and

''(B) within any other Agency installation and in the streets, sidewalks, and open areas within the zone beginning at the outside boundary of any such installation and extending outward 500 feet.''; and

(3) by adding at the end the following new paragraphs:

''(2) The performance of functions and exercise of powers under paragraph (1) shall be limited to those circumstances where such personnel can identify specific and articulable facts giving such personnel reason to believe that their performance of such functions and exercise of such powers is reasonable to protect against physical attack or threats of attack upon the Agency installations, property, or employees.

''(3) Nothing in this subsection shall be construed to preclude, or limit in any way, the authority of any Federal, State, or local law enforcement agency or of any other Federal police or Federal protective service.

''(4) The rules and regulations enforced by such personnel shall be the rules and regulations promulgated by the Director and shall only be applicable to the areas referred to in paragraph (1).

''(5) On December 1, 1998, and annually thereafter, the Director shall submit a report to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate that describes in detail the exercise of the authority granted by this subsection, and the underlying facts supporting the exercise of such authority, during the preceding fiscal year. The Director shall make such report available to the Inspector General of the Agency.''.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. AUTHORITY TO AWARD ACADEMIC DEGREE OF BACHELOR OF SCIENCE IN INTELLIGENCE.

(a) AUTHORITY FOR NEW BACHELOR'S DEGREE.—Section 2161 of title 10, United States Code, is amended to read as follows:

''§ 2161. Joint Military Intelligence College: academic degrees

''Under regulations prescribed by the Secretary of Defense, the president of the Joint Military Intelligence College may, upon recommendation by the faculty of the college, confer upon a graduate of the college who has fulfilled the requirements for the degree the following:

''(1) The degree of Master of Science of Strategic Intelligence (MSSI).

''(2) The degree of Bachelor of Science in Intelligence (BSI).''.

(b) CLERICAL AMENDMENT.—The item relating to that section in the table of sections at the beginning of chapter 108 of such title is amended to read as follows:

''2161. Joint Military Intelligence College: academic degrees.''.

SEC. 502. UNAUTHORIZED USE OF NAME, INITIALS, OR SEAL OF NATIONAL RECONNAISSANCE OFFICE.

(a) EXTENSION, REORGANIZATION, AND CONSOLIDATION OF AUTHORITIES.—Subchapter I of chapter 21 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 425. Prohibition of unauthorized use of name, initials, or seal: specified intelligence agencies

''(a) PROHIBITION.—Except with the written permission of the Secretary of Defense, no person may knowingly use, in connection with any merchandise, retail product, impersonation, solicitation, or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Secretary of Defense, any of the following (or any colorable imitation thereof):

''(1) The words 'Defense Intelligence Agency', the initials 'DIA', or the seal of the Defense Intelligence Agency.

''(2) The words 'National Reconnaissance Office', the initials 'NRO', or the seal of the National Reconnaissance Office.

''(3) The words 'National Imagery and Mapping Agency', the initials 'NIMA', or the seal of the National Imagery and Mapping Agency.

''(4) The words 'Defense Mapping Agency', the initials 'DMA', or the seal of the Defense Mapping Agency.''.

(b) TRANSFER OF ENFORCEMENT AUTHORITY.—Subsection (b) of section 202 of title 10, United States Code, is transferred to the end of section 425 of such title, as added by subsection (a), and is amended by inserting ''AUTHORITY TO ENJOIN VIOLATIONS.—'' after ''(b)''.

(c) REPEAL OF REORGANIZED PROVISIONS.—Sections 202 and 445 of title 10, United States Code, are repealed.

(d) CLERICAL AMENDMENTS.—

(1) The table of sections at the beginning of subchapter II of chapter 8 of title 10, United States Code, is amended by striking out the item relating to section 202.

(2) The table of sections at the beginning of subchapter I of chapter 21 of title 10, United States Code, is amended by striking out the items relating to sections 424 and 425 and inserting in lieu thereof the following:

''424. Disclosure of organizational and personnel information: exemption for Defense Intelligence Agency, National Reconnaissance Office, and National Imagery and Mapping Agency.

''425. Prohibition of unauthorized use of name, initials, or seal: specified intelligence agencies.''.

(3) The table of sections at the beginning of subchapter I of chapter 22 of title 10, United States Code, is amended by striking out the item relating to section 445.

SEC. 503. EXTENSION OF AUTHORITY FOR ENHANCEMENT OF CAPABILITIES OF CERTAIN ARMY FACILITIES.

Effective October 1, 1997, section 506(b) of the Intelligence Authorization Act for Fiscal Year 1996 (Public Law 104–93; 109 Stat. 974) is amended by striking out ''fiscal years 1996 and 1997'' and inserting in lieu thereof ''fiscal years 1998 and 1999''.

TITLE VI—MISCELLANEOUS COMMUNITY PROGRAM ADJUSTMENTS

SEC. 601. COORDINATION OF ARMED FORCES INFORMATION SECURITY PROGRAMS.

(a) PROGRAM EXECUTION COORDINATION.—The Secretary of a military department or the head of a defense agency may not obligate or expend funds for any information security program of that military department without the concurrence of the Director of the National Security Agency.

(b) EFFECTIVE DATE.—This section takes effect on October 1, 1997.

SEC. 602. AUTHORITY OF EXECUTIVE AGENT OF INTEGRATED BROADCAST SERVICE.

All amounts appropriated for any fiscal year for intelligence information data broadcast systems may be obligated or expended by an intelligence element of the Department of Defense only with the concurrence of the official in the Department of Defense designated as the executive agent of the Integrated Broadcast Service.

SEC. 603. PREDATOR UNMANNED AERIAL VEHICLE.

(a) TRANSFER OF FUNCTIONS.—Effective October 1, 1997, the functions described in subsection (b) with respect to the Predator Unmanned Aerial Vehicle are transferred to the Secretary of the Air Force.

(b) FUNCTIONS TO BE TRANSFERRED.—Subsection (a) applies to those functions performed as of June 1, 1997, by the organization within the Department of Defense known as the Unmanned Aerial Joint Program Office with respect to the Predator Unmanned Aerial Vehicle.

(c) TRANSFER OF FUNDS.—Effective October 1, 1997, all unexpended funds appropriated for the Predator Unmanned Aerial Vehicle that are within the Defense-Wide Program Element number 0305205D are transferred to Air Force Program Element number 0305154F.

SEC. 604. U–2 SENSOR PROGRAM.

(a) REQUIREMENT FOR MINIMUM NUMBER OF AIRCRAFT.—The Secretary of Defense shall ensure—

(1) that not less than 11 U–2 reconnaissance aircraft are equipped with RAS–1 sensor suites; and

(2) that each such aircraft that is so equipped is maintained in a manner necessary to counter available threat technologies until the aircraft is retired or until a successor sensor suite is developed and fielded.

(b) EFFECTIVE DATE.—Subsection (a) takes effect on October 1, 1997.

SEC. 605. REQUIREMENTS RELATING TO CONGRESSIONAL BUDGET JUSTIFICATION BOOKS.

(a) IN GENERAL.—The congressional budget justification books for any element of the intelligence community submitted to Congress in support of the budget of the President for any fiscal year shall include, at a minimum, the following:

(1) For each program for which appropriations are requested for that element of the intelligence community in that budget—

(A) specification of the program, including the program element number for the program;

(B) the specific dollar amount requested for the program;

(C) the appropriation account within which funding for the program is placed;

(D) the budget line item that applies to the program;

(E) specification of whether the program is a research and development program or otherwise involves research and development;

(F) identification of the total cost for the program; and

(G) information relating to all direct and associated costs in each appropriations account for the program.

(2) A detailed accounting of all reprogramming or reallocation actions and the status of those actions at the time of submission of those materials.

(3) Information relating to any unallocated cuts or taxes.

(b) DEFINITIONS.—For purposes of this section:

(1) The term ''intelligence community'' has the meaning given that term in section 3 of the National Security Act of 1947 (50 U.S.C. 401a).

(2) The term ''congressional budget justification books'' means the budget justification materials submitted to Congress for any fiscal year in support of the budget for that fiscal year for any element of the intelligence community (as contained in the budget of the President submitted to Congress for that fiscal year pursuant to section 1105 of title 31, United States Code).

(c) EFFECTIVE DATE.—Subsection (a) shall take effect with respect to fiscal year 1999.

SEC. 606. COORDINATION OF AIR FORCE JOINT SIGINT PROGRAM OFFICE ACTIVITIES WITH OTHER MILITARY DEPARTMENTS.

(a) CONTRACTS.—The Secretary of the Air Force, acting through the Air Force Joint Airborne Signals Intelligence Program Office, may not modify, amend, or alter a JSAF program contract without coordinating with the Secretary of any other military department that would be affected by the modification, amendment, alteration.

(b) NEW DEVELOPMENTS AFFECTING OPERATIONAL MILITARY REQUIREMENTS.—(1) The Secretary of the Air Force, acting through the Air Force Joint Airborne Signals Intelligence Program Office, may not enter into a contract described in paragraph (2) without coordinating with the Secretary of the military department concerned.

(2) Paragraph (1) applies to a contract for development relating to a JSAF program that may

directly affect the operational requirements of one of the Armed Forces (other than the Air Force) for the satisfaction of intelligence requirements.

(c) JSAF PROGRAM DEFINED.—For purposes of this section, the term ''JSAF program'' means a program within the Joint Signals Intelligence Avionics Family of programs administered by the Air Force Joint Airborne Signals Intelligence Program Office.

(d) EFFECTIVE DATE.—This section takes effect on October 1, 1997.

SEC. 607. DISCONTINUATION OF THE DEFENSE SPACE RECONNAISSANCE PROGRAM.

Not later than October 1, 1999, the Secretary of Defense shall—

(1) discontinue the Defense Space Reconnaissance Program (a program within the Joint Military Intelligence Program); and

(2) close the organization within the Department of Defense known as the Defense Space Program Office (the management office for that program).

SEC. 608. TERMINATION OF DEFENSE AIRBORNE RECONNAISSANCE OFFICE.

(a) TERMINATION OF OFFICE.—The organization within the Department of Defense known as the Defense Airborne Reconnaissance Office is terminated. No funds available for the Department of Defense may be used for the operation of that Office after the date specified in subsection (d).

(b) TRANSFER OF FUNCTIONS.—(1) Subject to paragraphs (3) and (4), the Secretary of Defense shall transfer to the Defense Intelligence Agency those functions performed on the day before the date of the enactment this Act by the Defense Airborne Reconnaissance Office that are specified in paragraph (2).

(2) The functions transferred by the Secretary to the Defense Intelligence Agency under paragraph (1) shall include functions of the Defense Airborne Reconnaissance Office relating to its responsibilities for management oversight and coordination of defense airborne reconnaissance capabilities (other than any responsibilities for acquisition of systems).

(3) The Secretary shall determine which specific functions are appropriate for transfer under paragraph (1). In making that determination, the Secretary shall ensure that responsibility for individual airborne reconnaissance programs with respect to program management, for research, development, test, and evaluation, for acquisition, and for operations and related line management remain with the respective Secretaries of the military departments.

(4) Any function transferred to the Defense Intelligence Agency under this subsection is subject to the authority, direction, and control of the Secretary of Defense.

(c) REPORT.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the committees named in paragraph (2) a report containing the Secretary's plan for terminating the Defense Airborne Reconnaissance Office and transferring the functions of that office.

(2) The committees referred to in paragraph (1) are—

(A) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

(B) the Permanent Select Committee on Intelligence and the Committee on National Security of the House of Representatives.

(d) EFFECTIVE DATE.—Subsection (a) shall take effect at the end of the 120-day period beginning on the date of the enactment of this Act.

The CHAIRMAN. Are there further amendments to the committee amendment in the nature of a substitute?

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to the order of the House of today, proceedings will now resume on the amendment on which further proceedings were postponed: amendment No. 3 offered by the gentleman from Massachusetts Mr. FRANK].

AMENDMENT OFFERED BY MR. FRANK OF MASSACHUSETTS

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

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 238, not voting 14, as follows:

[Roll No. 255]

AYES—182

Abercrombie
Ackerman
Allen
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Camp
Campbell
Capps
Carson
Chabot
Clay
Clayton
Clyburn
Condit
Conyers
Costello
Coyne
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Dingell
Doggett
Dooley
Doyle
Duncan
Engel
Ensign
Eshoo
Etheridge
Evans
Farr
Fazio
Filner
Flake
Foglietta
Ford
Fox
Frank (MA)
Furse
Gejdenson
Gephardt
Gonzalez
Goode
Goodlatte
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hooley
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klug
Kucinich
LaFalce
Lampson
Lantos
Largent
Leach
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Porter
Poshard
Price (NC)
Ramstad
Rangel
Riggs
Rivers
Rodriguez
Roemer
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sanford
Sawyer
Schumer
Sensenbrenner
Serrano
Shays
Skaggs
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Traficant
Upton
Velazquez
Vento
Waters
Watt (NC)
Waxman
Weygand
Woolsey

NOES—238

Aderholt
Andrews
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Cardin
Castle
Chambliss
Chenoweth
Christensen
Clement
Coble
Coburn
Combest
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Foley
Forbes
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Jones
Kaptur
Kasich
Kelly
Kim
King (NY)
Kingston
Klink
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Martinez
Mascara
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Metcalf
Mica
Miller (FL)
Molinari
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Packard
Pappas
Parker
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Redmond
Regula
Riley
Rogan
Rogers
Ros-Lehtinen
Ryun
Salmon
Sandlin
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Sessions
Shadegg
Shaw
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Turner
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Berman
Collins
Edwards
Fattah
Johnson, Sam
Manton
McDade
Oxley
Reyes
Schiff
Slaughter
Towns
Wexler
Yates

□ 2120

The Clerk announced the following pair:

On this vote:

Mr. Yates for, with Mr. McDade against.

Messrs. FOLEY, WATTS of Oklahoma, and STEARNS changed their vote from ''aye'' to ''no.''

Ms. EDDIE BERNICE JOHNSON of Texas, and Messrs. PAUL, SPRATT, JEFFERSON, HALL of Texas, and STENHOLM changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. There being no further amendments to the bill, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1775) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the U.S. Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, pursuant to House Resolution 179, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1775, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. GOSS. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 1775, the Clerk be authorized to make such technical and conforming changes as may be necessary to correct such things as spelling, punctuation, cross-referencing and section numbering.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

GENERAL LEAVE

Mr. GOSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1775, the bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

A TALE OF TWO WOMEN

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

Mr. GIBBONS. Mr. Speaker, I rise today to share with my colleagues a letter I received from a constituent of mine from Sparks, NV. This letter tells a story of two women. The first, and author of this letter, works 60 hours or more a week in hopes of saving enough money to get married and have children. The second woman, her cousin, has three children and has been receiving welfare for 13 years. The closing paragraph of her letter sums up the state of things better than I have ever heard. She writes, ''Yes, the liberals take good care of people like my cousin who were smarter than I by deciding to have children, not get married and not go to work so that the Federal Government would take care of her and her children. I was the stupid one, who worked hard and waited to get married before having children. Now my taxes and hard work help pay for my cousin to enjoy her life.''

The Republican tax reduction will help restore common sense and accountability to the process and lift the burden off the shoulders of the hard-working, tax-paying men and women of America.

JULY 1, 1997.

Congressman JIM GIBBONS,
Reno, NV.

DEAR CONGRESSMAN GIBBONS: I thought you might enjoy reading about how Clinton and the liberals have proved they are pro family.

This is a tale of two women.

One is 37 years old and has worked since she was 14 years old busing tables at a Holiday Inn. The other woman is 30 and has never had a regular job in her life but she has received welfare assistance since she was 17.

The 37 year old recently got married for the first time, became a first time home buyer and has no children. The 30 year old has never been married, lives with her current boyfriend and has three children.

The 37 year old owns a car that is 10 years old and only seats two people. Her husband has a 9 year old pick up truck which also only seats two. They would like to purchase a moderately priced used four door car to carry children that they plan to have. The 30 year old recently bought a new Toyota Camry.

The 37 year old and her husband now pay more taxes since they got married and the 30 year old pays no taxes.

When the 30 year old and her husband have children they will not qualify for the proposed $500 tax credit per child because they make a little more than $75,000 per year on a combined income and are considered rich. The 30 year old will receive a $500 per child tax credit even though she does not pay taxes.

The 37 year old recently took a second job at $6.75/hour and her husband works as much overtime as he can to help pay off debt associated with buying the new house so she can afford a new car and have children. The 37 year old woman works 60+ hours a week and sees her husband 1 day a week and in passing during the rest of the week. The 30 year old has lots of free time, as her mother and sisters take turns baby-sitting the three children, while she goes out with her friends and spends time with her boyfriend.

When the 30 year old loses her welfare, she plans to take a job but her child care will be paid for by the government. The 37 year old will have to quit her job to take care of children, when she has them, because child care will eat up most of her salary so she has decided it would be better to stay home.

The 37 year old is myself and the 30 year old is my cousin who had her first child at 17 because her older sister had a child and received more attention.

I make $28,500 per year as a marketing coordinator for an engineering firm. I have worked hard all my adult life and put myself through college. My husband's base salary is about $36,000 per year as a postal worker (for 16 years) but he works a lot of overtime and averages about $47,000 per year. We bring home about $48,000 per year. We both have some money withheld for retirement. When we did our taxes last year we discovered that we are considered to be wealthy (because of our combined incomes) and should therefore pay more taxes.

We were penalized for working hard and getting married.

Now we find that we cannot afford to have children. If we have children, I will probably have to quit my job to take care of them because day care would cost about $7,800 per year for one child and I don't have relatives nearby who could care for them and I don't qualify for assistance by the federal government to help pay for day care.

But I guess quitting my job would be okay because I would then qualify for the $500 per child tax credit because our family income would be under $75,000 per year. Of course we wouldn't have a car that we would all fit in. But at least the child would be safe in the front seat of both vehicles since they don't have air bags.

My husband would have to give up his 401K because we would need that extra income too. But that would be okay since we will now have the federal government to take care of us when we get old.

So now, we will be penalized for having children.

Yes, Clinton and his liberals take good care of people like my cousin who was smarter than I by deciding to have children, not get married and not work so the federal government would take care of her and her children.

I was the stupid one, who worked hard and waited to get married before having children.

Now my taxes and hard work help pay for my cousin to enjoy her life.

Yes, Clinton is pro family.

Sincerely,

SHELLEY READ,
Sparks, Nevada.

□ 2130

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. LAHOOD). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 5 minutes.

[Mr. BONIOR addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. PICKERING] is recognized for 5 minutes.

[Mr. PICKERING addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

NORTH AMERICAN FREE TRADE AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DAVIS] is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise at this moment to talk about something that is near and dear to the hearts of many Americans, and that is the North American Free Trade Agreement, otherwise known as NAFTA.

When the United States enters into trade agreements, the objective should be to advance the standard of living for working families in our country and abroad.

Just like the average family in Illinois' 7th Congressional District who are impacted by this trade agreement whether they like it or not, my hope is for them. They want what we all want, to provide to the best of their ability for their loved ones.

My hope is for the people in the district, so that they can obtain a living wage, a wage that allows workers to lead a dignified life while working in a safe and healthy environment, an environment that respects their needs as a worker. Their struggles and desires are not so different from mine and my colleagues. They want to put clothes on their children's back, they want to put food on the table, have access to reliable transportation, live in adequate housing, and afford child care for their children. Their issues need to be taken account of and they want to be an active part of the debate.

I hope for a trade agreement that will help to broaden our economy, help eradicate poverty, while bringing jobs and a decent quality of life to all of those involved. However, based upon recent reports, NAFTA, the trade agreement and trade model, has not met its promises. Therefore, I believe that any standard of trade, based on the NAFTA model, will further threaten the standard of living for working families, not only in the United States but in other countries as well.

The growing trade deficit with Canada and Mexico since NAFTA was passed is well-known. As this trade deficit has developed, thousands of United States jobs have been lost.

''Free traders'' often state that those opposed to NAFTA need to get on with the times, often asserting that we are opposed to this treaty out of fear for the future. I pronounce that this is just simply not the truth. As a matter of fact, those individuals and unions who are opposed to NAFTA do so as a result of their great desire to create a different kind of future, a future that says that the standard of living in this country ought to be spread throughout the world, a future that says we do not believe that further reducing the standard of living in Third World developing countries is the way for America to rise.

So, Mr. Speaker, I would hope that this country would object, reject, extricate itself from the concept that America can advance by allowing its businesses and industries to flow away seeking a different kind of labor pool, seeking a labor pool that is willing to work because of the difficulties that it has had, that is willing to work by undercutting and undermining the standard of living that the American society has become accustomed to.

We need to make sure that people all over the world can subscribe to the idea that they ought to be paid for the work which they provide; that is, they ought to be paid a livable wage that affords them the opportunity to seek the very best of what the world has to offer.

I am grateful for the opportunity to share these thoughts and ideas with my colleagues and the American people and suggest that NAFTA is not good for America.

TAX RELIEF TO THE MIDDLE CLASS IS MORE IMPORTANT THAN EVER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, what if we were to go on a 6-month diet to lose 30 pounds and we got to the 4th month and we had already lost 28 pounds? Would we quit exercising and quit dieting because we were so far ahead of schedule? We had not reached our goal yet but we were way ahead of the game.

The United States Congress and the American people are in that situation right now with deficit reduction. An article today in The Washington Post shows that the deficit, the projected deficit may go down to $45 billion, which is way lower than the expectation. Now, what this means is that Congress and the American people may not have to wait until the year 2002 to see a balanced budget. We may see it a lot sooner, even potentially as soon as next year.

So how do we react? Well, all over America people will be very pleased to hear this. But how do certain big-government liberal types in Washington react? Hey, we are ahead of schedule; that means we can relax and we do not have to cut so many programs and we can spend more money. We can have more pork back home. It is very good news to some of them.

I would say to my colleagues that, if we change from the path of having fiscal responsibility and lower spending, then we will get back into the hole that we are just now digging out of. A balanced budget to the folks back home is not about numbers, it is about opportunities, it is about lower interest rates. Lower interest rates on a home mortgage of $75,000 over a 30-year period means we would pay $37,000 less. On a $15,000 car loan, lower interest rates means that we would pay about $900 less. It means that college education is more affordable because student loans are lower. Also, Mr. Speaker, it means taxes are lower because we do not have to spend so much on deficit spending.

Now, the Republican plan to lower and give middle class tax relief is very simple. Under that, 76 percent, and I have a chart, Mr. Speaker, but 76 percent of the tax relief goes to people, households, making below $75,000 a year. This is what a middle class tax cut is all about.

Now, a lot of folks say, well, this tax cut only benefits the rich. Well, that is true if the definition of rich is people who make below $75,000. And incidentally, the interesting way the Clinton administration and some of the liberals get there is by playing games with paychecks, by adding to it, for example, the rental value of a house. So if a person makes $45,000 a year, under the Democrat liberal formula that individual is making over $75,000 a year, so they can say this tax cut does not apply to them.

I would say this. If we go try to get a loan or buy a house based on the numbers the President tells us we are making, it will not work.

Ninety percent of this tax relief goes to families and to education. I am from Georgia. We have the HOPE scholarship. The HOPE scholarship is for students who make a B or above in State schools, and they have their tuition paid for. The national HOPE scholarship is not as generous as the Georgia HOPE scholarship, but it is still very good, because if students and children want to compete in the world today, they have to have a college education. The Republican plan makes college education more affordable.

Tax relief at this time is proper. Why is tax relief important? Because the more money Americans have in their pocket, because the Government is taking less out of it, the more shoes they will buy, the more clothes they will buy, the more shirts, the more cars, and so forth. And when Americans do that, small businesses respond by expanding. When businesses expand, more jobs are created. When more jobs are created, more people go to work, less people are on welfare, and more people are paying taxes.

Is tax relief consistent with deficit reduction? Absolutely. It certainly is,

Mr. Speaker, and that is why we need it. Because the easiest way to balance the budget is to have economic growth.

COMMEMORATION OF THE LIBERATION OF GUAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Guam [Mr. UNDERWOOD] is recognized for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, I take the opportunity to come to the floor to just simply commemorate an event that is very important to the people of Guam, and that is the liberation of Guam from the hands of the Japanese during World War II.

The actual liberation of Guam occurred on July 21, 1944, with the landing of troops from the Third Marine Division and the First Marine Provisional Brigade and the 77th Army Infantry. We paid tribute to this event yesterday at Arlington National Cemetery with about 200 people from the local Guam community as well as various officials from the Federal Government. We laid a wreath at the Tomb of the Unknowns, and joining with me in laying this wreath was General Krulak, the Commandant of the Marine Corps.

Of course, this is entirely appropriate because it is in fact the Marines who were the shock troops of the landing which occurred 53 years ago on Guam. Among the Marines that landed on Guam on that day were Capt. Louis Wilson, who won the Congressional Medal of Honor and who, unfortunately, could not be with us yesterday, but he won the Congressional Medal of Honor on Guam. Captain Wilson later went on to be Commandant of the Marine Corps.

Also, last year, in commemorating this event, someone who joined in commemorating this event with us was former Alabama Senator Howell Heflin, who was wounded on Guam on July 21, 1944.

The island of Guam was devastated by this conflagration, and the men in uniform, as liberators from the sea, deserve our gratitude and certainly the gratitude from the people of Guam for a job well done and for the honor of a sacred mission that was fully completed.

But there were also liberators from within. There were also the people of Guam who suffered and who sacrificed and endured much hardship while awaiting their deliverance, but displaying all the while their courage and their capacity for survival, their ingenuity and their indomitable spirit.

There are many dates in this month, in July, which testify to the intensity of the emotions of the Chamorro people and the endurance of the Japanese occupation. On July 12, the date in 1944, some 9 days before the arrival of the American troops, the Japanese ordered a massive roundup of all civilians and had a forced march into the interior of the island.

□ 2145

July 12 is also the date on which four men were beheaded, including Father Duenas, in a place called Tai. Father Duenas was beheaded for his continual insistence and protestations to the Japanese authorities that his people be treated fairly. And the same day that the Japanese decided to round up the entire population of some 20,000 Chamorro civilians and force them into camps into the interior of the island, was the day that they also beheaded Father Duenas.

On July 15 there was the massacre of some 16 villagers on the southern end of the island in the caves of Tinta Malesso, and July 16 the massacre of 30 other villagers at Faha, which is also in the village of Malesso. And on July 20, one day before the arrival of the Americans, the brave actions of some young men who were armed only with one rifle and several homemade spears under the leadership of Tonko Ayes of Malesso, overcame a squad of Japanese soldiers in Malesso in fear of their lives.

So as we reflect upon this, certainly for the people of Guam there were numerous other beheadings, executions and beatings, but the people of Guam persevered because of their faith in the American flag and belief in their abilities. Today we pay respect to those who liberated Guam in 1944, from within, from without, from the sea and from the hills. The people who came from places like Kansas and Florida and North Carolina, but certainly also people that came from the interior of Guam, we honor all of you.

It is important to remember that Guam was the only American territory which was occupied during World War II with civilians in it, and is in fact the only American territory occupied since the war of 1812.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield?

Mr. UNDERWOOD. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Speaker, I want to commend the gentleman from Guam [Mr. UNDERWOOD] on the special order that he is conducting here this evening. When I visited some of the battlefields in Guam and saw the activities and learned of the heroic activities of the Guamanian people, I was moved and impressed.

I think we have not given the Guamanians the recognition they really deserve, so I appreciate the gentleman's offer on behalf of his constituency tonight.

FAMILY ECONOMIC INCOME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

Mr. SAXTON. Mr. Speaker, about a month ago, when we were leading up to the debate that we had and the successful passage of the tax reform bill, the treasury department kicked off a major debate in this country by releasing some statistics, suggesting that the congressional tax relief bills were tilted toward the rich. In other words, the tax relief bill that we were passing was going to give larger tax breaks to the rich than it was to the middle class.

And, of course, Secretary Rubin made a big point that we were not doing enough to take care of the less well off. As we began to look into it, and this is not new news anymore, but as we began to look into the situation, we found out that one of the things Secretary Rubin did was to fail to report his findings in a fashion that the American people could understand.

And I guess I would have to conclude that Secretary Rubin did that on purpose. Because instead of talking about family income in a way that we would all normally talk about it, either in someone's annual salary as it is reported, when somebody comes home and they are sitting around the family dinner table and their little boy or girl says to dad, ''How much do we make?'' and dad says, ''Well, my salary is $40,000,'' or ''My salary is $55,000,'' or whatever it is, we all understand that. Or we can also understand that when we fill out our income tax form each year, we get some deductions and we get down to what we really pay taxes on under the current tax code. That is called adjusted gross income. The American people and I and everybody else can understand what that is.

But Secretary Rubin computed family income by using a term called family economic income. That means he took the gross salary that everybody made, not adjusted gross income, but the total amount, and added in a number of other income factors to that which Americans do not normally relate to as income to their family.

For example, let us say a family makes $60,000 and let us say they live in a house that is worth $150,000. Well, the economic rental income of that house, now remember they have a mortgage and they are paying the mortgage and they are paying their taxes on the house, but if it is worth $150,000 and the rental value of that house if it were on the market for rent would be maybe $1,200 a month, Secretary Rubin took $1,200 a month and multiplied it by 12 and said, OK, let us see, that is $12,000 plus another $2,400, that is $14,400 a year that the family has in family economic income. So you take the salary level that the family earns, say it is $60,000, and add $14,400 to it and that is part of family economic income.

And if you are like most people have some kind of retirement plan, the buildup of money in the retirement plan also became part of family economic income. And so, as was pointed out by the gentleman from Georgia [Mr. KINGSTON] just a few minutes ago, a family that had an income of $50,000 or $60,000 could look at Secretary Rubin's charts and find out that they

make $85,000 or $90,000 a year, when, in fact, nothing could be further from the truth.

Now this was done I think as a way to skew the numbers to make it look like the Republican tax plan actually gave bigger tax breaks to people who were more well off than they did to people who were less well off. So when we began to analyze this, we used the more normal numbers that would be used by most anyone who is thinking about how much families make, and this chart depicts what we found when we looked at how the tax code the new tax plan will affect taxpayers in various economic groups.

For example, here is the lowest 20 percent of taxpayers on this end and the highest 20 percent of taxpayers on the other end. Now, 63 percent of the American people, under the current tax code, 63 percent are in the highest tax bracket, the highest 20 percent. And under the new tax plan, guess what, there is no change whatsoever in that number, continues to say that 63 percent of the people are still in the top tax bracket.

I will just conclude, Mr. Speaker, by saying, as we move on down, we see very clearly that there is no change whatsoever in any of the numbers as it relates to people who pay taxes and how much they pay under the new tax plan, it is the same identical amount as the old.

ARMY CORPS OF ENGINEERS REFUSES TO CONDUCT STUDY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. STRICKLAND] is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, as I walked over to the Capitol tonight and saw the lights on the dome, I felt, as I always feel as I look at this magnificent structure, I felt a deep appreciation for the opportunity to serve in this place and I felt a deep responsibility to my constituents who have sent me here. To represent the people of southern Ohio I consider a sacred responsibility.

I come to the floor again tonight to talk about a little village in my district located on the Ohio River in Lawrence County, OH, a little village called Chesapeake, OH, a place where people for years have decided to build their homes and their lives on the banks of the beautiful Ohio River because they love the river, they love the environment, they love the community.

A few months ago, a large barge towing company applied to the Army Corps of Engineers for a permit to build a large fleeting facility directly across the river from Chesapeake, OH. Now, I recognize the fact that the Ohio River is a river of great commerce and that we need to utilize it to its fullest to provide jobs and transportation for coal and products. I am not against a fleeting facility, and I am not against this particular company's location of a fleeting facility along the Ohio River.

I simply object to the fact that this facility would be permitted to be located directly across the river from Chesapeake, OH. It would greatly diminish the property values of my constituents. I believe it would provide additional safety problems, air and water pollution, perhaps soil erosion.

The Congressman before me requested that the Army Corps of Engineers require that an environmental impact statement be made and conducted before such a permit was granted. After I came to this office, I requested the Army Corps of Engineers to conduct an environmental impact study leading to an environmental impact statement.

Such a study would require the corps to look at a range of issues, certainly the commercial aspects of the permit, but also factors like quality of life, air, water and soil issues, recreational problems that may be encountered as a result of such a facility, and property values.

The corps steadfastly refused to conduct such a study. I would say that the citizens of this country would not have been required to pay for such a study, that would have been the responsibility of the corporation, a large, wealthy corporation that was asking for the permit.

Why did the Corps refuse to conduct a study? I think it is because such a study would have revealed factors which would have made it nearly impossible for them to have legitimately issued a permit. Some 2,000 of my constituents signed petitions directed to the Corps of Engineers asking them for the study.

Two Members of Congress requested such a study. And yet the Army Corps of Engineers put the well-being of a large corporation above the well-being of my constituents, of hundreds, even thousands, of the citizens who live in the vicinity of Chesapeake, Ohio. The company claimed that they would create 30 jobs. They were certainly not able to convince me, nor were they able to say with surety that these would be 30 new jobs rather than simply a consolidation of existing jobs. I am not against fleeting operations.

I am not against the barge and towing industry. In fact, I strongly and enthusiastically support the commercial use of the Ohio River. We need it to provide jobs and transport for our goods. The question is should this facility have been located directly across the river from an established community. I think any reasonable consideration of the facts would lead to the conclusion that this was an unwise decision.

The truth is that the Army Corps of Engineers ignored the representative of the people, it ignored the petitions of the people, and it decided that the well-being and the interests of a single large corporation should take priority and precedence over the well-being and the safety of hundreds, even thousands, of my constituents.

What the Army Corps has done is wrong. Their policies and procedures need to be evaluated. I ask my constituents to continue the fight, and I ask my colleagues in this body for their assistance in righting this terrible wrong.

□ 2200

The SPEAKER pro tempore (Mr. CHRISTENSEN). Under a previous order of the House, the gentleman from California [Mr. HERGER] is recognized for 5 minutes.

[Mr. HERGER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

PRESIDENT'S TAX CUT PROPOSALS BENEFIT TYPICAL AMERICAN FAMILIES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, it has been noted that many of us have come repeatedly to the floor of the House in trying to explain to the American people this whole debate on tax cuts. There have been an extensive amount of rhetoric, allegations of welfare deadbeats getting tax cuts, allegations that those who really work and really pay taxes would benefit under the Republican plan, but yet where are the facts?

This is so important an issue that I think, Mr. Speaker, we should continue to come and come and come so that those individuals who pay our salaries can fully appreciate the intensity of this debate, but the realism of this debate.

Just a few speakers ago, there was someone standing with a very pretty chart trying to discern between the Secretary of the Treasury's analysis and the Republican analysis. Let me, however, share with my colleagues words from the Congressional Research Service, the Library of Congress. Many of us go to libraries. We recognize that libraries have a myriad of resources. Most of all, libraries do not try to convince us of anything. They give the pros and the cons. They give the fiction and the nonfiction.

In this report, the CRS service has made a very simple analysis. No one has paid them to make a statement in favor of one versus another. But it simply says estimates by the Treasury Office of Tax Analysis suggest that these tax cuts will favor high-income individuals while certain estimates taken from the analysis of the Joint Committee on Taxation indicate the cuts will favor the middle class.

What does did CRS say? The CRS says that the Office of Tax Analysis, that is in the Secretary of the Treasury's Office, provides a more comprehensive measure, more consistent

with how economists would measure the bill's benefits to individuals in different income classes. Therefore, as compared to the Joint Committee on Taxation used by Republicans, the OTA, as assessed by an independent body, is the more accurate assessment of how these funds will be distributed, and the Secretary of the Treasury clearly says the high-income, over $100,000 individuals, of which we have no animosity toward, will be the beneficiaries of the Republican tax plan, not hardworking and continually working middle-class and poor Americans. The OTA measure of income is the more accurate measure of economic income because it is more comprehensive, again from the Library of Congress.

If we simply look at the President's plan in contrast, if we consider a family of four who makes $40,000, the father is a carpenter and makes $25,000 and the mother makes $15,000 working in a local department store. They have two kids, a son that is a freshman in high school, and a college student at a community college where tuition is $1,200. The President's tax proposal will benefit this family in at least two ways. The tax credit for $500 plus a HOPE scholarship of $1,100. In total they will receive a $1,600 tax cut. But they make under $50,000. But they work every day. No, they are not on welfare, they are not deadbeats.

Here is another situation. Consider a family of four with two children living in a medium sized southern city. The father is a rookie police officer. How many of us applaud those men and women in the blue that put their life to line making $23,000, a year and the mother is taking off a few years from working because she has a small, growing family.

Federal tax situation before any child tax credit: income taxes owed, $675 before the earned income tax credit that the Democrats want to ensure continues; payroll taxes, the employee's share, $1,760; excise taxes, $354; Federal out-of-pocket taxes owed before EITC, $2,789; employer share of payroll taxes, $1,760; Federal taxes before the EITC, that is the earned income tax credit, $4,549. Benefit that they would get from the earned income tax credit, $1,668, the same tax credit that the Republicans want to cut out.

The child tax credit for the family of a rookie police officer making $23,000, President Clinton's proposal, $767; the House bill, they would get zero; the Senate bill, zero.

What do we say to this working family with a mother who is caring for children? Do we say that they do not deserve fairness? This tax bill is important, Mr. Speaker, but the most important thing is for the American people to understand who is on their side and who can understand that than those who look in their pocket and find zero? Mr. Speaker, I hope this debate will be continued.

TRIBUTE TO LT. COL. DONNA K. DOUGHERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska [Mr. BEREUTER] is recognized for 5 minutes.

Mr. BEREUTER. Mr. Speaker, for myself and for the House delegation to the North Atlantic Assembly, I rise today to recognize Lt. Col. Donna K. Daugherty for her distinguished and exemplary service to the U.S. Air Force and this great Nation and her lengthy tenure as the Deputy Chief of the Air Force House Liaison Office from February 29, 1991, to July 3, 1997.

In this capacity, Colonel Daugherty truly has excelled in providing the House of Representatives with outstanding service and unselfish commitment above and beyond the call of duty. She quickly established a solid reputation with both Members and staff and continued to build onto those strong relationships during her time in the liaison office. Her keen wit, good judgment, genial personality, and intelligence have helped her represent the Air Force and the Department of Defense in outstanding fashion.

For the past 6 years, her assistance was routinely sought by members of the Committee on National Security and their staff to arrange briefings on a wide variety of national security issues. Throughout her work, Kim's sound judgment and keen sense of national priorities are attributes or talents that have greatly benefited Congress and the U.S. Air Force.

In the challenging arena of assisting Members of Congress in international travel, she was of outstanding assistance in planning, organizing and executing assigned congressional delegation trips to locations all over the world. Actually, she assisted in the planning and executions of 35 CODEL's to 41 different countries involving 143 current and former Members of Congress.

As the chairman of the House delegation to the North Atlantic Assembly, this Member has been assisted by her on several North Atlantic Assembly trips, and her sound performance was always stellar. It certainly has been this Member's pleasure to have worked and traveled with Lt. Col. Kim Daugherty. She has served with great distinction and has earned our respect and gratitude for her many contributions to our Nation's defense and assistance to the U.S. House of Representatives.

Mr. Speaker, this Member confidently speaks for the many colleagues who know Colonel Kim Dougherty when a fond farewell is extended to her along with sincere best wishes and continued success to her and her family as she moves on to the National War College.

Mr. Speaker, the House can be thankful, however, that Colonel Dougherty will be returning to the Legislative Liaison Office next year. We look forward to working with her in the future.

NEW EPA RULES THREATEN ECONOMIC REVITALIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. KLINK] is recognized for 5 minutes.

Mr. KLINK. Mr. Speaker, as I have in the past several weeks, I come to the floor of the House again asking my colleagues to give some consideration to becoming cosponsors to a bill that I have done with the gentleman from Michigan [Mr. UPTON], a Republican from Michigan, and the gentleman from Virginia [Mr. BOUCHER], a Democrat. It is a bipartisan effort to try to say to the Environmental Protection Agency that we in the United States of America, we the people, are working toward cleaning up our air. We have done a tremendous job of cleaning up the air of this Nation. Industries have spent hundreds of millions of dollars. Workers have done their part. Automobile owners have done their part. We have gone to catalytic converters and unleaded gasoline. I will tell my colleagues, coming from southwestern Pennsylvania in an area that was once referred to as ''hell with the lid off'' that we in fact have made tremendous strides in cleaning the air and even according to Carol Browner, Director of the EPA, we will continue to do that.

But now comes the Director of the EPA and now comes the President of the United States refusing to talk to those of us who are from their own party, the Democratic Party, refusing to even acknowledge our letters when we say to them that you are threatening the very livelihood of the people of our district. You are threatening the economic revitalization that has been decades in coming by changing the target at the midway point in the race.

The President, at the suggestion of Ms. Browner, at EPA is going to change two standards, that dealing with soot or fine particulate matter, and that dealing with ozone, or smog. There is no reason to do that. By their own admission, we are making progress. By their own admission, particularly when dealing with fine particulate matter, there are only 50 monitors in this entire country which will deal with what is known as PM–2.5. That is something about 1/28th the width of a human hair.

Why are we doing this, Mr. Speaker? Why are we changing the rules and regulations for industry? The governors certainly do not want it. They have encouraged this President, who was a Governor, not to make this change at this time, many Governors.

State legislators have urged us. The burden will fall on them. The Mayors Conference overwhelmingly suggested to this President, do not change the rules, the burden will fall on us. We are the ones that will have to come up with methods of complying. We are the people who will have to say, no building permits if you want to expand your industry, no building permit if you want to bring a new industry into this

region. We are the people who have to make the decision. It is not the EPA, it is not Carol Browner.

It is going to be something that is mandated, new standards, by the Federal Government, that according to the scientists who testified before our Committee on Commerce, the Committee on Science and other committees on both sides of the Hill, that there is no bright line which defines an improvement in human health. So why are we spending billions of dollars, costing millions of people their jobs, costing the economic recovery of this Nation at a time when we have no definitive reason to believe that there will be a positive impact?

And the President has said, wait a minute, take a look at our compliance. We are going to set these standards down but, with a wink and a nod, you do not have to obey them for years to come.

Why institute them? Why institute them? And if you do not have to comply, then why do we have them? And it is not the Federal Government that is going to force you to comply; it is those same local elected officials, the mayors, the county commissioners, the State elected officials, the Governors who are going to have to say, if my district all of a sudden, these hundreds of counties across this Nation, are going to be out of compliance, then we have to begin the process of setting up the standards. We will be the people that will have to make the decisions as to whether or not we issue building permits, whether we allow industry to expand, what we do about centralized emissions testing of our vehicles, and on and on and on.

So you are right, Mr. President. With a wink and a nod, you can say we are going to keep the environmentalists happy by seeming to make more stringent laws, but with a wink and a nod to our friends in labor, to our friends in industry, we will say, ''But you don't have to obey those rules.''

You cannot have it both ways. We in southwestern Pennsylvania have lost 155,000 jobs. We are beginning to come back. We are beginning to see a new investment by companies that want to come back to people with a good work ethic and want to create employment. We do not want that to be undone, and so we have introduced H.R. 1984. It will stop the EPA. It is a common sense bill. In the meantime, we will authorize money to study the problem, to build the PM–2.5 monitors and to take us forward with good science.

TAX RELIEF FOR MIDDLE CLASS WORKING FAMILIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, I want to talk a little bit tonight about tax relief, and particularly tax relief for middle class working families. All of us were home for about 10 days in our districts and most of us had a chance to meet with folks in community events. I was at Spam Jam in Austin, Minnesota, where we celebrate the world's greatest lunch meat. I was at 6 parades in my district. I got a chance to talk to a lot of people. What they told me was pretty simple. I think they are generally pleased with what we are doing in terms of balancing the budget, but frankly they do want some tax relief, they want it to be fair, they want it to be part of a balanced budget plan, they would like us to save Medicare.

I am happy to report tonight, Mr. Speaker, that we are doing exactly that. I want to talk a little bit about the differences in the debate that the American people are being subjected to about whether or not this tax relief plan that we are offering to the American people is fair.

□ 2215

And I would suggest that there is a big difference in the debate, and the debate is between real and potential, real and potential. In fact, if you listen carefully to the debate, we are going to talk about real tax relief, they are going to talk about potential tax relief. They are going to talk about potential income, we are going to talk about real income.

And I do not fault completely our current Secretary of the Treasury, Mr. Rubin. He was not the first to come up with a concept of imputed income.

Now what is imputed income? And earlier we had one of our colleagues from Texas talk about a family that made $40,000. Now someone, if we had been able to, and sometimes it is rude to interrupt people and ask them to yield, but is that real income or is that imputed income? Because imputed income, as the gentleman from New Jersey [Mr. SAXTON] said earlier, includes potential rent that you could get from the house that you currently live in.

As a matter of fact, David Brinkley a couple of years ago opined about this issue. Imputed income is income that you might have had but did not. It is potential income.

For example, the example has been used several times about the young fire-fighter or the young policeman who earns $25,000 or $35,000 a year. Well, if he lives in his own home and could have rented his home out, actually then his real income might have been $40,000 or $45,000. If he has a vested interest in a pension plan, that would be part of his imputed income.

So if we are going to calculate people's income using imputed income, let us calculate the taxes.

But the real fact of the matter is that if you look at this chart that earlier was presented, nothing really changes with the tax bill in terms of who is going to pay the taxes. What this chart shows is that under the current tax formula the top 20 percent of taxpayers pay 63 percent of all the taxes paid in the United States. Under the new tax formula that we are proposing from the House, the top 20 percent will still pay 63 percent.

Now we are going to have this debate, and they are going to use imputed income, we are going to use real income. They are going to use potential taxes, we are going to use real taxes.

We should not even have this argument, and we are not going to ask the American people just to trust us and do not trust them. Trust yourself. And what I am going to invite people to do is to calculate the tax cut for themselves, and this is available now, I think, on the World Wide Web. We are going to make these worksheets available so people can calculate their own tax relief.

This is a very simple little work sheet: Number of children in your family under the age of 17; under our tax relief, the first year, 1998, you multiply times 400, and the second year and years after, you multiply it times 500. If you have two children it is worth $800 next year and $1,000 the year after. If you have a capital gain, if you earn more than $41,200, you multiply times 8 percent. If you have income, household income, of less than $41,200, you multiply times 5 percent. That is what you are going to save. And finally, if you have youngsters who are in their first 2 years of college, you multiply times a $1,500 credit.

Do the calculations yourself, but I can tell you this: If you are an average family in my district earning $32,500 a year with 2½ children, in fact let us just say 2 children, it is worth over $1,000 to that family.

Now that is real money that they can spend themselves or they can save for their own future.

So do not take our word for it, do the calculations yourself, and these are real tax cuts for real people, not potential tax cuts for potential income.

Finally let me just say there are additional benefits in this tax relief package, and you have choices as to whether you want to take the credit on higher education costs or you can take a $10,000 deduction depending on your situation. Penalty-free withdrawals from your IRA's for college expenses, exclusion of capital gains on a home up to $500,000; this is real tax relief for real families, not potential tax relief based on potential income.

REPUBLICAN TAX PROPOSALS PRIMARILY BENEFIT THE WEALTHY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey [Mr. PALLONE] is recognized for one-half the time remaining before midnight as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, as you note this evening, some of my colleagues on the other side of the aisle,

some of my Republican colleagues, made reference to Treasury Secretary Rubin's report which was released over last weekend that illustrated very clearly how the Republican proposals primarily benefit wealthy individuals. In addition, Secretary Rubin expressed serious concern regarding the potential for the Republican tax cuts to explode the deficit, and I just wanted to mention this report again because I think it is significant. It says that only 38 percent of the tax cuts would be for middle-class families under the Republican House proposal while 55 percent of the tax cuts would go to the affluent.

Now President Clinton's tax cuts are more targeted to the middle class. Eighty-three percent of the tax cuts under his proposal would be targeted to the middle class, and only 10 percent would be targeted to the wealthy.

Now we are hearing all these statements from the Republicans about how these Treasury numbers are inaccurate, the Republican plan does give more money to the middle class. Unfortunately, these Republican arguments are without basis and they basically ring hollow. It is the Treasury numbers that examine the full 10 years of this balanced-budget agreement in their calculations. What the Republicans do is they only look at the few years in the agreement that they think favor them and then skew their numbers to make it seem that they are helping the middle class, and in fact they are not.

One of my colleagues, the gentlewoman from Texas [Ms. JACKSON LEE] mentioned the Congressional Research Service report which was issued on July 2, just last week, and this is a nonpartisan analysis. And what that report stated was that the Treasury office's numbers, the Treasury Office of Tax Analysis, and I quote, ''provides a more comprehensive measure more consistent with how economists would measure the bill's benefits to individuals in different income classes.'' They go on to state the OTA, the Treasury analysis, is a better representation of the permanent distribution.

So this Republican argument is baseless because the facts back the Democrats' argument. The Democratic tax plan primarily benefits the middle class, and the Republican scheme primarily benefits the wealthy.

I just wanted to use an illustration now, if I could, under the Republican tax scheme to show how a typical family is not really helped, and I use as an example here, as you can see on the chart, of Joe and Betty who do not fare well under this Republican proposal. Basically Joe cannot figure out why the CEO of his company is getting a $24,000 tax break under the GOP plan while he gets almost nothing. Joe's wife, Betty, works part-time and worries that she will get a pay cut and possibly lose her pension under the GOP plan because her boss may turn her into an independent contractor.

One of the things that the Republicans do not tell you is not only that the Republican plan does not provide much in the way of tax cuts to the middle class, but they also have these little provisions in the bill that change the definition of workers and their rights and whether or not they get minimum wage. And one of the things they do is to turn a lot of people into independent contractors, so they may lose a lot of the benefits that they now have.

Now Joe and Betty again, they have a daughter Susie who is headed for a community college in a few years, and she would likely face $750 in tuition costs under the Republican plan compared to the zero tuition under the Democratic alternative, because we are a lot more generous in what we do to help families pay for higher education.

Finally, little Joe Junior in this family of four and his sister would not receive a child tax credit under the Republican plan, even though both parents work and pay taxes.

Now meanwhile we have got this CEO here of the company where Joe and Betty work, and just to give you an illustration, Joe found out that they have a memo from their accountant that they project that this CEO was going to get a $24,000 windfall of extra income due to the Republican tax breaks. In addition, the CEO is thinking about how turning low-wage women employees like Betty into independent contractors is going to mean big bucks for the company and could mean a raise for him under the GOP bill. Of course Mr. CEO's gains are the country's losses because the Republican tax scheme will cause the deficit to explode.

I have a number of my colleagues here tonight that I would like to yield some time to to talk about what is going on here, but the bottom line is that the GOP plan is giving most of the tax breaks to wealthy individuals. The Democratic plan is aimed towards the working class, towards the middle class. That is what the Treasury report shows, and no amount of rhetoric on the other side of the aisle is going to change the facts as they exist.

I would like to yield now to the gentleman from Maine.

Mr. ALLEN. Mr. Speaker, I think the examples the gentleman gives are exactly right. Those examples do show that the benefits of the Republican tax cut plan go very much to wealthier Americans and that the Democratic alternative, those benefits, the President's plan, go to working middle class American families.

Now we have heard a lot of information tonight, and I want to go over some of that information. Two of the previous speakers referred to the Clinton Treasury Department numbers, and I want to talk about these numbers a little bit. One of them said Secretary Rubin developed these numbers, but the last speaker, the gentleman from Minnesota on the other side, was more accurate. He said, ''I do not fault Secretary Rubin, he was not the first to use those numbers.''

That is right. He was not the first. They were used in the Bush administration. For all of this talk of imputed rental income, this way of measuring the economic impact of tax cuts on families has been used for some period of time. It was used during the Bush Administration, it was used during the Reagan Administration.

In fact, those numbers, this approach was first developed by William Simon, Secretary of the Treasury, 1977. The Treasury Department has been using this analysis for 20 years. It was not developed recently, it was not developed to have anything to do with the Republican plan in this Congress or the Democratic plan. Twenty years the numbers have been used.

So why? Let us ask ourselves why all this talk of imputed income? Why all this confusing rhetoric?

Well, I submit the answer is very simple because of another chart that was put up earlier tonight by the gentleman from Georgia, and that chart said 76 percent of the benefits go to people earning less than $75,000 a year. But if that were true, I say to my colleague from New Jersey, he would vote for that bill, I would vote for that bill, all the Democrats would stand up and vote for that bill. It is not true.

Let us take an example. Let us suppose you have a family earning $30,000 to $40,000 a year in wages and salaries, and let us suppose they also have $100,000 in interest, in dividends, in investment income. How is that family categorized under the Joint Committee on Taxation numbers, the numbers relied on by the Republican side? They call that family a $30,000 to $40,000 family because they say all of their investment income is irrelevant, all of their interest income is irrelevant, all of their dividend income is irrelevant. We are just going to look at their wages and salaries.

That is how they do the math. It is completely bogus. The fact is when the gentleman from Minnesota stood up and said one side is talking about imputed income and one side is talking about real income, what he neglected to say was that real income just included wages and salaries, not dividends, not interest, not investment income. In other words they take all of the wealthy, many of the wealthy, and call the middle class, call them middle-income families, and it is not true.

So the question is who wins and who loses under the various plans. And let us for a moment forget about how we described family income. Let us just look at the middle 60 percent in family income. Let us take those at the bottom 20 percent in family income and set them to one side, and let us take those at the top 20 percent in income, set them to one side. Let us look at the 60 percent in the middle.

Well, under the President's plan, under the Democratic plan, 67 percent of the benefits of that tax cut go to those families, middle income working Americans, 67 percent of the benefit goes to them.

□ 2230

What about the House bill that was passed over our objection? Thirty-two percent of the benefit of the Republican House bill goes to those working families, 32 percent, less than half of the benefit that flows to middle America under the Clinton tax cut plan.

On the Senate side they do slightly better. Thirty-four percent of the benefits of the tax cut go to that 60 percent of Americans in the middle. Those are the cold, hard facts. That is why we have stood up as Democrats and said, if we are going to have a tax cut in this country, and we are, and we support a tax cut of the same size as those on the Republican side, but we are saying the benefit of this tax cut has got to go to working Americans, to middle-income Americans.

Mr. Speaker, I have just one other point I would like to make. I think we have to decide, is this tax cut bill fair. That is the first issue. The truth is the Democratic plan is fair and the Republican plan is not.

The second question is this: Is this plan fiscally responsible? What the House Republicans have done is they have indexed capital gains to inflation. They have backloaded IRAs. The effect of those two decisions is to explode the deficit in the outyears. After you get past 15 years, that second 10 years, this bill becomes fiscally irresponsible.

Today in the Washington Post there was a report that we now have driven the deficit, the annual deficit in this country, down to $45 billion; from $280 billion when the Clinton administration started, down to $45 billion. Almost all of that is the result of the 1993 tax cut bill, for which not one Republican voted.

The work has been done. We have balanced the budget. This is the wrong time to enact policies that explode the deficit in the outyear. The Republican tax cut plan is not fiscally responsible. It explodes the deficit. It is not fair to middle-income working Americans. We need to stand up for the Clinton plan, stand up for the Democratic alternative tax cut plan that passed this House, and I look forward to working with the gentleman from New Jersey [Mr. PALLONE] toward that end.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman. I think one of the points the gentleman is making that we need to stress over and over again is, when I was making reference before to this Congressional Research Service report that basically says that the Treasury Department report is the accurate one, and defies what the Republicans were saying tonight, what this Congressional Research Service report primarily is saying is that the Republicans are in effect pulling the wool over our eyes, because they are looking at how this tax cut is distributed under the 5-year plan rather than the 10-year plan. That is what we have to look at really, is the 10-year plan, because that is where these tax cuts are generated primarily to wealthy Americans in the latter part of that 10 years.

They are the ones who are really being tricky about this on the Republican side by not looking at the broader picture and at this plan over the 10 years. It is particularly true with capital gains and with IRA's, because those are the things where the benefits really increase at the latter end of that 10-year period. That is where wealthy people get most of the benefits and the average person does not. I think the gentleman is making a very good point.

Mr. Speaker, I yield to the gentleman from Arkansas [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, I thank the gentleman for yielding to me. I agree with the gentleman from Maine. This is not a question of is there going to be a tax cut. There is going to be a tax cut, it is going to be the same amount of money. The issue is what is the best tax cut for working middle-class Americans.

Of course, being from Arkansas, I am concerned about working middle-class Arkansans. There has been a lot of discussion about who is going to benefit the most under this plan. Every responsible analysis I have seen, looking at this plan in its totality over the next 10 years, clearly states that the President's plan and the Democrats' plan most helps working middle-class families.

Over the weekend I was really pretty outraged by some of the statements in the press made by Republican leaders in this country that somehow we Democrats advocating for working middle-class families were trying to turn a tax cut bill into a welfare bill. I would like to talk about real folks here for a minute.

I have a constituent who was kind enough to share with me her paycheck stub; you know, that thing that you get at the end of the month and it just gets your heart to beating fast when you realize how much money went to the government. We all go through this every week or every month.

This top portion is her particular paycheck stub. She and her family make about $14,000 to $15,000 a year, not a lot of money these days, but I have made it before; it is what a lot of us make when we are first starting out. This family has 2 children. One of our colleagues on the other side of the aisle earlier had a little chart about how to calculate the family tax savings, I believe was the way the chart was titled. He said just take the number of children and multiply it times two, by either the $400 or $500. You take this family here with two children and multiply it times two, and you come out with a $1,000 tax cut.

Under the Republican bill that passed out of this House with no votes or very few Democratic votes, this family does not qualify for that tax cut, so that chart was inaccurate. Why is that? It is because under the Republican tax bill that was passed, they do not consider the taxes that you pay that are called payroll taxes, those taxes that say, sometimes it says FICA, sometimes it says Social Security or Medicare, but their tax bill says no, those are not really taxes. We did not consider those taxes during the campaign when we were talking about folks who play by the rules and pay taxes. We did not mean this family, we meant the families we were thinking about.

So this family on that chart does not qualify for that tax cut. It is not advocating a welfare program for me to stand up for Arkansans who are in this situation and say this family and these kids also deserve a tax cut.

Another issue that came up a few minutes ago by one of our colleagues across the aisle, again going to the family tax savings chart, again talking about the second calculation you make is the number of kids in the first 2 years of college, and you multiply that times $1,500, that number of kids.

That all sounds good, but that is not what happens under the Republican tax bill, and both the Democrat version and the President's version are an improvement. Why does that not work? In Arkansas, and I know I am going to show my parochial interest, we have a lot of 2-year colleges: Foothill Technical Institute in Searcy County, Arkansas, and in White County, Pulaski Technical College in North Little Rock; I have several of them around the State that have tuitions, annual tuitions and fees of less than $1,500 a year.

Now, under the President's plan and the Democratic House version, if the tuition is $1,000, this family, those kids, say we have two kids in that college in the first 2 years, two times a $1,000, that is $2,000. If you did the Republican version, it is a 50 percent credit, so you are taking $1,000 tuition, two kids, $2,000, and 50 percent is $1,000. They only get half the credit.

If we say, well, that is okay, they can go to more expensive schools, but we are trying to stand up for working middle class families that may not have the resources to send their kids to more expensive schools. These are the schools that we work very hard in Arkansas for the last several years to develop a two-year college system. I know they are the schools the President has cared about when he came up with the HOPE scholarship program. It is just not fair that these families have to be left out of the full tax relief because they choose or are forced to send their children to less expensive schools.

Mr. Speaker, finally, if I might make a comment about the estate tax relief, I know for some of us that is less important than for others. In Arkansas we have a lot of farms. We also have a lot of small business folks. In estate tax relief, the ability to be able to pass the small business or farm on to your kids without being at risk of having to sell a portion to pay estate taxes is important to a significant number of Arkansans.

Under the Democratic versions of estate tax relief, for folks with small

businesses and farms the relief is immediate. So if a person, as soon as the bill was signed into law if a person were to die, their family would be able to benefit from the full estate tax relief. Under the Republican version, it does not kick in until the year 2007.

So to my friends my friends in Arkansas who have small businesses or farms, if the Republican version becomes law, all I can tell them as their tax adviser is do not die any time soon if you want full relief.

I appreciate the opportunity, I would say to the gentleman from New Jersey [Mr. PALLONE] to share my concerns about the Republican bill. I think we as Democrats have an obligation to stand up for working middle class families throughout this country, and by doing that we are not advocating welfare, we are only advocating what just about every candidate in America promised in the last election: tax relief for working middle class Americans, all of them, not just the chosen few.

Mr. PALLONE. I appreciate the gentleman's comments, Mr. Speaker. When he was talking before about the payroll tax, what the Republicans are trying to do is to just look at the Federal income tax and say, unless you are paying a certain amount in Federal income tax you should not get any tax relief. The gentleman pointed out very vividly how payroll taxes for many people, working people, are even a bigger chunk of what they have to pay to the Federal Government than the income tax.

When we think about other taxes, I know in New Jersey, for example, we have one of the highest property tax rates in the country. People are paying a tremendous amount of property tax. Why is it that all these other taxes, whether they be Federal, State, local, whatever they are, cannot be considered? People are paying them to the government.

I do not think we should really make a distinction whether or not it is income, payroll, State, local, whatever it is. It is still taxes that you have to pay. People need relief. Plus the thing that really bothers me is that when this balanced budget agreement was struck between the President and Congress it was made quite clear by the President that the tax relief had to go to middle-income people and primarily to working people. Now the Republicans are basically breaking the deal, the way I see it.

Mr. SNYDER. Mr. Speaker, this issue of payroll taxes is particularly important. Before I was elected to Congress I am one of the people in the last 15 years that has been considered self-employed. Again going back to small business folks, farmers are often for tax purposes self-employed, as are shop operators, gas stations, the mom and pop stores self-employed.

They can all tell us, they pay almost double the payroll tax, so this is a big concern to them when they hear that this Republican bill, the one that passed out of the House that the Republicans want signed into law, that they may not get the relief, that is of great concern to self-employed people.

Mr. PALLONE. Mr. Speaker, I yield to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I want to thank my colleague, the gentleman from New Jersey [Mr. PALLONE], and it is a pleasure to join with my colleagues tonight.

I would just say that I think it is important to really refute the misinformation that is being given out by our colleagues on the other side of the aisle. When we talk about who was getting shortchanged, the critical question is who is going to benefit from the tax cuts. It is the Democratic view that working middle class families ought to have the bulk of that benefit.

Our colleagues on the other side of the aisle would say that they are doing that, but in fact if we examine their proposals, as some have done here tonight, we will find that working middle class families come up short. They get shortchanged on education, education initiatives, on the HOPE scholarship. They do not get any benefit for the third or fourth year of colleges, for a working family to be able to send their kids to college.

So we cannot, one, make the principle of education a universal for 14 years, rather than 12, which would be a bold, new idea, to make education universal for 14 years in this country.

Second, if you are a junior or senior, you do not get the advantage of any assistance at all.

They would shortchange those families who are working, who they claim are getting an earned income tax, and they somehow have lost the definition of what earned income is, because only if you earn an income are you eligible for the tax credit, and only if you pay taxes. My colleagues here tonight have described the payroll tax.

Third, whether it is estate tax or capital gains, it is targeted to middle class families. They are the families who are getting shortchanged. We have to ask ourselves, why they are get shortchanged in this equation, and who benefits? I think I want to point out just one area, and the contrast of why working middle class families are getting the short end of the stick from the Republican tax cut proposal, which is because, in just this one area, of the alternative minimum tax.

The alternative minimum tax was put into place in order for the richest corporations in this country to be able to have to pay taxes, the way everybody else does. It was done in 1986. It has been working fine all these years, though I will say in the last session of this Congress that the Republicans wanted to repeal and eliminate the alternative minimum tax, which would provide a $34 billion windfall to the richest corporations in this country.

So they lost that battle in the last go-round, but they have come back again this time to try it again. The public was outraged in the last Congress that they would do this, so that Joe and Betty, Dick and Jane, we are paying taxes every year, but the Boeings, the Exxons, so forth, would have to pay zero in taxes. So they have tried it again this time.

Why we see this shortchanging of working families here is because what they would like to try to do is one more time to try to scale back on the alternative minimum tax, so that it is not $34 billion windfall to the richest corporations in this country, but at the outset it is $22 billion, with ultimately the notion that you phase out the alternative minimum tax.

□ 2245

Once again, to provide the richest corporations in this country with the opportunity to pay no tax, where you will say to that struggling family that wants to send their youngster to a community college, and I have a lot of community colleges in the State of Connecticut where the tuition is $1,800, but you cannot have $1,500 because we cannot afford to do that.

We will only give you 900 because what we want to do with the balance of that money is to make sure that the Boeings and the Exxons can pay zero in taxes in this Nation. That is what this is about.

I will tell you, the American public is not being fooled, because 61 percent of Americans believe that the Republican Congress is out of touch with the American people. According to Newsweek magazine, that is before, at the 61 percent, it is before middle-class voters even learned that the GOP wants to give a big chunk of their tax cut to Donald Trump. That is a quote from the Newsweek article, not something that I made up, not something that a Democrat has made up but a third party that says this is the direction they want to go.

I will make one more comment because I think it is relevant to make. It is that family that is making the $23,000 a year, again in an article in the Wall Street Journal, certainly not a liberal Democratic newspaper, where it says the Republican tax-cut dog will not hunt. That is because a police officer in Speaker GINGRICH's district, paid $23,000 a year, family, has two kids, gets $1,668 in the earned income tax credit, offsets it, $675 in Federal taxes and yields a check for $993. The family pays $1,760 in payroll taxes. His family out of pocket, even after the earned income tax credit, would have to pay at least $1,100 in taxes. Mr. GINGRICH and company ''apparently believe giving that young police officer and his family the child credit is welfare.''

On the other hand, what the tax cut proposal on the Republican side would provide is for Mr. Bill Gates, richest man probably in the world when he gets his capital gains and his estate tax reduction and even a new IRA provision that would let him take a $4,000

tax break for educational expenses for his kids, and a $23,000-a-year rookie cop would be denied a tax credit for his kids.

What this tax bill is about is values. It is about priorities. It is what this Nation is about. The Republican tax program is not for working middle-class families in this country. The Democratic proposal, the President's proposal, is for working middle-class families. I am proud to join my colleagues tonight in this special order.

Mr. PALLONE. What we are hearing is Republican tax breaks are going to big business, special interests, wealthy families and all at the same time limiting tax cuts for education and families with children. It is just incredible.

I yield to the gentleman from Texas [Mr. LAMPSON].

Mr. LAMPSON. Mr. Speaker, I have been listening. This morning also we were listening to our colleagues across the aisle talk about in their 1-minute speeches, one by one come up and complain about the Democrats engaging in class warfare.

Our budget agreement that we voted on earlier this year called for $825 billion in tax cuts. Each party came up with a plan to distribute those tax cuts. The President presented a plan that would place our priority on giving those tax cuts to families to help them support their children, pay for college, and to provide for retirement. I proudly voted for that package, which I believed was a responsible way to cut taxes while we were making significant spending cuts along the way.

Our colleagues across the aisle created their own blueprint also for the distribution of these taxes. According to the office of tax analysis, as the gentleman has already spoken of a few minutes ago, this Republican plan would give two-thirds of the tax breaks, two-thirds to the wealthiest one-fifth of American wage earners.

By comparison, the President's plan would provide two-thirds of the tax breaks to the middle 60 percent of American wage earners. And they have the temerity to accuse Democrats of class warfare. If this is war, then let us examine who each side is fighting for.

The Republicans want to repeal the alternative minimum tax, as we heard also a few minutes ago, thereby helping the largest and most profitable corporations avoid paying income taxes. The Republicans accuse Democrats of class warfare.

Mr. Speaker, I told the people in the ninth district in Texas that if they elected me to Congress, I would fight for working families and not for special interests. I see an America today where our stock exchange continues to shatter records, but middle-class families still struggle to make ends meet.

I see those families and I want to help them. I cannot help but wonder if our colleagues across the aisle do not see those struggling families at all or if they are simply blinded to their needs. The priorities of the two political parties are crystal clear on this issue. I am proud to stand beside the families in Galveston, Texas, Beaumont, Texas, in Baytown, Texas who will use these tax breaks to improve their day-to-day lives.

If the Republicans want to call this class warfare, that is just fine. This is a battle of our national principles.

Mr. Speaker, I am proud to stand with the gentleman and our Democratic colleagues who are here tonight. I am proud to fight for tax relief for working families.

Mr. PALLONE. Mr. Speaker, I wanted to say quickly to the gentleman, and I think we all realize that we are not in the business of redistributing wealth, the bottom line is the economy is really good. Wealthy people, wealthy corporations are benefiting from it. You mentioned the stock market. We read these statistics every day.

All we are really saying is, this was the promise that was made when this balanced budget agreement was signed, is that we only have a limited pot of money. This tax relief should go primarily to working families. That is where the Republicans have broken the deal on this balanced budget agreement. It is just not fair.

Mr. Speaker, I yield to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Speaker, I thank the gentleman for this special order and allowing us to talk about the presidential tax proposal because it is absolutely crucial what comes out of this tax vote. It is absolutely crucial to our children and to our Nation. We know it. That is why we are here tonight in the middle of the night making sure that our public knows this.

What is the key to the President's proposal and why is it so much better than the proposal that the Republican majority put forth? Well, it is pretty simple. Our plan provides more tax relief for middle-income Americans. It is that simple. If you want to provide a huge April bonus to the very richest in the Nation, it is clear that the Republican bill will make that happen. If you want to explode the deficit in the coming years, then the Republican plan is actually the best choice.

If you want to go back to the good old days when huge profitable corporations paid no taxes, then the Republican bill is the one. That is what we are talking about tonight. But if you want to ensure that the bulk of the tax cuts go to the middle-income American and if you want to make sure that we provide our kids with a real tax break for education, then the President's plan is it.

After all, the Republican bill gives only a third of its tax breaks to middle-income individuals. We have said that tonight many times and in many ways. But the Democratic alternative provides more than two-thirds to the middle class.

Let me tell you something else that is absolutely urgent for all of us to understand. The Democratic bill gives our kids the tax breaks that they need to get ahead in school and get ahead in life. Almost every Member of Congress acknowledges on a bipartisan basis the importance of education. So why, why then does the Republican majority skimp on the key education tax breaks proposed by the President? Why does it break the deal that we reached on a bipartisan basis earlier this year?

Just listen to the differences between the two proposals. We have said them tonight. I am going to say them again. The President's plan provides a much larger tax credit for the first 2 years of college. The President's plan provides a significant new credit for lifelong learning.

Unlike the congressional plan, the President's plan covers all students, including part-time students, graduate students and workers who are improving their job skills. It makes student loan interest tax deductible once again. It provides tax incentives for the construction or rehabilitation of schools in distressed areas. It provides tax incentives for the private sector to donate much needed computer equipment for schools, something we all know we desperately need to prepare our kids for the jobs of the future.

It creates terrific Kidsave accounts that allow parents to make tax-free withdrawals for higher education costs. And let us look at the numbers for education. When you add it all up, the President's plan contains $45 billion for different education initiatives, while the bill we passed in the House, the majority's plan, the Republican plan, provides only 31 billion.

Now, I am a true believer that the best way we can move our Nation forward is by providing quality education and training to every person in this country. After all, when we strengthen education, we prepare our young people for jobs that pay a livable wage, jobs where they will be paying taxes. We prevent families from relying on welfare. We reduce crime and we reduce violence and we increase respect for our health, our environment and respect for each other. I am a true believer that our families need help with the costs of higher education and all education.

After all, the annual cost of a public college education increased from 9 percent of a typical family's income in 1979 to 14 percent in 1994. Middle-income families are struggling to pay these costs, and they deserve some real assistance.

But we cannot do this by talk alone. No, we can stand here every night and talk about taxes. But we have to get behind proposals that really make a difference for our kids. The President's plan is the one that does this. The difference between the President's proposals and those of the Republican majority are so significant that they could truly mean the difference between success and failure for our kids, the difference between economic success and failure in the coming years.

I have two words for those on the other side of the aisle who think that it is okay to pass a tax plan that provides most of its help to corporations and the super-rich and, too, to those who believe it is okay to pay lip service to education without getting behind the tax proposals that will give us the best education system in the world. Those two words are ''get real''.

The American people are crying out for real tax relief. They are crying out for real education benefits. They do not want us to abandon the bipartisan budget plan. They want us to live up to it. And that is what the President's plan does. It gives middle-income families what they need and deserve: lower tax bills and a big boost in their education.

We still have a chance to make a real difference in the lives of local families. Let us get 100 percent behind the President's plan. We will all reap the long-term rewards for our kids and our Nation. I thank the gentleman for the opportunity.

Mr. PALLONE. I want to thank the gentlewoman for stressing the education tax cuts and the ways to improve on the access to education, because again we are talking about very limited resources here in the context of this balanced budget plan. It certainly makes so much sense to spend that money on ways to provide access to higher education and relieve the burden, if you will, on families that are trying to put their kids through college rather than spend it on some of the other things that the Republicans have proposed. It just makes sense in terms of investing in our future. I want to thank the gentlewoman.

Mr. Speaker, I yield to the gentleman from Illinois [Mr. DAVIS].

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentleman for yielding to me. Listening to this debate reminds me of Victor Hugo, who once said that there is always more misery among the lower classes than there is humanity in the higher. It seems to me that the Republican tax bill further promotes the misery and suffering of the lower class and illuminates the inhumanity of the higher.

It is true that the Republican tax bill takes from the poor and gives to the rich. This bill embodies the very essence of the Robinhood concept. Only it is Robinhood in reverse; take from the poor and give to the rich. I agree with those who suggest that this bill is bad for America.

□ 2300

The Republican tax cuts make the wealthy wealthier and the poor poorer.

The New York Times said of this cut that the Republican tax scheme unfairly benefits the top 5 percent of income earners by providing them with over 50 percent of the tax cuts. It showers tax cuts on the Nation's wealthiest families. It actually shortchanges the citizen, as we have heard, who wants to go to a community college.

I believe that it is clear that the Democratic plan rewards the working class while the Republican plan rewards the wealthy. I stand for those who stand with the working people of America. I agree with those who believe that we should start where the people are and move from there. I thank the gentleman for the opportunity to be here with him.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman. I think we have made the point quite clearly tonight that Democrats are not talking class warfare. What we are saying is with the limited amount of resources in the tax cuts that are available under this balanced budget plan, it certainly makes sense to provide the tax cuts in ways that are going to help the average family, the working family and invest in the future so that there are opportunities, whether it is education or whatever it happens to be.

It makes no sense to just shower most of these tax cuts on wealthy individuals or big business, because it will just not help the country in the long run. So I appreciate the gentleman's comments.

Mr. Speaker, I yield to my colleague from Michigan.

Mr. STUPAK. Mr. Speaker, I want to thank the gentleman for yielding. I was in my office catching up on some mail and signing some letters, and I listened to the speakers in the previous special order and the beginning of this special order, and I was so pleased to see so many of our Democratic freshmen here, the gentleman from Arkansas [Mr. SNYDER], the gentleman from Illinois [Mr. DAVIS], the gentleman from Texas [Mr. LAMPSON], and the gentleman from Maine [Mr. ALLEN] joining with us here.

Something is sort of lost in this whole debate here. I remember when I came in in 1993 with the gentlewoman from California [Ms. WOOLSEY], our concern then was the budget deficit and how big it was. It was $293 billion. I remember that first year, our first year here in Congress, still unsure of what had to be done and procedures of the House, but we were very concerned about reducing the deficit. It was about $289, $293 billion.

We came up with the world's largest deficit reduction plan. Our friends on the other side of the aisle would like to call it other things, but it was the largest deficit reduction plan. I remember being in this Chamber on a very long August night trying to get that package through; and we pushed it through, strictly Democratic votes, and we did it by one vote. It went to the Senate and they passed it eventually by one vote. In fact, the Vice President broke the tie.

We promised in 1993 we would lower that deficit, and we were at $293 billion when we came in. And 4½ years later we are down to, now the latest prediction is we will be at $45 billion on September 30 when we close this fiscal year. How did we get there? It was because the Democrats came together with a Democratic President, and we did a tough vote. We lost some Members over that and we are now in the minority, but it was the right thing to do for the country.

I think the thing that is lost in this whole debate is how did we get from $293 billion on the verge of balancing the budget? I think that has often been lost. And we as Democrats should take credit for standing up, taking the tough vote. I remember all the predictions: We will throw this country into complete chaos, economic depression, massive unemployment, there would be rioting in the streets. And the economy has gone crazy. It has given business a shot in this administration, a shot of confidence in the U.S. Congress that we knew what we were doing; that we are finally going to get this deficit under control.

And we have done it. I think in this whole debate we have to remind ourselves how did we get to the verge of balancing the budget. And many of us, while we may have voted for the President's plan to give a tax break, many of us feel strongly that we should finish the job. In less than 12 months we could finally balance this budget and then give the tax breaks.

I may have only been here 5 years, but I know in the U.S. Congress tomorrow never comes. We are always worried about today. And we are spending money with these tax breaks that we do not have. But we are predicting a robust economy for the next few years. So if we are going to do tax breaks, they must be so specifically focused because, again, the gentlewoman from California knows that when we came here in 1993, what was it, the rich were getting richer, the poor were getting poorer, and we in the middle class were getting squeezed.

So even with the bill put forth by the Democratic Party, it is a very targeted bill, targeted to help those people who need the help, not give away the money, not spend money we do not have. We have done it over 5 years with a very controlled fiscal policy. We must continue it and it must continue in any kind of tax breaks.

Now, if I can go to the First Congressional District of Michigan, which I proudly represent, that is the north half of Michigan, I will tell my colleagues the median family income in my district is $27,482. In my poorest county, Keweenaw County, it is $18,459. That is the median income. And these are the folks we are trying to help. My State, the State average is $36,562. Again, my congressional district, the average is $27,482. So there is a big difference. I have a very rural, sparsely populated district.

So take a person or family income of $27,000, or let us be realistic here, a working mother, a mother with two children, who probably has an annual salary of $17,000 or $18,000. She receives $2,316 from the earned income tax credit last year, $2,300. Remember, that was

in the deficit reduction package we did. We helped out those who needed help; $2,300 she receives.

Under the Democratic bill that we passed earlier, she would get $600 from the child credit for 1998, 1999 and 2000, in addition, to her earned income credit. So she would get about $3,000. This is a mother, two children, trying to work and stay off welfare. So we are going to give her approximately $2,900.

Under the Republican bill, what would she get? Nothing. Nothing. In fact, she loses money because they take money away under the earned income tax credit because she already has an earned income tax credit. The $600 she would have received, they take away. The poor get poorer and the rich get richer. We in the middle class get squeezed.

How about a community college student? We were talking about education, the gentleman from Illinois and others did. Let us take a college student who completes his first year of college. Tuition in my district is about $1,400 a year. Parents making $75,000 a year; under the Democrat bill, his parents would have received for that first year of college tuition about $1,100 in tax credit for his community college. He would be eligible for 20 percent tax credit for tuition costs in his 3d and 4th year.

Under the Republican bill, what do they receive for sending their son to community college for $1,400 a year annual tuition? He would receive $800, not the 1,100 we would give, and the third and fourth year they get nothing. There is nothing there. What do they do for the 3d and 4th year if they want to get a 4-year degree?

So these proposals we speak of, the tax breaks, have to be very targeted, very specific, and be real to the people we represent. That is what I think the Democrat plan does. We do not want to see the rich get richer but we hope they would help us out.

We took the tough votes, and I just wish that we would just finish balancing the budget and if there is money left over, give some tax breaks. But if we are going to give these tax breaks, then let us make sure the folks who need the helping hand, not a handout but a helping hand, get a little help. We are a rich country, we are doing well, the economy is doing well. Can we not help out the folks who need a little extra?

These figures about median family income, that is my district. I have the top half of Michigan, 43 percent of Michigan. It is a large State with a median income of only $27,000. That is what we are talking about. These are not folks who have all kinds of stocks in the stock market, do not have to worry about capital gains tax or estate taxes over $600,000. That is just not the folks I represent. And I would hope those are the folks we help out instead of the rich getting richer and the poor getting poorer and the middle class getting squeezed.

Again, as I say, I was down writing and signing some letters and I could not help reminding myself that 1993 was pretty bleak around here. We took the tough votes and we are on the verge of balancing. Let us balance this budget and worry about the tax breaks later, but if we are going to do it, let us be very specific for the middle class.

I thank the gentleman from New Jersey for all his hard work in this area, and the rest of my colleagues joining me here tonight, and I enjoyed the opportunity to discuss this tax package and where we have been and where we are now.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Michigan for those remarks and really bringing home how this Republican proposal impacts the average American and why the Democratic alternative is so much better.

I will end with this. I want to thank all my colleagues for participating in the special order tonight and really urge that my Republican colleagues will come along to the Democratic alternative and support it. It is not too late. We are in the process of doing the budget reconciliation now and certainly hopefully we can come together on a tax package that benefits the average working American.

TAX CUTS

The SPEAKER pro tempore (Mr. CHRISTENSEN). Under the Speaker's announced policy of January 7, 1997, the gentleman from Mississippi [Mr. PARKER] is recognized for the remaining time before midnight as the designee of the majority leader.

Mr. PARKER. Mr. Speaker, I appreciate the opportunity to be able to come before the House and discuss some issues of importance, and I must tell my colleagues that I have enjoyed listening to my colleagues over the last hour talk about their view of the tax situation that we have in this country and what their views are as far as cutting taxes.

I appreciate the fact that they are now in a position and their party is in a position where they are supporting tax cuts. That means a lot to me. That is very different than what we had experienced in the past. But I also think that it is very important that people understand exactly what we are talking about as far as the tax cuts that the Republicans are presenting.

Now, my intention tonight is to talk about the death tax and the repeal of the death tax, but for all my friends on the other side of the aisle who are discussing tax breaks and how they feel they should be done, it is very important that we talk about the facts about the taxes. They are all honorable people. They believe strongly in their views, and I can appreciate that, but let us talk seriously about what is exactly happening.

I have to tell my colleagues that I think the average American in this country understands that people who pay income taxes should get a tax cut if we are going to have tax cuts. Now, there has been a lot of talk about this class warfare thing. And I heard some of my colleagues say we do not want class warfare, we do not want to create any types of problems as far as the different socioeconomic classes in this country.

Even though they do not intend to do that, that is exactly what they are doing when they start playing this game as far as taxes. Because what they do not say is this: In 1972 we had a Republican President by the name of Richard Nixon, who began a program called reverse income tax. It has since been renamed EITC, the earned income tax credit. It was a wealth redistribution program, which was an odd thing for a Republican to do, but Richard Nixon was not a strong conservative; he was somewhat liberal in a lot of areas. So he determined that he would have and present a program that was referred to as reverse income tax.

What they did was they took individuals who were at the poverty level and that paid no income tax and returned money to them that they had not paid. That is EITC. Those people who are getting EITC, they were getting it then and they are still getting it today. That was 25 years ago. They are still getting the earned income tax credit. People who do not pay income tax are receiving a check from the Federal Government for taxes they never paid, and they get that money every year at tax time.

Now, I am not going to argue that point. Even though I am not a fan of EITC, I will not argue that point. But we have watched the Federal Government take money from people for no reason. We have seen the Federal Government take money and waste it, trillions of dollars. Those individuals have worked and earned that money and they have sent it to Washington. And now we have Members of the other party, Members across the aisle who are saying, hey, what we want to do is we want to give even more money to those that do not pay income tax.

Well, I think the average American in this country believes that if they pay income tax, it is time for them to get a break. It is time for the Federal Government to realize that they have been paying the bill; that they have been paying income tax for years and they have not gotten a break. It has been 16 years since they have gotten any type of break in their income tax.

So let us be clear about what we are talking about. We are talking about individuals who pay income tax getting a tax break.

□ 2315

We are not talking about individuals who do not pay income tax. They are still going to receive their EITC, and people need to realize that. We need to move away from this point of saying we want the working poor to get a tax

break. The individuals that members of the other party are talking about do not pay income tax. They already receiving EITC, reverse income tax.

We are talking about the people in this country who take money out of their pocket every week, out of their children's hands, out of the needs of their families, and they are sending it to Washington. It is time for them to get a break.

Let me address one other thing that I heard tonight about the alternative minimum tax. We in this country have screamed, and yes, especially the liberals, they have screamed and yelled for years about businesses in our country not reinvesting. They have talked about businesses not putting money back into their own companies to buy new equipment, to modernize, to become more efficient, to create goods and products that they can sell, and because of that we have seen our industry base in this nation deteriorate. Now I have heard tell, all of this, I have heard some of the people in the last aisle were talking about how terrible it is for the AMT, the alternative minimum tax.

Understand what the chairman of the Committee on Ways and Means did. He removed, in his bill he removed that part of alternative minimum tax which dealt with depreciation. What that said was this, and if you are in business you understand this but those that are not in business do not.

Mr. KINGSTON. Mr. Speaker, will the gentleman yield?

Mr. PARKER. I yield to the gentleman from Georgia.

Mr. KINGSTON. Mr. Speaker, is the gentleman from Mississippi [Mr. PARKER] suggesting that most liberals in fact work for government, therefore, have not the slightest clue what it is like to be in the business world? Is that what the gentleman is suggesting?

Mr. PARKER. Mr. Speaker, I suggest that most people in this country do not understand business.

Mr. KINGSTON. Well, if the gentleman would continue to yield, I would suggest that most of the government employees do not understand what the small businesses that provide most of the jobs in America are up against each day because of increased Government bureaucracy and regulations, and they do not understand why businesses might need a more favorable tax code in order to create more jobs for working people.

Mr. PARKER. Let me tell my colleague, the gentleman from Georgia [Mr. KINGSTON], an interesting thing. The change in the depreciation on the alternative minimum tax, let me tell him what it means.

If you have got a business and you reinvest in equipment, you have a depreciation which is not a gift from the Government, but the Government allows you to reinvest and you subtract, over the life of that equipment you subtract the amount of cost that you have invested so that you can provide more jobs, so that you can produce more products, so that you become more productive.

The amazing thing about it is that with the alternative minimum tax on the depreciation side, what has happened through the years is that even though you get this depreciation, you are in a situation where you lose that depreciation by paying a minimum tax even though you are investing in your business.

Now what I find fascinating is you cannot have it both ways. The liberals in this country do not realize, or even if they realize they do not want to talk about the situation in which we find ourselves where companies are penalized for investing in their companies. If they invest in their companies, they are going to have to pay an alternative minimum tax. So what they do is, in order to come out ahead, they do not invest in their company and therefore they do not get the depreciation. They may pay the alternative minimum tax but they are not penalized.

Mr. KINGSTON. If the gentleman would yield, and, therefore, they create less jobs.

Mr. PARKER. And they create less jobs, and also businesses wind up leaving this country because they cannot make it in the environment in which they find themselves.

Mr. KINGSTON. But this tax relief plan is about the middle class and creating jobs, and what we have is, a lot of liberals are against that and therefore they are against job creation.

Mr. PARKER. Exactly. Now what I wanted to talk about tonight and why we have all joined together is talking about the death tax, which I think is the most un-American tax that our Government has ever put on the American people. Understand, prior to 1916 the Federal Government had never used the death tax unless we were at war, and they used it because our exports were not as great, we did not have taxes that we could collect.

So from a standpoint from national security, we used a death tax in order to get enough money in order to fight a war and remain free. That occurred until after the turn of this century in 1916. At that point we instigated a death tax which was very small, and it has increased over a period of time and it is now at a level of 55 percent at the top level.

It does exactly what the President of the United States has said he does not want to do. The President of the United States, the Honorable Bill Clinton, has said over and over again, we do not want to have people who play by the rules, who get up every morning and go to work, who work hard, to be penalized. We want them to be treated fair. I agree with him.

But what we have done as a Congress through the years is that we take people, and they are frugal, they save, they do without the luxuries, and they turn around and when they die, the Federal Government comes and says, ''We want what you have saved. We want to take what you have done your own self, by the sweat of your brow, we want it now. We do not want you to be able it pass it to your children.''

Mr. RILEY. Mr. Speaker, will the gentleman yield?

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

Mr. RILEY. I thank my good friend, the gentleman from Mississippi [Mr. PARKER] for yielding.

Mr. Speaker, it is interesting that as a small businessman for the last 32 years, one of the reasons I ran for this office is I am absolutely convinced that if there is going to be job creation in this country, it is going to have to come from small business.

When we listen to what the other side said tonight, the way they portrayed this tax cut, it would lead us to believe that they really do not believe that most of the jobs that are created in this country come from small businesses. When we look at the larger corporations and they are continually downsizing, if we are going to maintain this growth we have got to do something to stimulate these small businesses.

For 32 years I ran several businesses, and I believe I understand what most small business people are going through today. One of the things that I am absolutely convinced of, we have to have a return on capital, we have to reward risk taking, and I think that is what we are beginning to see on this side of the aisle.

There are so many things out there that completely complicate and retard the growth of most small businesses in this country. Until we return to the philosophy that says we are going to encourage entrepreneurship, until we return to that philosophy that says we will reward the person that goes out and takes a risk, I do not believe that we will ever have the growth that we need in this country.

Whether it is the alternative minimum tax, whether it is the tax rate or the death tax, the three combine to become a deterrent, and that deterrent I think is spreading across this country today.

I listened last week to a story that was told in the well about a man who for 35 years got up every morning, went to work, paid his taxes. He worked hard. He raised a family. He played by the rules. After 35 years he wanted to take a break, so he sold his business and paid 28 percent capital gains tax at the latter part of the year. A few months later he found out that he had a brain tumor. A few months after that he passed away.

And after paying 28 percent, his family ended up paying an additional 55 percent to the government. So within a period of almost 9 months, 35 years of work was reduced to approximately 20 percent that his family had to retain.

Mr. PARKER. Mr. Speaker, would the gentleman yield?

Mr. RILEY. I yield to the gentleman.

Mr. PARKER. Mr. Speaker, that is one point that people do not understand. See, people in this country could have a severe problem and they do not even know they have got it. I listened to people a while ago in other special orders. They believe what they say and they talk about capital gains being for the wealthy. But I am going to tell my colleagues what is interesting. Do the people in this country understand what capital gains is? I think a lot of them do not.

I will give an example. Take somebody, and let us say they are 25, country people, and they go out and build them a house, and say they build this house for $25,000 and they keep that house for 30 years. Now that house over a period of 30 years has appreciated in value, and let us say it gets up to $100,000 by today's numbers. Now that is not an unheard-of figure. In parts of the country it would be more than that.

But my question is, they started out with an initial investment of $25,000. Now they got a house that is worth $100,000 and they are proud of. They paid for it and had a small note on it. But when they sell that house, do they realize that they have to pay capital gains?

The real question is, would they agree with me that the Federal Government does not deserve one-third of the increase in the house? They started off with the $25,000 investment and now the house is $100,000. If they sell that house, does the Federal Government deserve a check for one-third of $75,000? Do they deserve a check for $25,000?

Well, my personal view is that the Federal Government does not deserve that. My point is that the Government created inflation, which increased the value of the house and it deflated dollars. But does the government deserve that check?

I am going to tell my colleagues, you can take some mighty liberal people in this country and ask them that question and they will tell you in a heartbeat, ''I do not think the Federal Government deserves that.'' That is what we are talking about when we talk about capital gains. It can hit home mighty quickly.

And in the business, a lot of people have small businesses and they have no concept of how the Federal Government is going to evaluate that property when they die. They can have severe economic consequences of the cost whenever that death occurs and not even know they have a financial problem.

Mr. RILEY. Mr. Speaker, will the gentleman yield?

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

Mr. RILEY. Mr. Speaker, there is one other primary point that needs to be made. I believe that we are taking a segment of our society out of the market, out of being risk takers. A person over 50 years of age today that makes an investment that will pay back over the next 15 to 20 years, if he is already in this 55 percent tax bracket, what incentive is there for him to go out and risk 100 percent of his capital on a venture that may or may not come to fruition? What incentive is there for him, if the most that he will possibly leave his children is 20 or 25 or 30 percent, but he has the possibility of losing 100 percent?

I think that we are taking a segment of our society who want to remain productive, who want to remain active, I think we are removing them from being the entrepreneurs that I think this country has to have.

Mr. PARKER. I agree with the gentleman.

Mr. TALENT. Mr. Speaker, will the gentleman yield?

Mr. PARKER. I yield to the gentleman from Missouri.

Mr. TALENT. Mr. Speaker, I appreciate the gentleman getting the time and doing this special order on taxes. I have been meaning to come over and have not been able to participate in one of these.

I am just so pleased that we are finally passing bipartisan tax relief for the American people. And the position that is a bipartisan position on this bill, as anybody could tell who looked at the vote, is the affirmative position in favor of this tax relief. We are going to end up passing this tax bill coming out of conference with support from both parties.

I believe the President is going to sign it, and I think we are going to pass this bill because the American people need it and deserve it. I would like to say what I think about this measure because I think it is one of the best things we are going to do in this Congress.

We look at the trend of the last generation before the 1994 election, and I think this is what the American people were so angry about in 1990 and 1992 and 1994. It was a trend where Washington sucked the money and resources and the power away from the American people to here, and then used it often to uproot their most basic values and traditions.

□ 2330

You know the Bible says where your treasure is, that is where your heart will be also, and it was clear that the regime that used to run this place, the treasure they wanted in Washington, because that is where their heart was. And look what it did to the tax burden of the American people.

I mean my parents started out in the early 1950s. The average American family in the early 1950s was paying about 2½ percent of their income in Federal taxes, 2½ percent. Today that same average family in my district earning in the mid-$40,000s pay about 25 percent total of their income in Federal taxes. If they were paying at 1970 levels, that family earning $45,000 a year today would have $4,000 a year more in disposable income.

And then we got the naysayers and the quibblers. No matter what tax bill we come up with, tax cut bill, they do not like it because they basically do not want to cut the taxes for the American people.

Now the heart and center of this bill, and I wish it could be more, and I wish we could do across-the-board tax relief for everybody. Bob Dole lost the last election, so we cannot do that. But the President has agreed to something that I think is a substantial step forward, and the heart and center of this bill is a $500-per-child tax credit.

And I hope the American people understand what we are talking about is $500 off the bottom line of your taxes for every child you have got. You got three children, it is $1,500 less in your Federal taxes.

So if you are again in that family paying, earning in the mid-forties, and in Federal income taxes you are paying 7, $8,000, this amounts to about a 15-percent income tax cut for you. It is very, very substantial.

And the other side argues, people who do not like this thing, they got to come up with some reason to oppose it, and they do not want to come out and say we are opposed to tax cuts so they say, well, your tax relief is for the wealthy. It is for everybody but the very wealthy. I cannot understand how they even say that. The very wealthy do not get it. Everybody else gets it, and they do not want to get it, and if you are earning above a certain income level, what is it, $75,000 in the bill, you do not get the $500-per-child tax credit.

Mr. PARKER. I think it is fascinating that the very wealthy in this country, they hire their lawyers, they have their tax accountants, and I must tell you they do not pay a lot of taxes because they go through all kind of things in order to get around it. It is the middle-class income taxpayer that is burdened. He is the one, she is the one, that is going to work every day and having to pay the taxes. It is not the very wealthy. The very wealthy, they are going to take care of themselves. Just like the estate side, the very wealthy corporations, they do not worry about this. There are ways around a lot of this when you are large enough. The small business person, the small farmer, those are the individuals that are having the real problem.

Mr. TALENT. Mr. Speaker, as my colleagues know, I chair the Committee on Small Business, and I am taking up a lot of your time, and I appreciate your indulgence, but I did want to talk briefly about the death tax because we have held hearings on this in the Committee on Small Business, and the gentleman is absolutely correct. The large publicly-held corporations, they do not care about the death tax. It is the small family business, people who have done, as you were saying before so eloquently, who have done what we want them to do. They have worked, they have saved, they invested. They do not go out to eat a lot, they do not take a

lot of trips. They have started a family business. And something like 60 percent of family businesses in this country are seriously adversely affected by the death tax. Many of them have to liquidate in order to pay the death tax.

There was a lady who testified at a hearing we held in St. Louis, my district, on this issue, and that woman almost broke down in tears describing what she and her brother were trying to do to save their family business from the IRS, the business their father had built up and worked his whole life to preserve and passed on to them. And then the government, swooping in and trying to grab it from them.

And I would say to the gentleman, what happens to the employees of the family business when the business has to liquidate or sell out to a big company in order to pay the estate tax? Who gets laid off? It is the employees.

It is a tax that makes no sense. We are writing this bill to do something about it. I wish we could do more than we are doing. The gentleman is doing a service in having this special order, and I really appreciate your yielding some time to me because this is a good bill, I believe we are going to pass this bill. It is a bill the American people have needed and wanted for a long time, and again it is a question of where is your faith.

I mean if you want the resources of the country to go to Washington, you are going to be opposed to this bill, and that is the reason for this rear guard desperate action fought against every tax-cut bill we come up with because these people want to preserve the power and resources and size and scope of the Federal Government. But I do not think they are going to win in this one. I think we are going to get it and the——

Mr. PARKER. Let me tell you one thing. I have watched the liberals talk about how much they love tax cuts now. Now they control the House over the last 16 years. They had a lot of opportunities. We could have had tax cuts, and believe me, conservatives, the Democrats and Republicans would have voted for it in a heart beat.

But you know, none of those proposals ever got through committee, never got through subcommittee, never got through the Committee on Rules, never got to the floor, so it is somewhat disingenuous for them to stand up and talk about how much they love tax cuts when they had plenty of time to do it. They just did not quite do it.

Mr. KINGSTON. If the gentleman would yield, if you will remember, the President ran on the platform in 1992 of a middle-class tax cut, and although he had a Democrat Senate and Congress, not one bill was introduced to give middle-class tax relief. However, reaching across the aisle, reaching over the hard left and the Democrat Party, he has found a partner to work with. In a bipartisan basis we have a middle-class tax cut, and if you will look at this chart, 76 percent of the tax relief goes to people and households making below $75,000. That is the vast area right here.

Now what is not shown on this chart is that if you are making $200,000, 1.2 percent of the tax relief goes to you. The majority of it clearly goes to hard middle-class working families. I know the gentleman from Michigan——

Mr. HOEKSTRA. Just been fascinated listening. I think there are a number of things that I would like to build off that some of you have talked about.

No. 1, I think we want to personalize this. What does it actually mean to the average family? You are talking about the families with three children, $1,500 more per year. That is $30 per week in an increase in take-home pay with a per-child tax credit, $30 per week, not gross, where the Federal Government comes in and takes their share again, $30 per week increase in take-home pay.

And we talk about the death tax and the reduction in the capital gains tax. We are talking about creating an economy that will create more jobs. More jobs, more opportunity, greater investment, greater investment which will enable our workers to be working in the highest value-added jobs in the world, and when they are adding more value than any other workers in the world, it will enable them to continue to be the highest-paid workers in the world so that they can maintain the highest standard of living.

We are going to kick off a project, we just got approval yesterday, which we call the American Worker at a Crossroads, which is going to examine these issues on a longer-term basis. What kinds of things in addition to the kinds of tax cuts that we are proposing, and we are going to pass this month; what other kinds of things do we need to do as we take a look at labor law? As we take a look at the billions of dollars that we spend on job training? Are we getting the kind of impact, are we creating the economy, are we creating the necessary framework to make sure that after the year 2000 our economy is still going to be the envy of the rest of the world?

Today we work under and we have an economy, we have a work force, we have an employee management labor relations model that is based on decades-old labor law. Is that still the best framework to rein in our workers? Or are there better ways to do that? Are there new opportunities with a different kind of work force, the different kinds of jobs that they are engaging in, the high-tech? So that is going to be a project that we will begin that will build on these tax changes.

Tax changes create the environment to encourage investment. Changes in labor law, changes in Federal spending will enable us to better equip our workers to be the best and the most talented workers in the world. We combine those two things, and we can ensure a great economy for our kids and for our future. That is what it is about.

Mr. PARKER. I must tell the gentleman the best social program in the world that has ever been invented is a good job, and one of the problems we have got in this country: When we penalize companies, when we penalize small business so that they cannot provide those jobs, we are hurting every worker in this Nation, because once you hurt one, it spreads like a disease, it hurts everybody; because if you are penalizing one small business out there, you can bet your bottom dollar that other small businesses are hurting too.

Now you know we talk about the tax load that we have in this country. Right now we pay between 38 and 40 cents out of every dollar that every worker in this country makes on average for Federal, State and local taxes. Now when you add the regulations, onerous regulation, that the Federal Government has put on a lot of these companies, you can add another 10 to 12 percent on top of that.

So all of a sudden people are taking home 50 cents out of every dollar they make. Now that is sad in and of itself, but we have turned this thing around. I feel very good about what we, as the Republican Party, have done and the direction that this country is now going. I mean we even have the liberals talking about tax cuts. I find that fascinating. I do not believe that some of them believe what they are saying, but I like the fact that they are saying it. Whether they mean it or not is fine. I do not really care. What I want, I want to get the tax cuts there.

I have listened to people tonight talk about the tax increase, the largest tax increase in the history of this country in 1993 as being what turned us around. Now I am glad they want to take credit, and I will be glad to give them some credit for stuff if they want it, and I do not care, I do not care who gets the credit. But let us not forget that we are the ones that cut out over 280 programs in the last Congress. I mean we stopped it. Let us not forget that we saved $53 billion in money that would have been spent if it had not been for us over the last year.

So we have got a low figure out there, and it is decreasing all the time as far as the deficit. But the business community in this country, the small business community in this country which creates the jobs, is now having confidence in the Congress in knowing that we are moving in the right direction and we are going to continue to move in the right direction.

Mr. RILEY. If the gentleman will yield, I think you are exactly right. During the past week when I was at home, I had several town meetings, and the one thing people in my district do understand is that as families we are moving in the right direction.

You know, a lot of the tax policies we talk about and a lot of the depreciations is complicated, and they do not understand, but the one thing they do understand today is that we are talking about tax cuts, not tax increases. It

is a very easy concept when you can talk to a worker and say if you got two children, next year you will have a thousand dollars more in your pocket than you did this year. That is a concept that I think our side of the aisle can take a tremendous amount of pride in.

And as my friend from Georgia indicated a minute ago, for anyone to say that this bill is for the rich or big business, how they do that and look at this chart where it is a proven fact that 76 percent of all of the tax cuts are going to the people who deserve it and who absolutely probably need it more than anyone else in this country. The person who is working two jobs and three jobs, doing whatever it takes, that is the people that we have to get this tax cut for.

Mr. KINGSTON. If the gentleman is finished with his point, I wanted to add on that a little bit, because one of the disappointing things is that the President and many of the liberals want to actually give the $500-per-child tax credit to folks who do not pay taxes.

Mr. PARKER. If the gentleman will yield.

Mr. KINGSTON. It is confusing to me, too.

Mr. PARKER. Now they pay taxes. Now they pay FICA taxes, they pay Social Security taxes, but they do not pay income tax. And what the President is proposing is that he wants to give an income tax break to people who do not pay income taxes.

Now that is very important because income taxes, if you are going to give an income tax break, you should give a break to people who pay income taxes. They are already receiving, for those people that the President is talking about, he is talking about individuals who get EITC, the earned income tax credit. They are already getting a tax refund for taxes they have not paid.

I am not arguing that point, and I do not think we should argue that point. It is in the law, it has been there for 25 years. The point is that we want to give people who pay income taxes and every person by the way who pays income taxes in this country, they know who they are. I do not have to go and point them out.

□ 2345

That individual, he knows on April 15 when he has written, he or she has written that check, they know that they have paid income taxes to the Federal Government. They know when they look at that check stub when they have paid withholding taxes to the Federal Government. It is not hard to decipher who these individuals are. Those are the people we are trying to give an income tax break to. So that point needs to be made over and over again, so people can understand it.

Mr. KINGSTON. The gentleman is correct. Let me do what the gentleman from Michigan [Mr. HOEKSTRA] has suggested and put a face on this. Here is a single woman, and I am going to call her Mrs. Smith, this is a real person in my district who has a 14-year-old and a 16-year-old child.

Under the Republican plan, she will get a $1,000 tax credit. Under the Clinton proposal she will get zero, because children over 12 years old do not get a tax credit, or their parents are not entitled. But instead, that $1,000 of income tax credit that she would be receiving goes to somebody who is not paying income tax; who in many cases is somebody whose children are getting WIC benefits, the nutritional program; possibly getting Medicaid; free health insurance; possibly getting food stamps, in addition to what they are getting; and probably qualifying for any number of college education scholarships, which are very, very important.

But the point is, and the gentleman has said this, that for the poor there are a lot of benefits already. Our tax plan does not transfer any benefit plan from the poor to give to the rich whatsoever. But instead, the President is proposing to take from single mothers child tax credits, single working mother child tax credits, and giving it to people who are not working.

Under the Republican plan, 41 million children and their parents will get tax relief. Under the Clinton plan, only 30 million children will get tax relief. That is a huge difference for America's middle class working families.

Mr. PARKER. Mr. Speaker, let me mention one thing, because we tend in this country over and over again to downcast the IRS. It is an easy thing to do, I guess even in Biblical times the people did not think very highly of the tax collector. But in this country there are certain things that we need to understand.

Mr. KINGSTON. Mr. Speaker, on that point, I think it was Jesus who amazed the people by saying Nicodemus, the tax collector, would not be in fact going to hell after all. That was the first time that concept was introduced biblically, I believe.

Mr. PARKER. The point that I want to make is that I feel sorry sometimes for IRS employees. They are not doing what they invent. We as a Congress mandate to the IRS what they will do and how they will work. It is our fault as a legislative body that we do not correct the problems, and that we do not put the IRS into a situation where they can be more user-friendly, and that they can do their job better.

We are the ones that tell the IRS when a person dies, you will go and you will collect the death tax. We are the ones who go in and tell them, you will go into this business and you will do certain things. You will padlock the door in a certain way. We do that.

So I think I want to make sure that all the IRS employees in this country realize that there are some of us in this body who realize it is our fault and not theirs on conducting their business. We need to accept the responsibility, and we need to change their orders so that they can do their job in a much more efficient way.

Mr. TALENT. Mr. Speaker, the gentleman makes a good point. The IRS has been responding to the signals that its political masters for a generation were sending it. I think what the IRS is guilty of is not understanding that the political masters have changed now, and the signals are changing. They need to change as well. We no longer want them to ratchet every possible dollar they can get out of the American people, regardless of how fair or unfair the tactic may be.

I wanted to make one other comment. I agree completely with the comments of my friend, the gentleman from Georgia, about the relative merits of the tax plan. I do think it is unfortunate that we have to argue over who gets what tax relief here. I just want to point out the reason is because this tax bill is not as big as we all wanted it to be. It was not as big. It is not as big as the tax bill we had in the Contract With America. It is not because the President did not want it that big. He did not want as much tax relief for the American people, so now we have to argue over who gets what.

But we have less of a tax bill, and we have it so we can support a Government growing, even under this plan, and it is a good plan and I support it, but a Government growing at over 4 percent a year, at twice the rate of inflation. If we had cut the Government back to the rate of inflation, we would have more than enough money to provide tax relief for the American people, for all of these people.

Mr. PARKER. If the gentleman will continue to yield, Mr. Speaker, the one thing, I have to look positively at what is going on. Even though the tax cuts that we are giving are not as great as they should be, I think they are kind of like popcorn. You just cannot eat just a little.

When the American people just get a touch of what it is like for the Federal Government to get their hand out of their pocket just a little bit and they are able to keep more of their money, they will want more. I think it will feed on itself.

Mr. HOEKSTRA. If the gentleman will continue to yield, Mr. Speaker, I think it is important for the American people to recognize the story that was in the Washington Post today. We are in a position to be able to provide tax cuts because of the restraints that we have put on spending over the last few years. The economy is good, revenues are growing.

We may be in a position to get to a surplus budget much earlier than what we thought. Then we will be able to start having some additional wonderful debates here about what do we do with the surplus. I think we will be arguing about are we going to use it to pay back the money in the trust funds, the money we have borrowed out of the trust funds? Are we going to be able to give additional tax breaks?

I do not think any of us are going to be here arguing that we should use it for increased Federal spending, but how are we going to get it back to the American people, how are we going to pay ourselves, get ourselves out of debt, and how are we going to give this money back to the American people from where it came originally?

So this tax package is in a context of continuing to make progress in getting to a surplus budget. We have a lot of things moving in the right direction.

Mr. PARKER. To my friend who sits on the Committee on the Budget, does he remember when we had Chairman Alan Greenspan, Chairman of the Federal Reserve, who came before our committee? One thing that he said which had struck me, and it has stayed with me over years now, he said the American people have not experienced the benefits of a surplus economy since World War II.

I think it is significant that we have not had a surplus economy since we instituted a death tax and the income tax and everything, all the other taxes there. But that is what the American people need to be looking for, for their children, their grandchildren, for themselves in the outyears, is having the benefits of a surplus economy, where our economy, which is so strong, so mighty, it is the most mighty economy that has ever been on the face of the Earth, and I must tell the Members, it is very difficult to destroy, because we have had politicians in this country for decades that have done everything in their power to destroy it, and they have not done it. They have not been able to. It is that powerful.

But if we allow that surplus economy to work and do what it is supposed to do, and we release the ingenuity and the innovation of small business, if we just release that power and let people have the freedom to do what only entrepreneurs can do, people will receive benefits from that for generations to come. We will change the face of this Nation.

Mr. RILEY. Mr. Speaker, if the gentleman will continue to yield, I think it does one other thing. I think this tax package, probably as much as anything, sends a message that if you work hard, you will be rewarded. I think that is what this country was founded on. That is what made us the greatest country in the world, is that we need to do everything we can to increase incentives.

I think that is what it does. It sends a message to the American people once and for all that we are going to continue, and as the gentleman said a moment ago, we will have a debate hopefully within the next few months or the next year on how we are going to take some of this extra money that could go to a variety of different programs, and I hope one of the things we do is continue this path of cutting taxes, whether it is death taxes or income taxes, whatever, because the more we use these tax cuts as an incentive, I think the more it stimulates our economy. In all reality, that is what is going to drive this economy for the next few years.

□ 2355

Mr. HOEKSTRA. Mr. Speaker, I think it is interesting. I have two of my colleagues who came here in January 1993, the three of us came here. What we were faced with was raising taxes, growing rapidly the size of government, nationalizing health care, no concern about the deficit, deficits in the $200 to $300 billion range as far as we could see. It is really amazing.

I think if we would reflect back to where we thought, I still remember walking about across the street saying, how can we be part of this? Four and a half years later we are getting close to a surplus. We are cutting taxes. This is a sea change. As my colleague said, this is like popcorn. We are debating the right issues.

This is not enough right now, but we have a much different debate than what we had in 1993.

Mr. TALENT. Mr. Speaker, the perspective is totally different. The last budget agreement, the budget plan, big increase in taxes, big new burst of domestic spending, deficits as far as the eye could see, passed on a totally partisan basis.

Now we have a bipartisan budget agreement with tax relief, a plausible plan to balance the budget. We may do it sooner than we are expecting to do it, with real tax relief for the American people and restraint on domestic spending, a total sea change.

There are the naysayers here, the old establishment type Members who are not going gently into that good night. They are the ''I want tax relief but'' Members. I want tax relief but not this plan. I want tax relief, but it does not give enough to this. I want tax relief but not now, or I want tax relief but I want it to end after 5 years.

I just want to say, Mr. Speaker, I hope everybody needs to be aware, when they hear that ''I want tax relief but,'' make sure your wallet is still in your pocket. What they are trying to do is to keep that money for the Federal Government.

Mr. PARKER. There are the liberals in this body, Mr. Speaker, who will do anything in their power to make this a class battle. They get their power from turning class against class. We know who they are. We know the games that they are playing. Makes for great sound bites. Tax break for the wealthy. Capital gains for the wealthy.

I hear this over and over again, but I have a lot of confidence in the American people. The American people, you can fool them sometimes, but I am going to say, they get enough of it. They have had 40 years of sitting through this thing, of watching it, of being hit by it, of having to pay the bills.

They are basically sick and tired of being sick and tired. They want it changed.

Mr. KINGSTON. Mr. Speaker, my friend from Missouri is about to kill me if I do not correct my earlier statement, that it was Zacchaeus and not Nicodemas, Luke, chapter 19. I stand corrected.

I want to also say to the gentleman from Michigan, when we came here it was socialized medicine. It was the largest tax increase in history. It was expansion of the Hatch Act. It was motor voter. Everything was big government, big government this. We have stopped the ball from rolling to the left. We have stopped the onward intrusion of the big government.

Have we stopped it as abruptly as we would like to? No. But we are moving in that direction. We believe this tax relief bill is the first and very, very significant step in returning to the American middle class people money that is theirs, that the government should not be taking from them.

Mr. PARKER. Let me close by saying, I want to thank my colleagues the gentleman from Missouri [Mr. TALENT], the gentleman from Georgia [Mr. KINGSTON], the gentleman from Michigan [Mr. HOEKSTRA], and the gentleman from Alabama [Mr. RILEY] for participating in this special order.

We will do another special order next Wednesday night. It is important that the American people understand what we are doing in a very rational and a very logical way, because the American people, when they understand, they will agree. In their hearts they know that we are doing the right thing, but they hear so much verbiage. They hear so much rhetoric. They hear so much hyperbole that sometimes they sit back and go, who can we believe.

They have heard so much junk through the years from Washington that they do not know who to believe. We are giving that information. I thank the gentlemen for participating. I am looking forward to having another special order next Wednesday night and being able to bring more facts to the American people and to our colleagues so they understand exactly what we are doing.

□ 2358

PROVIDING FOR CONSIDERATION OF H.R. 2107, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. MCINNIS, from the Committee on Rules, submitted a privileged report (Rept. No. 105–174), providing for consideration of the bill (H.R. 2107) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. EDWARDS (at the request of Mr. GEPHARDT) for Tuesday, July 8 and today, on account of the birth of a baby boy.

Mr. MANTON (at the request of Mr. GEPHARDT) after 7 p.m. tonight, on account of official business.

Ms. SLAUGHTER (at the request of Mr. GEPHARDT) after 8 p.m. tonight and the balance of the week, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CAPPS) to revise and extend their remarks and include extraneous material:)

Mr. BONIOR, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and to include extraneous material:)

Mr. BEREUTER, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, on July 10.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CAPPS) and to include extraneous matter:)

Mrs. MALONEY of New York.

Mr. VISCLOSKY.

Mr. KUCINICH.

Ms. DEGETTE.

Mr. HAMILTON.

Mr. GEJDENSON.

Ms. HARMAN.

Mr. TOWNS.

Mr. DAVIS of Florida.

Mrs. MEEK of Florida.

Mr. SCHUMER.

Mr. KANJORSKI.

Mr. RUSH.

Mr. FARR of California.

Mr. KLECZKA.

Mr. ACKERMAN.

(The following Members (at the request of Mr. GUTKNECHT) and to include extraneous matter:)

Mr. GALLEGLY.

Mr. BEREUTER.

Mr. GILMAN.

Mr. DAVIS of Virginia.

Mr. NEY.

Mrs. EMERSON.

Ms. ROS-LEHTINEN.

Mr. WATTS of Oklahoma.

Mr. SMITH of New Jersey.

(The following Members (at the request of Mr. KINGSTON) and to include extraneous matter:)

Mr. RIGGS.

Mr. SANFORD.

Mr. GILLMOR.

Ms. FURSE.

Mr. SMITH of Texas.

Mr. CLYBURN.

Mr. SCARBOROUGH.

Mr. SNOWBARGER.

Mr. PACKARD.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 173. An act to amend the Federal Property and Administrative Services Act of 1949 to authorize donation of Federal law enforcement canines that are no longer needed for official purposes to individuals with experience handling canines in the performance of law enforcement duties.

H.R. 649. An act to amend sections of the Department of Energy Organization Act that are obsolete or inconsistent with other statutes and to repeal a related section of the Federal Energy Administration Act of 1974.

ADJOURNMENT

Mr. KINGSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Thursday, July 10, 1997, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 OF rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4115. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Milk in the Upper Florida Marketing Area; Suspension of Certain Provisions of the Order [DA–97–03] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4116. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Spearmint Oil Produced in the Far West; Salable Quantities and Allotment Percentages for the 1997–98 Marketing Year [Docket No. FV–96–985–4 FR] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4117. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Papaya, Carambola, and Litchi from Hawaii [Docket No. 95–069–2] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4118. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Gypsy Moth Generally Infested Areas [Docket No. 97–038–2] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4119. A letter from the Administrator, Department of Agriculture, transmitting the Department's rule—Sugar Loan Program Crop Year Definition and Loan Availability Period (Commodity Credit Corporation) [Workplan Number 96–046] (RIN: 0560–AE94) received July 8, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4120. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to authorize the Secretary of Agriculture to impose user fees for the inspection of livestock, meat, poultry, and products thereof, and egg products; to the Committee on Agriculture.

4121. A communication from the President of the United States, transmitting amendments to the FY 1998 appropriations requests for the Department of Energy (DOE) and the Army Corps of Engineers, pursuant to 31 U.S.C. 1106(b); (H. Doc. NO. 105–102); to the Committee on Appropriations and ordered to be printed.

4122. A letter from the Deputy Under Secretary of Defense, Department of Defense, transmitting the Department's annual report on the Defense Environmental Quality Program for Fiscal Year 1995, pursuant to 10 U.S.C. 2706(b)(1); to the Committee on National Security.

4123. A letter from the Secretary of Defense, transmitting the National Defense Stockpile Requirements Report for 1997, pursuant to 50 U.S.C. 98h–5; to the Committee on National Security.

4124. A letter from the Secretary of Defense, transmitting a report entitled ''Plan for Health Care Coverage for Children with Medical Conditions Caused by Parental Exposure to Chemical Munitions While Serving as Members of the Armed Forces''; to the Committee on National Security.

4125. A letter from the Secretary of Defense, transmitting a report describing the feasibility of increasing the number of persons enrolled in the Armed Forces Health Professions Scholarship and Financial Assistance Programs who are pursuing a course of study in dentistry; to the Committee on National Security.

4126. A letter from the Acting Executive Director, Thrift Depositor Protection Oversight Board, transmitting the annual report of the Thrift Depositor Protection Oversight Board for the calendar year 1996, pursuant to Public Law 101–73, section 511(a) (103 Stat. 404); to the Committee on Banking and Financial Services.

4127. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Four Local Air Pollution Control Districts [CA014–0035; FRL–5850–4] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4128. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(1) Program of Delegation; Indiana [IN 74–3; FRL–5854–4] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4129. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Final Full Approval of Operating Permits Program and Approval of Delegation of Section 112(1); State of Iowa [FRL–5855–1] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4130. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and

Promulgation of State Plans for Designated Facilities and Pollutants: Oregon [Docket # OR–1–0001; FRL–5852–3] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4131. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Texas; Motor Vehicle Inspection and Maintenance Program [TX–55–1–7335; FRL–5856–3] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4132. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Massachusetts [MA–7197a; FRL–5847–1] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4133. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Commonwealth of Massachusetts; Enhanced Motor Vehicle Inspection and Maintenance Program [MA014–01–7195; A–1–FRL–5847–2] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4134. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Wyoming: Final Determination of Adequacy of the State's Municipal Solid Waste Permit Program [FRL–5857–1] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4135. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Implementation Plan; Illinois [IL117–1a; FRL–5857–3] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4136. A letter from the Director, Defense Security Assistance Agency, transmitting notification that the Department of Defense has completed delivery of defense articles, services, and training on the attached list to Rwanda, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on International Relations.

4137. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Thailand for defense articles and services (Transmittal No. 97–23), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4138. A communication from the President of the United States, transmitting the bimonthly report on progress toward a negotiated settlement of the Cyprus question, including any relevant reports from the Secretary General of the United Nations, pursuant to 22 U.S.C. 2373(c); to the Committee on International Relations.

4139. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's report on employment of United States citizens by certain international organizations, pursuant to Public Law 102–138, section 181 (105 Stat. 682); to the Committee on International Relations.

4140. A letter from the Director for Morale, Welfare and Recreation Support Activity, Department of the Navy, transmitting the annual report of the Retirement Plan for Civilian Employees of the United States Marine Corps Morale, Welfare and Recreation Activities, the Morale, Welfare and Recreation Support Activity, and Miscellaneous Nonappropriated Fund Instrumentalities, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Reform and Oversight.

4141. A letter from the Chairman, National Transportation Safety Board, transmitting the FY 1996 annual report under the Federal Managers' Financial Integrity Act (FMFIA) of 1982, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

4142. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Resources.

4143. A letter from the Deputy Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Tuna Fisheries; Annual Quotas [Docket No. 970401075–7141–02; I.D. 121296A] (RIN: 0648–AJ69) received July 8, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4144. A letter from the Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, transmitting the Bureau's final rule—Definitions for the Categories of Persons Prohibited From Receiving Firearms [T.D. ATF–391; Ref: Notice No. 839] (RIN: 1512–AB41) received July 1, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4145. A letter from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Adjustment of Civil Monetary Penalties for Inflation (RIN: 1212–AA86) received July 7, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4146. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Minimum Income Annuity (RIN: 2900–AI83) received July 2, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

4147. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Servicemen's and Veterans' Group Life Insurance (RIN: 2900–AI73) July 2, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

4148. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Time for Reporting Transfers to Foreign Entities Under Sections 1491 Through 1494 [Notice 97–42] received July 8, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4149. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—1997 Marginal Production Rates [Notice 97–38] received July 9, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4150. A letter from the Board Members, Railroad Retirement Board, transmitting the 1997 annual report on the financial status of the railroad unemployment insurance system, pursuant to 45 U.S.C. 369; jointly to the Committees on Transportation and Infrastructure and Ways and Means.

4151. A letter from the Board Members, Railroad Retirement Board, transmitting a copy of the 20th Actuarial Valuation of the Assets and Liabilities Under the Railroad Retirement Acts, pursuant to 45 U.S.C. 321f–1; jointly to the Committees on Ways and Means and Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SOLOMON: Committee on Rules. House Resolution 181. Resolution providing for consideration of the bill (H.R. 2107) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes (Rept. 105–174). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. MALONEY of New York (for herself, Mr. GONZALEZ, Mr. METCALF, Mr. NEY, and Ms. CARSON):

H.R. 2119. A bill to amend the Federal Reserve Act to expand the opportunity for private enterprise to compete with the Board of Governors of the Federal Reserve System in the transportation of paper checks; to the Committee on Banking and Financial Services.

By Mr. DEFAZIO (for himself, Ms. DEGETTE, Mr. FRANKS of New Jersey, Mr. FRANK of Massachusetts, Mr. SHAYS, Mr. BLUMENAUER, and Mr. SMITH of Oregon):

H.R. 2120. A bill to amend the Communications Act of 1934 to strengthen and expand the procedures for preventing the slamming of interstate telephone service subscribers, and for other purposes; to the Committee on Commerce.

By Mr. CARDIN (for himself, Mr. HOYER, and Ms. PELOSI):

H.R. 2121. 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 International Relations, and in addition to the Committee on Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FRANKS of New Jersey (for himself, Mrs. ROUKEMA, Ms. DUNN of Washington, Mr. FROST, Mr. OXLEY, Mr. BRADY, Mr. PALLONE, Mr. SAXTON, Mr. LOBIONDO, Mr. FRELINGHUYSEN, Mr. PAPPAS, and Mr. SMITH of New Jersey):

H.R. 2122. A bill to amend title 18, United States Code, to increase penalties for certain offenses where the victim is a child; to the Committee on the Judiciary.

By Mr. HOLDEN:

H.R. 2123. A bill to amend title 28, United States Code, to transfer Schuylkill County, PA, from the Eastern Judicial District of Pennsylvania to the Middle Judicial District of Pennsylvania; to the Committee on the Judiciary.

By Mr. LEWIS of Kentucky (for himself, Mr. PITTS, Mr. CHRISTENSEN, Mr. HERGER, Mr. MANZULLO, Mr. MILLER of Florida, Mr. LARGENT, Mr. SOUDER, Mr. WELDON of Florida, Mrs. CHENOWETH, Mr. PAUL, Mr. COBURN, Mr. HOEKSTRA, Mr. MCINTOSH, Mr. HUTCHINSON, Mr. NORWOOD, Mr. SNOWBARGER, Mr. WHITFIELD, Mr. PICKERING, Mr. HOSTETTLER, Mr. BLUNT, Mr. CRAPO, Mr. GRAHAM, and Mr. RILEY):

H.R. 2124. A bill to require Federal agencies to assess the impact of policies and regulations on families, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. LOBIONDO:

H.R. 2125. A bill to authorize appropriations for the Coastal Heritage Trail Route in New Jersey, and for other purposes; to the Committee on Resources.

By Mr. RIGGS:

H.R. 2126. A bill to authorize the Secretary of Agriculture to include in a special use permit with regard to Humboldt Nursery a provision allowing the permittee to use Government-owned farming and related equipment at the nursery; to the Committee on Agriculture.

H.R. 2127. A bill to reduce costs and improve efficiency of Forest Service operations by contracting out certain tasks related to the planning and implementation of programs and projects in the National Forest System; to the Committee on Agriculture.

By Mr. STEARNS:

H.R. 2128. A bill to permit Medicare-eligible retired members of the Armed Forces and their Medicare-eligible dependents to enroll in the Federal Employees Health Benefits Program; to the Committee on Government Reform and Oversight, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TRAFICANT:

H.R. 2129. A bill to designate the U.S. Post Office located at 150 North 3d Street in Steubenville, OH, as the ''Douglas Applegate Post Office''; to the Committee on Government Reform and Oversight.

By Ms. WATERS (for herself, Mr. ACKERMAN, Mr. BOUCHER, Ms. BROWN of Florida, Ms. CHRISTIAN-GREEN, Ms. CARSON, Mrs. CLAYTON, Mr. CLYBURN, Mr. CONYERS, Mr. CUMMINGS, Mr. DAVIS of Illinois, Ms. DEGETTE, Mr. DELLUMS, Mr. ENGEL, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FAZIO of California, Mr. FILNER, Mr. FROST, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Mr. HILLIARD, Ms. JACKSON-LEE, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KILDEE, Mr. LEWIS of Georgia, Ms. LOFGREN, Mrs. LOWEY, Mrs. MALONEY of New York, Mr. MCDERMOTT, Ms. MCKINNEY, Mrs. MINK of Hawaii, Mrs. MORELLA, Ms. NORTON, Mr. PAYNE, Ms. PELOSI, Ms. RIVERS, Ms. ROYBAL-ALLARD, Mr. RUSH, Mr. SANDERS, Ms. SLAUGHTER, Mr. STOKES, Mr. THOMPSON, Mr. TOWNS, Mr. UNDERWOOD, Mr. WATT of North Carolina, Mr. CLAY, Mr. CLEMENT, Mr. DIXON, Ms. ESHOO, Mr. FATTAH, Mr. FLAKE, Mr. FORD, Ms. KILPATRICK, Mrs. KENNELLY of Connecticut, Mrs. MEEK of Florida, Ms. MILLENDER-MCDONALD, Mr. OWENS, Mr. PASTOR, Mr. ROMERO-BARCELO, Mr. SCOTT, Mr. SERRANO, Ms. VELAZQUEZ, Mr. WEYGAND, Ms. WOOLSEY, Mr. WAXMAN, Mr. WYNN, Mr. BARRETT of Wisconsin, Mr. CAPPS, Mr. DELAHUNT, Mr. SHERMAN, Mr. GREEN, Mrs. ROUKEMA, Mr. JEFFERSON, and Mr. MATSUI):

H.R. 2130. A bill to amend the Public Health Service Act to provide for expanding, intensifying, and coordinating activities of the National Heart, Lung, and Blood Institute with respect to heart attack, stroke, and other cardiovascular diseases in women; to the Committee on Commerce.

By Mr. WEYGAND:

H.R. 2131. A bill to amend the Elementary and Secondary Education Act of 1965 to ensure that teachers receive technology training; to the Committee on Education and the Workforce.

By Mr. WEXLER (for himself, Ms. BROWN of Florida, Mr. BROWN of California, Mr. CRAMER, Mr. HASTINGS of Florida, Mr. MILLER of Florida, Mr. DIAZ-BALART, Mr. WELDON of Florida, Mrs. MEEK of Florida, Mr. MCCOLLUM, Mr. ROGAN, Mr. FOLEY, Mr. DAVIS of Florida, and Mrs. THURMAN):

H. Con. Res. 111. Concurrent resolution expressing the sense of Congress that the National Aeronautics and Space Administration should be commended for successfully carrying out the Mars Pathfinder Mission, and that the United States should continue to act as the leader in space exploration into the 21st century; to the Committee on Science.

By Mrs. MALONEY of New York (for herself, Mr. GILMAN, Mr. WEXLER, Ms. ROS-LEHTINEN, Mr. GEJDENSON, and Mr. FROST):

H. Con. Res. 112. Concurrent resolution expressing the sense of the Congress that the German Government should expand and simplify its reparations system, provide reparations to Holocaust survivors in Eastern and Central Europe, and set up a fund to help cover the medical expenses of Holocaust survivors; to the Committee on International Relations.

By Mr. STEARNS (for himself, Mr. SMITH of New Jersey, and Mr. HASTERT):

H. Con. Res. 113. Concurrent resolution expressing the sense of Congress about the Food and Drug Administration proposal to designate the use of chlorofluorocarbons in metered-dose inhalers as nonessential; to the Committee on Commerce.

By Mr. KENNEDY of Massachusetts (for himself, Mr. KING of New York, Mr. MANTON, Mrs. MCCARTHY of New York, Mr. MCGOVERN, Mr. MENENDEZ, and Mr. GILMAN):

H. Res. 182. Resolution expressing the sense of the House of Representatives regarding marches in Northern Ireland; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

147. The SPEAKER presented a memorial of the House of Representatives of the State of Ohio, relative to House Concurrent Resolution No. 17 requesting that the President, the Congress, and the Secretary of Defense of the United States research the causes and symptoms of Gulf War Syndrome and provide adequate funding for care of veterans suffering from it; jointly to the Committees on National Security and Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 18: Mr. OLVER, Mr. GIBBONS, Mr, KENNEDY of Massachusetts, Mr. KIND of Wisconsin, Mr. WHITFIELD, Ms. DELAURO, Mr. BARTLETT of Maryland, and Mr. SANDLIN.

H.R. 122: Mr. BARTON of Texas.

H.R. 208: Mr. DELLUMS.

H.R. 209: Mr. JEFFERSON, Ms. JACKSON-LEE, Mr. SMITH of New Jersey, and Mr. ENGLISH of Pennsylvania.

H.R. 347: Mr. TAYLOR of North Carolina.

H.R. 367: Mr. FALEOMAVAEGA and Mr. HALL of Ohio.

H.R. 418: Mr. JEFFERSON and Mr. SCHUMER.

H.R. 453: Mr. FILNER, Mr. MCNULTY, Mr. EVANS, Mr. ROTHMAN, Mr. FAWELL, Mr. WYNN, Mr. DEUTSCH, Mr. FOGLIETTA, and Mr. KLINK.

H.R. 521: Mr. MALONEY of Connecticut, Mrs. MEEK of Florida, and Mr. CLEMENT.

H.R. 551: Mr. FOLEY.

H.R. 586: Mr. HORN.

H.R. 594: Mr. NEAL of Massachusetts, Mr. STARK, and Mr. FOGLIETTA.

H.R. 614: Mr. SNYDER.

H.R. 622: Mr. DICKEY and Mr. GIBBONS.

H.R. 630: Mr. MATSUI, Mr. LANTOS, and Ms. PELOSI.

H.R. 641: Mr. PAXON, Mr. MCCRERY, and Mr. SAM JOHNSON.

H.R. 674: Mr. WATKINS.

H.R. 695: Mr. GUTKNECHT, Mr. HAYWORTH, Mr. BUNNING Mr. SUNUNU, Mr. SCARBOROUGH, Mr. NEUMANN, Mr. SANFORD, and Mr. NORWOOD.

H.R. 696: Mr. OLVER, Mr. TOWNS, Mr. BLAGOJEVICH, Mr. GUTIERREZ, and Mr. BROWN of California.

H.R. 715: Mr. WELDON of Pennsylvania.

H.R. 716: Mr. JONES and Mr. LAHOOD.

H.R. 755: Mr. JONES and Mr. BILBRAY.

H.R. 777: Mrs. MEEK of Florida, Mr. COSTELLO, Mr. RUSH, Mr. ENGEL, Mr. SERRANO, Mr. NEAL of Massachusetts, and Mr. MCINTOSH.

H.R. 789: Mr. THUNE and Mr. WHITFIELD.

H.R. 815: Mr. LARGENT, Mr. TALENT, Mr. LAMPSON, and Mr. DEAL of Georgia.

H.R. 875: Mr. ACKERMAN.

H.R. 877: Mrs. THURMAN, Mr. ABERCROMBIE, Mr. JEFFERSON, and Mr. GIBBONS.

H.R. 880: Mr. DOOLITTLE, Mr. MORAN of Kansas, Mr. JONES, Mrs. EMERSON, and Mr. HULSHOF.

H.R. 901: Mr. LAHOOD, Mr. RILEY, Mr. SHIMKUS, Mr. PAUL, and Mr. EHRLICH.

H.R. 953: Mr. ENGEL.

H.R. 981: Mrs. MORELLA and Mr. STARK.

H.R. 991: Mr. BLAGOJEVICH and Mr. FORBES.

H.R. 993: Mr. LIVINGSTON and Mr. SHADEGG.

H.R. 1018: Mrs. MORELLA and Mr. FILNER.

H.R. 1038: Mr. NADLER.

H.R. 1054: Mr. GORDON, Mr. MCKEON, Mr. KLUG, and Mr. GEJDENSON.

H.R. 1069: Mr. ROEMER and Mr. SCHUMER.

H.R. 1070: Mr. ROEMER and Mr. SCHUMER.

H.R. 1134: Mr. ROGERS, Mr. LUCAS of Oklahoma, Mr. FLAKE, Mr. BURTON of Indiana, Mr. CAMP, and Mr. PRICE of North Carolina.

H.R. 1138: Mr. NORWOOD.

H.R. 1147: Mr. LEWIS of Kentucky.

H.R. 1151: Mr. GILCHREST, Mr. MCDERMOTT, Mr. MARTINEZ, Mr. PAYNE, Mr. ANDREWS, Mr. UNDERWOOD, Mr. PETERSON of Pennsylvania, Mr. FOX of Pennsylvania, Ms. MCKINNEY, Mr. HOYER, Mr. RODRIGUEZ, and Mr. DAVIS of Illinois.

H.R. 1176: Mr. PICKETT, Mr. FRANK of Massachusetts, and Mr. BROWN of California.

H.R. 1202: Mr. DEUTSCH, Ms. ESHOO, and Mr. OLVER.

H.R. 1215: Mr. NADLER, Mr. BECERRA, Mr. LEVIN, Mr. CONDIT, Mr. HORN, and Mr. TORRES.

H.R. 1298: Mr. FRANK of New Jersey.

H.R. 1346: Mr. FOX of Pennsylvania and Mr. GREENWOOD.

H.R. 1348: Mr. GIBBONS.

H.R. 1350: Mr. HALL of Texas, Mr. ENGLISH of Pennsylvania, Ms. LOFGREN, Mr. MILLER of Florida, and Mr. STENHOLM.

H.R. 1356: Ms. CARSON.

H.R. 1357: Mr. FOX of Pennsylvania.

H.R. 1362: Mr. JEFFERSON, Mr. BONO, Mr. DELLUMS, Mr. NORWOOD, Mr. HASTINGS of Florida, Mr. CAMP, Mr. GONZALEZ, and Mr. CAPPS.

H.R. 1375: Mr. POMEROY, Mr. STOKES, Ms. CARSON, and Mr. HUTCHINSON.

H.R. 1398: Mr. JONES.

H.R. 1428: Mr. EVERETT.

H.R. 1450: Ms. DELAURO.

H.R. 1458: Mr. GRAHAM.
H.R. 1480: Mr. SNYDER.
H.R. 1524: Mr. BERRY, Ms. FURSE, and Mr. SPRATT.
H.R. 1541: Mr. BARRETT of Wisconsin.
H.R. 1596: Mr. PICKETT.
H.R. 1614: Mr. DOOLEY of California, Mr. LOBIONDO, MS. STABENOW, and Ms. DEGETTE.
H.R. 1623: Mr. THORNBERRY.
H.R. 1648: Mr. LARGENT.
H.R. 1679: Ms. DEGETTE.
H.R. 1685: Mr. SISISKY, Mr. GOODE, Mr. MORAN of Virginia, Ms. CARSON, Mr. MILLER of California, Mrs. LOWEY, Mr. HAYWORTH, Mr. DOOLITTLE, Mr. EVANS, Mr. FARR of California, Mr. COX of California, Mr. TALENT, Mr. RILEY, Ms. LOFGREN, Mr. FILNER, Ms. SANCHEZ, and Mr. DELAY.
H.R. 1719: Mr. MCINTOSH.
H.R. 1732: Mrs. MALONEY of New York and Mr. PICKETT.
H.R. 1754: Mr. GIBBONS, Mr. MATON, and Mrs. EMERSON.
H.R. 1763: Mr. FORBES, Mr. FRANKS of New Jersey, Mr. DELLUMS, and Ms. HOOLEY of Oregon.
H.R. 1814: Mrs. MALONEY of New York.
H.R. 1835: Mr. GIBBONS.
H.R. 1858: Mr. MANTON.
H.R. 1863: Mr. PITTS, Mr. HOBSON, Mr. SMITH of Michigan, Mr. HASTINGS of Washington, Mr. LATHAM, and Mr. SOUDER.
H.R. 1876: Mrs. MINK of Hawaii.
H.R. 1903: Mrs. TAUSCHER.
H.R. 1908: Mr. LAMPSON.
H.R. 1951: Ms. ESHOO, Mr. STARK, Mr. DELAHUNT, Ms. JACKSON-LEE, and Ms. KILPATRICK.
H.R. 1955: Mr. SOUDER and Mr. DOYLE.
H.R. 1965: Ms. PRYCE of Ohio and Mr. GIBBONS.
H.R. 2003: Mr. MORAN of Virginia, Mr. COBURN, and Ms. MCCARTHY of Missouri.
H.R. 2023: Mr. KLECZKA.
H.R. 2029: Mr. SNOWBARGER.
H.R. 2038: Mr. PETERSON of Pennsylvania, Mr. BRYANT, Mr. BOYD, Mr. CUNNINGHAM, and Mr. GOODE.
H.R. 2040: Mr. KNOLLENBERG, Mr. KENNEDY of Massachusetts, Mr. SMITH of New Jersey, and Mr. GIBBONS.
H.R. 2070: Mr. STRICKLAND.
H.R. 2090: Mr. WELDON of Pennsylvania, Mr. NADLER, Ms. PELOSI, Mr. SCHUMER, Mr. HINCHEY, Mr. NEAL of Massachusetts, Mr. DOYLE, and Mr. SERRANO.
H.R. 2112: Mrs. MORELLA and Mr. LOBIONDO.
H.J. Res. 26: Mrs. FOWLER.
H.J. Res. 65: Ms. KAPTUR.
H. Con. Res. 55: Mr. DOOLEY of California, Mr. COOK, Mr. DOOLITTLE, and Mr. FRELINGHUYSEN.
H. Con. Res. 80: Mr. RAHALL, Mr. DELLUMS, Mr. LAMPSON, Mr. MALONEY of Connecticut, Mr. HILLIARD, Mr. OLVER, Mr. BARTLETT of Maryland, Mr. PAYNE, Mr. ADERHOLT, Mr. GEJDENSON, Mr. REGULA, Ms. LOFGREN, and Mr. RILEY.
H. Con. Res. 106: Mr. HASTINGS of Florida, Mr. TOWNS, Mr. HINCHEY, and Ms. DEGETTE.
H. Con. Res. 107: Mr. WALSH and Mr. BORSKI.
H. Con. Res. 109: Mr. SERRANO, Mr. PAPPAS, Mr. LARGENT, Mr. HASTINGS of Florida, Mr. ROGAN, Mr. DIXON, Mr. WAMP, Mrs. CUBIN, Mr. PASTOR, Ms. DELAURO, Mr. LAZIO of New York, Mr. BARCIA of Michigan, Mr. WATTS of Oklahoma, Ms. DANNER, Mr. MCDERMOTT, Mr. HILL, and Mr. FROST.
H. Res. 15: Mrs. KELLY.
H. Res. 139: Mrs. EMERSON.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1060: Mrs. MALONEY of New York.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1775

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 8: Page 10, after line 15, insert the following new section:

SEC. 306. COMPLIANCE WITH BUY AMERICAN ACT.

No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the ''Buy American Act'').

SEC. 307. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the head of the appropriate element of the Intelligence Community shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 308. PROHIBITION OF CONTRACTS.

If it has been finally determined by a court or Federal agency that any person intentionally affixed a fraudulent label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that was not made in the United States, such person shall be eligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

H.R. 2107

OFFERED BY: MR. COBURN

AMENDMENT NO. 2: Page 89, after line 15, insert the following new section:

SEC. 325. (a) None of the funds made available by this Act may be obligated or expended for the Man and Biosphere Program or the World Heritage Program administered by the United Nations Educational, Scientific, and Cultural Organization (UNESCO).

H.R. 2107

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 3: Page 89, after line 15, insert the following new section:

SEC. 325. The amount appropriated for Management of Lands and Resources by the Bureau of Land Management is reduced by $4,652,000, with not more than $1,000,000 of the remaining amount to be available for Land Resources Forestry Management, and with $2,100,000 of the savings from that reduction added as an increase to the amount appropriated for Energy Conservation by the Department of Energy, including an additional $700,000 for Urban Heat Island Research, an additional $1,000,000 for Highly Reflective Surfaces programs in public schools, and an additional $400,000 for Highly Reflective Surfaces programs in general.

H.R. 2107

OFFERED BY: MS. JACKSON-LEE OF TEXAS

AMENDMENT NO. 4: Page 45, line 6, strike ''$187,644,000'' and insert ''$98,144,000''.

Page 76, line 13, strike ''$10,000,000'' and insert ''$99,500,000''.

H.R. 2107

OFFERED BY: MR. KLUG

AMENDMENT NO. 5: Page 58, line 18, after the dollar amount, insert the following: ''(increased by $292,000,000)''.

H.R. 2107

OFFERED BY: MR. MICA

AMENDMENT NO. 6: Page 14, line 23, after the first dollar amount, insert ''(increased by $2,000,000)''.

Page 59, line 10, after the dollar amount, insert ''(reduced by $2,000,000)''.

H.R. 2107

OFFERED BY: MR. PORTER

AMENDMENT NO. 7: Page 46, line 20, after the dollar amount insert ''(reduced by $41,500,000)''.

Page 46, line 126 after the dollar amount, insert ''(reduced by $1)''.

H.R. 2107

OFFERED BY: MR. RIGGS

AMENDMENT NO. 8: Page 16, line 22, insert the following new item:

PRIORITY FEDERAL LAND ACQUISITION

(INCLUDING TRANSFER OF FUNDS)

For the acquisition of identified lands and interests in lands, at the purchase price specified, in the Headwaters Forest Agreement of September 28, 1996, $250,000,000, to be derived from the Land and Water Conservation Fund and to remain available until expended, except that such amount may not be obligated until (1) the agreement under which such amount will be obligated has been completed; and (2) legislation has been enacted that authorizes the Federal Government to provide economic assistance to Humboldt County, California, for the loss of tax revenues and other related costs incurred by the county in the implementation of the Headwaters Forest Agreements.

H.R. 2107

OFFERED BY: MR. RIGGS

AMENDMENT NO. 9: Page 18, after line 3, insert the following new designated paragraph:

No funds may be obligated in any fiscal year from the Land and Water Conservation Fund for the acquisition of identified lands and interests in lands as specified in the Headwaters Forest Agreement of September 28, 1996, until—

(1) the agreement under which such funds will be obligated has been completed; and

(2) legislation has been enacted that—

(A) authorizes the Federal Government to provide economic assistance to Humboldt County, California, for the loss of tax revenues and other related costs incurred by the county in the implementation of the Headwaters Forest Agreement; or

(B) appropriates amounts for such economic assistance.

H.R. 2107

OFFERED BY: MR. ROYCE

AMENDMENT NO. 10: Page 59, line 10, strike ''$312,153,000'' and insert ''$291,139,000''.

H.R. 2107

OFFERED BY: MR. SANDERS

AMENDMENT NO. 11: Page 5, line 4, after the dollar amount, insert the following: ''(increased by $19,000,000)''.

Page 59, line 10, after the dollar amount, insert the following: ''(reduced by $47,500,000)''.

H.R. 2107

OFFERED BY: MR. SANDERS

AMENDMENT NO. 12: Page 60, line 3, after the dollar amount, insert the following: ''(reduced by $11,085,000)''.

Page 60, line 20, after the dollar amount, insert the following: ''(increased by $11,085,000)''.

Page 60, line 25, after the dollar amount, insert the following: ''(increased by $11,085,000)''.

Page 61, line 6, after the dollar amount, insert the following: ''(increased by $11,085,000)''.

H.R. 2107

OFFERED BY: MR. STUPAK

AMENDMENT NO. 13: Page 44, after line 25, insert the following:

SEC. 115. (a) Section 6 of the Act entitled ''An Act to establish in the State of Michigan the Pictured Rocks National Lakeshore, and for other purposes'', approved October 15, 1966 (16 U.S.C. 460s–5), is amended—

(1) in subsection (b)(1) by striking ''including a scenic shoreline drive'' and inserting ''including appropriate improvements to Alger County Road H–58''; and

(2) by adding at the end the following new subsection:

''(c) A scenic shoreline drive may not be constructed in the Pictured Rocks National Lakeshore.''.

(b) Of amounts available under this Act for construction, improvements, repair or replacement of physical facilities of the National Park Service, $9,000,000 shall be available only for making improvements to Alger County Road H–58 pursuant to the amendments made by subsection (a).

H.R. 2107

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 14: Page 89, after line 15, insert the following new section:

SEC. 325. None of the funds appropriated or otherwise made available to the Indian Health Service by this Act may be used to restructure the funding of Indian health care delivery systems to Alaskan Natives.