United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, SECOND SESSION

Vol. 144 WASHINGTON, TUESDAY, JUNE 23, 1998 No. 83

House of Representatives

The House met at 9 a.m.

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 21, 1997 the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member except the majority leader and minority leader or the minority whip limited to not to exceed 5 minutes, but in no event shall continue beyond 9:50 a.m.

The Chair recognizes the gentleman from Florida (Mr. SCARBOROUGH) for 5 minutes.

CONGRESS MUST NOT TURN A BLIND EYE TO CHINA'S ABUSES

Mr. SCARBOROUGH. Mr. Speaker, this past weekend, human rights activist and former political prisoner, Harry Wu, was interviewed on ''This Week.'' When asked about America's relations with China, and specifically asked about President Clinton's assertion that one must accept the administration's position towards China or be seen as a backwards isolationist, Mr. Wu responded by stating, ''President Clinton said if you disagree with my engagement policy, that means you want to apply isolation. This is too cheap to argue. Okay, today there is nobody talking about isolation. Between isolation and engagement there is something in the middle.''

Mr. Speaker, what Mr. Wu may not understand as a recent arrival in the United States of America is what actually underlies the China policy not only of this administration but also of many in this Congress.

Why do we continue to embrace a regime that this President called the ''Butchers of Beijing'' just a few years ago? Unfortunately, it is because of America's obsession with finance. Our obsession with finance and a Dow Jones over 9,000 points, absolutely mesmerizes politicians who are led to believe they can get away with anything, so long as the Dow is doing well and the economy is clicking along while constituents personal incomes are rising.

The soaring Dow also mesmerizes the wizards of Wall Street, who have been stumbling over each other acting as apologists for the butchers in Beijing. One CEO has said there is actually more democracy in China than in America because, after all, more Chinese vote. The Wall Street Journal reported one defense contractor firm that sent their engineers over to China to train Chinese engineers how to make their jet fighters more competitive with American jet fighters.

Well, unfortunately, I think we are making a grave mistake. I think we are turning our back on the idea that America is the last great hope for a dying world, whether it is us turning a blind eye to the horrors of Sudan where Christians are persecuted, and turning a blind eye simply because we want an oil pipeline over there. Or whether it is turning a blind eye to the Buddhists being brutalized in Tibet because we do not want to, after all, offend China. Or whether it is this China MFN debate where we find out that the Communist Chinese are funneling money to America to influence our elections.

We hear nothing but silence because, after all, we do not want to offend the next great export market for the United States of America.

Mr. Speaker, I think it is regrettable. And I think this false choice that we must somehow either believe in pure, unadulterated free trade with the Communist Chinese regime or risk being isolationists is a false choice that is very dangerous.

Those of us that are opposed to MFN with China are being attacked not only by the President but by lobbyists downtown. BIPAC, a business PAC, has sent an angry memo around talking about backward isolationist Republicans who are not ''business friendly.''

I am distressed that we are being attacked because of our concern with a regime that is the most oppressive in the world; because we have concerns with a regime that has killed 60 million of their own people since 1949; because we are concerned about a regime that continues to export nuclear technology to Pakistan and Iran; because we are concerned with a regime that continues to steal America's intellectual property; because we are concerned with a regime that continues to abuse human rights; because we are concerned with a regime that continues to persecute hundreds of thousands of Christians and Buddhists and other people seeking religious freedom.

Let us reexamine our China policy.

Russell Kirk once said, ''No matter the volume of its steel production, a nation which has disavowed principle is vanquished.'' And Winston Churchill, when asked about the current state of his party in the 1950s said, ''The old conservative party, with its religious convictions and constitutional principles, will disappear and a new party will rise . . . perhaps like the Republican party in the USA . . . rigid, materialistic, and secular, whose opinions will turn on tariffs and who will cause the lobbies to be crowded with the touts of protected industries.''

Mr. Speaker, let us hope that does not happen to the Republican Party of the 21st century.

AMERICAN LABOR MOVEMENT: GIVING VOICE TO WORKERS

The SPEAKER pro tempore (Mr. SHIMKUS). Under the Speaker's announced policy of January 21, 1997, the gentleman from Minnesota (Mr. VENTO) is recognized during morning hour debates for 5 minutes.

Printed on recycled paper containing 100% post consumer waste

Mr. VENTO. Mr. Speaker, today I rise to recognize and support those in my district and around the Nation who are joined together in labor unions to promote workers' rights.

In our free market economy and free enterprise system, freedom for workers means the right to choose a representative and have a voice in their wages and their working conditions. Unions provide and organize an effective means for workers to join together to solve problems and participate in discussions regarding their wages, better benefits, safer working conditions, and better opportunities.

Workers should make their voices heard. Today they celebrate such right. I sincerely hope they have a fair hearing; that people in our Nation will, in fact, listen.

Union organizing is supposed to be a right guaranteed by law; however, in many instances employers have directly interfered with worker organizing efforts. The atmosphere of intimidation in many workplaces makes joining a union difficult, if not impossible. This is, of course, unacceptable. It is time for employers, communities, and legislators to support the right of workers to organize.

Unions perform a vital function in the lives of working families. Despite a booming economy, some workers cannot even remember the last time they got a raise. As the unionized share of the work force has declined, income inequity is increasingly dramatic. At a time when U.S. corporations are making record profits and the economy is strong and stable, it seems unreasonable that working people must struggle and too often losing in efforts to make ends meet.

American workers, the most productive workers in the world, deserve to share in the bounty of our economy. The benefits and the path to achieve such justified improvements is through union membership within the labor movement, the same folks who brought us the 40-hour work week and, that is right, and importantly the weekend off.

In fact, union negotiating does not just help those members that belong to that labor union. It helps our society in general and has promoted fair wages, fair taxes, and justice throughout our society. Unions attack all wage gaps, the discrepancy between executive pay and that of workers, income differences for women and for people of color, for the disabled, they fight discrimination and actively promote equal treatment and opportunity for all the workers in our society.

Because better pay and conditions help achieve a more productive work force, union workers earn an average of 33 percent more than nonunion workers and are much more likely to have health and pension benefits, the tools that we need to take care of our family.

Today, the simple justice of joining a union and the self-help and freedom to gain a fair wage is a big problem. In countless organizing campaigns, a majority of workers have clearly voiced a desire for union representation. However, more often than not they are obstructed by their employer's antiunion campaigns. Antiunion consulting industries are booming. It is a big business, guiding employers to manipulate the law and distort the intent in order to stall the organizing process, harass it, threaten and terminate workers who are trying to organize and achieve an exclusive representative, a union.

Mr. Speaker, all this is done with minimal, if any, penalties. In fact, the process is so cumbersome that it generally takes years before violations are even rectified. I have seen this happen firsthand in my own State of Minnesota this past year. Employees at the Metrodome Sheraton Hotel began an organizing drive with huge worker support. In fact, 80 percent of the workers, 112 workers of the 140 workers, signed cards supporting a union. But they had to have an election.

The Sheraton management in turn began a high-pressure campaign to put an end to the organizing and defeat the vote. They paid an antiunion consultant $300 an hour to assist them in their task. Management inundated the workplace with antiunion literature; offered pay raises to employees who promised to go along with the company and vote against the union.

Worst of all, the company repeatedly brought small groups of employees into rooms, where the heat was turned up to almost unbearable levels. Workers were lectured for hours about the evils of unions. They got paid for sitting there. They could not speak up or talk back. They could not ask questions. This is in America and this is legal in labor union elections today.

Mr. Speaker, this tactic of course worked. This election was lost by these workers, these hotel restaurant and housemen that worked at the Sheraton Metrodome in Minnesota. Amazingly, this type of antiunion campaign is neither illegal nor uncommon. Eight out of ten private sector employers hire professional consultants when faced with organizing efforts in their business. They do not want workers organized. They do not want workers in a union. They do not want workers to have such rights accorded in law.

Of course, this tactic works. The result is the frustration and intimidation of workers. In the case of the Minneapolis Sheraton, despite overwhelming support at the beginning of the process, the employees voted not to elect an exclusive representative this past May. But this was an election stacked against the workers and their right to have a union.

Mr. Speaker, a strong labor movement helps all Americans. Let us listen today as these voices are raised of working people across this country.

It is our job as elected leaders to ensure that the national and state laws allow our constituents to enjoy the fundamental values of democracy—freedom of speech and freedom of assembly. That includes, under law and custom, the long honored right to have a voice in their wages and working conditions. When workers are denied that voice, they no longer share in the wealth that they create. The health worker can't afford to be treated at the clinics and hospitals in which they labor. Auto workers can't afford to buy and drive the cars they make.

Congress needs to show support beyond voting positively upon labor issues. We can use our leverage to ensure that the rights and interests of America's labor force are advanced, that working families are accorded dignity and respect. Moreover, we have the obligation to make sure that the employers, policies, and laws that shape this relationship are just and workable.

Workers have the right to fully participate in the political arena. However, today the political voice of labor and working families faces the prospect of being silenced. Frankly, big business has the economic leverage to elect candidates who put the interests of corporations first. Corporations outspend labor unions 17 to one in lobbying efforts and other types of political involvement. We have to support labor organizations, so that they have a fair chance to support the candidates who will amplify the voices, views and concerns of the worker and working families.

Unfortunately, in Washington, DC, too much time and energy is focused on controversy, personalities, and political rhetoric. The everyday struggles of working families are often glossed over and shifted to the back burner. Or worse yet, under the guise of reform turned inside out, further limiting and stripping the worker of the limited rights they today hold. It is time to do the right thing, by respecting laborers and their rights, and truly listen to their concerns. On this day, the day for workers to make their voice heard, I speak for Minnesota working families, and working families across the nation, to recognize and support the right to organize. I encourage all of my colleagues to consider the successes and heartaches of those who are trying to join together in this crescendo to make their voices heard.

VETERANS TOBACCO TRUST FUND ACT OF 1998

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, this morning I want to talk about a very important issue that affects all of our veterans. There has been a great deal of discussion about veterans and tobacco-related illnesses. My purpose this morning is to acquaint Members with legislation I plan to introduce this week.

Mr. Speaker, the measure I intend to introduce is entitled the Veterans Tobacco Trust Fund Act of 1998. What this would do is guarantee that a portion of any funds that are received from a national tobacco settlement law, if it occurs, be dedicated to health care for veterans. Very simple.

Many might argue that not one veteran was coerced into smoking. My response to that assertion is that many

young men were exposed to tobacco for the first time when they entered the military service. Free cigarettes were provided to them and thus a habit was started during that time of service.

We must ensure that any man or woman who became addicted and consequently developed health problems due to the consumption of tobacco must be given the health care they were promised when they enlisted to serve this country.

My bill would establish a trust fund to be known as the Veterans Tobacco Trust Fund, providing that if a tobacco settlement is enacted, then $3 billion would be credited to the trust fund. The funds would be made available to the Secretary of Veterans Affairs to furnish medical care and to conduct medical research, rehabilitation research, and health systems research related to tobacco addiction.

□ 0915

I also want to clear up an issue which has caused a great deal of consternation among the veterans and here on the House floor. I am referring, of course, to the recent vote we had on H.R. 2400, the Transportation Equity Act.

First, let us be clear on how this evolved. This was proposed by the Clinton administration in the fiscal year 1999 budget, VA budget, in which the President requested that VA disability benefits for tobacco-related illnesses be repealed. I opposed the President's proposal and its inclusion in H.R. 2400, the Transportation Equity Act for the 21st century. I voted for the Obey amendment that sent H.R. 2400 back to conference and to instruct the conferees to remove the language reducing service-connected disability compensation to veterans for smoking-related illnesses. Unfortunately this motion was defeated.

I also joined the gentleman from Arizona (Mr. STUMP), chairman of our Committee on Veterans' Affairs, in sending a letter to the Speaker and to the minority leader, the gentleman from Missouri (Mr. GEPHARDT), voicing strong opposition to any provision that would offset veterans' benefits to pay for other programs.

Regrettably, we were not successful in our effort to prevent the administration's proposal to repeal VA disability compensation benefits for tobacco-related disabilities from being passed in part of H.R. 2400. However, we did prevail in providing benefit increases for veterans going to college on the GI bill, severely disabled veterans needing modifications for automobiles or their homes, and widows of veterans who died from service-connected disability.

As chairman of the Subcommittee on Health, I am committed to finding the funds to compensate the VA for the cost of providing health care for them, including smoking-related illnesses. That is why I developed the Veterans Tobacco Trust Fund Bill, so that funding will be made available should a national tobacco settlement be enacted into law.

Mr. Speaker, I urge my colleagues to join me in my efforts to help our Nation's veterans and sponsor my bill.

ADOPT A RELIGIOUS PRISONER IN VIETNAM

The SPEAKER pro tempore (Mr. SHIMKUS). Under the Speaker's announced policy of January 21, 1997, the gentlewoman from California (Ms. SANCHEZ) is recognized during morning hour debates for 3 minutes.

Ms. SANCHEZ. Mr. Speaker, I rise today to urge my colleagues to participate in the Adopt a Religious Prisoner in Vietnam Campaign, sponsored by the Hoa Hao Buddhist Church of Southern California. Religious believers around the world often suffer abuses, including beatings, tortures, extended incarceration and, yes, even death at the hands of their government, unless their leaders intervene.

As Members of Congress, it is our responsibility to highlight the ongoing repression against religion in Vietnam and the plight of many clergy members and lay leaders who are being detained because of their faith. Reports show that the Hoa Hao Buddhist Church continues to be suppressed. All religious activities and ceremonies are prohibited. Assembly of more than three persons is forbidden, and all assets and properties are being confiscated.

Religious expression is a fundamental right of all people, both here and abroad, and I believe that we should do all we can to affirm this principle. For too long, imprisoned people of faith have been forgotten. With Members of Congress adopting prisoners, we can successfully advocate for religious prisoners suffering persecution at the hands of the Vietnamese government. I adopted Mr. Tran Huu Duyen and Mr. Nam Liem to raise awareness among U.S. decision-makers and the public about religious repercussion in communist Vietnam. What crimes did these men commit to suffer such hard prison sentences?

Mr. Liem is a 58 year old Buddhist priest who practices religion at a small family temple in Vietnam, and since 1975 he has been arrested and detained by the communist authorities over 50 times for having refused to abandon his religious practice. To date, he has not been released from prison.

After the Communist takeover, Mr. Huu was arrested and charged with plotting to overthrow the people's government, for participating in a political party that was affiliated with the church. Mr. Huu is last known to be in a labor camp in Xuan Loc and, despite his 78 years of age, he is still forced to do hard labor 8 hours a day.

By adopting these prisoners, Members of Congress can generate constant pressure on the Vietnamese authorities to release these religious leaders from detention and to truly respect freedom of religion.

SPENDING BY GOVERNMENT BUREAUCRATS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Tennessee (Mr. DUNCAN) is recognized during morning hour debates for 5 minutes.

Mr. DUNCAN. Mr. Speaker, the Washington Times reported last week that Carol Browner, head of the EPA, had led a junket to Paris at a cost of $60,000 to the American taxpayers. Of course, surely this was done to go to some very vital environmental meetings.

Well, no. This trip was made so she and some of her friends could go to the World Cup soccer games, a $60,000 vacation at the expense of the taxpayers for Carol Browner, our environmental administrator. Five-thousand-dollar first class round trip airfares, $300-a-night hotel rooms and then, of course, as is so often the case with this administration, they cannot take these fancy trips without big campaign contributors.

One guest on this trip was Hassan Nemazee, an Iranian American. Hassan Nemazee has contributed at least $125,000 to the Democratic National Committee in recent years and no telling how much to individual Democratic candidates or other committees. Democratic fund-raisers have now sold nights in the Lincoln bedroom, Commerce Department trips, even nuclear technology in return for campaign contributions. You have to wonder how much they will try to make out of the upcoming or the next Olympic games in Australia.

On another and even more wasteful topic, a GAO report released last month said the cost of the space station has now gone up to $96 billion, over five times the original cost estimates. Today the publication Congress Daily says, ''Recent reports from the GAO and the Cost Assessments and Validation Task Force on the space station have left even its biggest supporters acknowledging that problems with costs and Russian participation need to be addressed.''

Also Congress Daily reports in the article today that the space station will likely be 2 years behind schedule, with each one month of delay costing $100 million. Congress Daily reports today that the space station will likely be 2 years behind schedule, with each month of delay costing $100 million for a program that is already over five times its original cost estimate.

Each day, every day here in Washington we hear about horrible examples of waste, fraud and abuse.

A few months ago it was reported that there was $23 billion, $23 billion with a ''B,'' in waste and fraud in the Medicare program, $23 billion. The entire State of Tennessee, our entire government in Tennessee does not spend that much in a year and a half for education and everything else that the State does. It does not spend as much

as the Medicare program has wasted in just one year.

We recently were told about the National Park Service spending $584,000 per home to build 18 houses, 18 houses for its employees in the Yosemite National Park. One of these homes cost $700,000; $584,000 for homes for employees of the National Park Service.

It is amazing, Mr. Speaker, what Federal bureaucrats can justify or rationalize for themselves. The American people should realize that any money they send here to Washington to our Federal Government will be spent in the least economical, least efficient, most wasteful way possible. It is amazing, Mr. Speaker, what government officials and bureaucrats will do when they are spending other people's money.

THE IMPORTANCE OF THE LABOR MOVEMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentlewoman from California (Ms. ROYBAL-ALLARD) is recognized during morning hour debates for 4 minutes.

Ms. ROYBAL-ALLARD. Mr. Speaker, we must never forget a time in our country when American workers were forced to toil in appalling conditions, earning pitifully low wages, a time when men, women and, yes, even our children labored under hazardous conditions even during 12 hour work days without breaks or sick leave. If they were injured or dared to complain about these injustices, they risked losing their jobs.

Today, thankfully, we have a minimum wage, an 8 hour workday, sick leave, health and safety protections, workers' compensation and unemployment insurance, overtime pay, Social Security, pensions and the right to organize.

These hard-won protections may never have been realized without the heroic efforts of organized labor. For it was organized labor that led the campaign to provide free public education to all our Nation's children. And it was organized labor that was a leader in helping to pass landmark legislation such as the Civil Rights Act of 1964, the Equal Pay Act, the Occupational Safety and Health Act and the Age Discrimination Act.

As a result, all Americans benefited. That is why, Mr. Speaker, when a ballot initiative in California threatened labor's very existence, voters stood with our unions. On that June 2nd election day, approximately 25,000 volunteers walked precincts and staffed phone banks, turning out California voters in record numbers, and they defeated Proposition 226, the so-called paycheck protection initiative.

The defeat of this antiworker initiative is not only a triumph for California workers but for working families across America.

By defeating Proposition 226, California voters sent a resounding message that the voices of working families will not be silenced. And so will the rest of the country when similar initiatives around the country and in Congress are introduced, because each day every American benefits from the legacy of labor's invaluable achievements.

Mr. Speaker, Americans have a duty to preserve not only these hard-won gains but labor's ability to advocate for working Americans today and in the future.

THE YEAR 2000 PROBLEM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Washington (Mr. METCALF) is recognized during morning hour debates for 5 minutes.

Mr. METCALF. Mr. Speaker, right now it is about 6:30 a.m. on the West Coast. Imagine if you are waking up and for some reason the power is off and your alarm did not ring. The toaster will not work and the TV will not turn on. The faucet and shower are not working either. Your car pool did not show up and the phone will not work to call in late. Even your cell phone is not working.

The streets are a mess because the street lights are out and, as you stop at the bank, your cash machine says your balance is zero. Beyond that, your flight to Chicago has been canceled. In fact, all flights are canceled, and you finally realize that it is going to be a really bad day.

The year 2000 problem is real. In less than 15 months, we will face a different world. Not only will it be a new millennium but the effect and power of computers running every part of our lives may be more real than ever imagined.

□ 0930

Simply put, the year 2000 bug or Y2K, as it is called, if not corrected could, at worst, lead to catastrophic scenarios and, at best, to major inconveniences.

This body has held hearings on this issue. Research studies have been written. The media has been heralding Y2K. Yet, even though we have seen this problem on the horizon for many years, most governmental agencies are not even close to being compliant regarding the myriad of possible commuter mishaps that will come at midnight on December 31, 1999.

The gentleman from California (Mr. HORN) has done excellent work in his report on Y2K. His findings and his grading system of the public sector are troubling. Yes, he graded the Federal agencies just like students. His findings and his grading of the public sector are very troubling.

Over all, the administration gets an ''F'' for Y2K preparedness. As a teacher in my life before Congress, I can relate to a grading system. First, students do not like to have their grades waived in front of the class, let alone the whole Nation, but like careless students who procrastinate, a test is in place to check on progress.

Frankly, I found the grades for the recent test of the gentleman from California (Mr. HORN) for Y2K compliance for government agencies clearly abysmal. Since the taxpayers are the financial supporters of these agencies, I think it is appropriate to take a look at a few grades.

The Department of Defense, which oversees the largest nuclear arsenal in the world, run in large by computers, gets a ''D''. The Environmental Protection Agency, this famous organization which monitors the cleanliness of our water and air, gets a failing ''F''.

The Department of Education, the agency that should be setting a good example for students, is getting an unsatisfactory ''D'' in computer compliance. The Department of Energy, regulating everything from nuclear plants to hydroelectric dams is failing miserable with an ''F''.

The Department of Transportation, the agency that has direct oversight over the Federal Aviation Administration and their control of the skies and airplane traffic, is getting an ''F''. This really concerns me. I fly a lot. These are just a handful of the grades.

While some progress is being made, serious vulnerabilities still remain. The administration with its departments and agencies must be able to provide the American people with a sound plan to deal with Y2K. The unfortunate truth is that the final test is coming in 18 months. If we fail, we cannot just go back and retake the class. We can only live with the circumstances.

ALL AMERICANS BENEFIT FROM ORGANIZED LABOR

The SPEAKER pro tempore (Mr. SHIMKUS). Under the Speaker's announced policy of January 21, 1997, the gentleman from Pennsylvania (Mr. MASCARA) is recognized during morning hour debates for 2 minutes.

Mr. MASCARA. Mr. Speaker, I rise to praise the hard work and efforts that organized labor has given to this country during the past century. These organized groups of men and women from all walks of life are the backbone of the economic foundation of this great country.

Some may argue that the creation of our great American middle class just happened. No. It was built on the backs of working men and women who belong to labor unions. All workers, including nonunion and white collar workers, were given the same benefits fought for by workers who organized and participated in the collective bargaining process.

All Americans benefited. They benefited by having better wages, safety in the workplace, health care benefits and pensions. These benefits, as well as improved working conditions, are now under assault in this country. All workers in this great Nation should join together this week and support a day to make our voices heard.

We must protect the strides we have made during the last half century. We must never go back to the days of deplorable working conditions. Never.

THREE REPORTERS BANNED FROM PRESIDENT'S CHINA TRAVELS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Florida (Mr. MICA) is recognized during morning hour debates for 5 minutes.

Mr. MICA. Mr. Speaker, I am here this morning with three empty chairs, and I would like to talk about the President's visit to China. Not since Genghis Kahn led hordes of warriors across the Asian plains has China been invaded by a larger political entourage than President Clinton leads this week.

Accompanying him, at taxpayer expense, will be hordes of aides, staff, military, press, and spinmasters. It is reported that more than 1,200 individuals will accompany the President, and fleets of jumbo jets will transport scores of personnel and equipment across the Pacific.

More than six limousines and dozens of vehicles will be shipped to China to add comfort and security for the President's entourage. But what will not be a part of the President's China visit, Mr. Speaker, are three journalists, three U.S. journalists. I have them symbolized by these three empty chairs up here at the well this morning. Three empty chairs.

Three journalists from Radio Free Asia will not be going to China. There will be three empty seats. Three journalists from Radio Free China will have had their visas denied and revoked by Chinese officials just within the last few hours. It is an outrage on the eve of our President's visit that legitimate journalists covering this visit will be barred from reporting this event for Radio Free China.

There will be three empty seats. As this headline today declares, ''Beijing pulls visas of three U.S. reporters,'' we see these three empty seats that signify those journalists who will not be covering this event.

As someone who has advocated a free trade policy towards China in an effort to secure a more free and open China and a free press for the Chinese, I and many others, again, have been betrayed.

If these reporters were allowed to go, they would certainly cover a lavish banquet at the Great Hall. What they would not report, if they could attend, would be the unjust imprisonment of Chinese, such as teacher Lee Hi; and that is reported in today's Washington Post. I commend that to my colleagues.

Lee Hi, a 44-year-old former teacher at a Chinese medical college is serving a 9-year sentence in Beijing's prison. His crime: assembling a list of people jailed for taking part in pro-democracy demonstrations in Tiananmen Square in 1989 from the Beijing area alone. He documented more than 700 in prison. And 158 of those, mostly workers rather than students, received sentences of more than 9 years and are presumed still held. While President Clinton and the Chinese President dine on a sumptuous meal, Lee Hi and others will rot in Chinese prisons.

Mr. Speaker, without a free press and without freedom for political dissidents, we have, in fact, empty chairs, and we have, in fact, an empty policy towards freedom of dissent in China.

SUPPORT THE BRADY BILL, ORGANIZED LABOR AND AFFIRMATIVE ACTION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized during morning hour debates for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, there are a number of issues that I would like to discuss this morning, and I hope sometimes that we can read the writing on the wall. It should not be a surprise to America that the Brady bill lives and works.

In a report by the Department of Justice, we have determined that the Brady bill, the 7-day waiting period that caused such consternation and controversy, has prevented some 70,000 persons from illegally obtaining guns in America.

When every day 14 children are killed by guns in homicide cases totaling 5,110 per year, it seems that the least this Congress could do is listen to common sense and support the continuity, the renewal of the Brady bill.

Yet, now we are facing its extinguishing with something on the order of an instant check. Oh, an instant check with computers may be viable, except some might say the year 2000 provides a strange possibility. But I believe the Brady bill, with the 7-day cooling off period, is something that America needs.

More importantly, I believe that America needs less guns and not more guns. The old story of ''guns do not kill, people do'' is really getting too old. People and guns do kill. Over the last couple of months, we have seen what youth and guns can do.

The Brady bill is an important legislative initiative that should be continued. Mr. Speaker, I hope that we have enough common sense to continue the Brady bill and give it extra life to protect the lives of our children and our families in America.

Why not? Why would the National Rifle Association want us to extinguish the Brady bill so that we can continue to extinguish more available lives in America? Wake up, America. Call in and support the continuity and the continuation of the Brady bill.

Mr. Speaker, I also wanted to speak this morning to those hardworking men and women who work with organized labor. For some reason, we have discounted the historic place in history that they have gained. We have discounted all of the work that they have done to create better working conditions, safer conditions, and better working hours.

We have discounted the kind of benefits that they have gotten for working men and women, things like good wages and child care. And the tragedy of Proposition 226, when the right side of California, meaning the right perspective, the wrong perspective was trying to extinguish the union's right to organize.

In my State of Texas, in the Houston area, I pay tribute to those workers who have been locked out of Crown Petroleum for over 2 years. All they want is a good place to work and fair working conditions.

What do you think would happen to those families if they did not have organized labor to prop them up to provide them with some minimal income while they are fighting with those who do not believe in justice in the workplace? I support organized labor and its effort to create better working conditions for all of America.

We asked the question what would we be like if we had those kinds of hours, bad working conditions, and poor wages. I think if America thinks for a moment, they would applaud organized labor, and thank them for the hard work they have done, and talk to those who put them in a negative light. Let us support them tomorrow as they move forward on a day of commemoration and appreciation.

Finally, Mr. Speaker, let me cite a story that was in the Wall Street Journal, a Pulitzer Prize winning article that talked about a senior who had made great strides in overcoming his neighborhood that was drug addicted.

An African American youth who was described as living in a country within a country, places where many of us did not experience in growing up, stepping over drug dealers and drug deals as he forced his way to school, being teased because he got good grades.

He is now an emerging senior at Brown University, but he had a 960 SAT. For those who know those scores, you realize that those are not the scores that would be attractive for a place like Brown University.

But do you know what? He was also a recipient of the policy of affirmative action. So you see, it does not really matter whether or not we have made the great strides. Affirmative action is still needed in this Nation.

As an African American, I am a product of affirmative action, but I did not graduate on affirmative action. I am sick and tired of hearing the attack against lacking the need for affirmative action, California's Proposition 209. We defeated Proposition A in Houston Texas; the initiative in the State of Washington.

Why does America not wake up? We do better if we work together and not work against each other. Yes, there are still populations in this country that need affirmative action. Do they graduate on it? Do they continue living on it? No, they do not. It is just an opportunity. Let us support affirmative action and opportunity.

SOCIAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 4 minutes.

Mr. SMITH of Michigan. Mr. Speaker, the gentleman from Minnesota (Mr. MINGE), a Member of Congress, and I have introduced a bill, H.R. 4033, that deals with some of the mistakes I think that we have been making regarding Social Security and how we calculate and how we treat the money that government borrows from Social Security, that we borrow from the Social Security Trust Fund, and then spend that money on other programs.

The legislation accomplishes two objectives. First of all, we say that from now on, when the general fund or the government borrows from the Social Security Trust Fund, instead of the blank IOUs, in the future it will be required that we have marketable Treasury bills.

□ 0945

Right now what happens is when there is a surplus coming in from Social Security, and Social Security is a pay-as-you-go program, so existing workers pay in their Social Security tax, immediately that is sent out to existing retirees. Anytime there are more revenues coming in than what is paid out in benefits, it goes into what is called the Social Security trust fund. It is not really a trust fund, though. It is simply considered and treated as additional revenue for the general fund to spend on other social programs.

Number one, what we say in this legislation and what we are proposing is that these become marketable treasury bills that the Social Security trustees can walk around to the corner, to the nearest bank, anyplace, and if they need that money to pay benefits, they can do it without coming and begging to Congress to pay back the money that has been borrowed.

The second thing that we do in that bill is say that from now on when we talk about deficits and surplus, we are not going to consider the extra money that is coming in from Social Security, that goes into the Social Security trust fund and is spent on other programs, as revenue in terms of deciding whether we have got a deficit or surplus in this country. Right now we hear a lot of bragging about the fact that we are going to have a surplus, a surplus in the unified budget that might be as high as $60 billion, $70 billion this year, maybe up to $100 billion next year. But because we are borrowing that $70 billion to $100 billion next year from the Social Security trust fund, it is not really a surplus.

So we say from now on, when OMB and CBO scores whether or not we have a deficit or surplus, we are not going to consider the amount that we borrow from the Social Security trust fund as revenue in terms of pretending that we really have a surplus in this country. I think it is important that we be visible.

I have got a letter from Chairman Allen Greenspan, Chairman of the Fed, that says, ''Look, what's important is that we have transparency, that there is a clear understanding of what is happening in this country.''

I suggest, Mr. Speaker, and I suggest to the American people that there is not a clear understanding as we brag about a surplus when we are depending on the amount that we are borrowing from the Social Security trust fund as revenue to justify in our calculations that there really is a surplus.

I just quote from Allen Greenspan:

> On the first issue, my basic point would be that the financial markets of switching from investments in nonmarketable to marketable treasuries have little or no effect.

It is important that we be transparent, it is important that we be honest with ourselves in the way we calculate these surpluses so that we can make real and honest policy decisions.

FEDERAL RESERVE SYSTEM,
BOARD OF GOVERNORS,
Washington, DC, June 18, 1998.

Hon. NICK SMITH,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN: I am pleased to respond to your request for my thoughts on the bill you have drafted, H.R. 4033, which would direct the investment of social security trust funds to marketable securities and require that budget surpluses or deficits be reported net of social security flows.

On the first issue, my basic point would be that the financial market effects of switching from investments in nonmarketable to marketable Treasury securities should not be significant. The crux of this matter is that it is the net borrowing requirements of the federal government, on a consolidated basis that encompasses the trust funds, that are key in terms of pressures in financial markets. If the trust funds were simply to purchase marketable rather than nonmarketable securities, the net borrowing from the public would remain the same. Under the circumstances, the question would seem to boil down to a matter of which approach is most attractive in terms of dealing with the technical problems of public debt management.

The preceding remarks effectively anticipate what I would have to say about the second issue regarding accounting. A unified budget concept that encompasses the net flows into or out of the trust funds most effectively captures the short-run influence of the government's fiscal activities on the financial markets and the economy. From this standpoint, it would not be desirable, to my mind, to suppress the unified accounts. On the other hand, a budget accounting that separates out social security receipts and outlays may provide an insight into the longer-term financial condition of the federal government that would be helpful in the planning and policymaking process. As with many issues in accounting, the one-size-fits-all approach is likely to be suboptimal. What is important is that the relevant information be presented in as transparent a fashion as possible, so that eveyone can appreciate the financial consequences of policy actions.

I hope that these comments are helpful. Please let me know if I can be of further assistance.

Sincerely,

ALAN GREENSPAN,
Chairman.

WORKERS' RIGHT TO ORGANIZE

The SPEAKER pro tempore (Mr. SHIMKUS). Under the Speaker's announced policy of January 21, 1997, the gentleman from Massachusetts (Mr. NEAL) is recognized during morning hour debates until 9:50.

Mr. NEAL of Massachusetts. Mr. Speaker, it is important for me to stand here this morning and to recognize the significant influences that unions have had on our local communities. The ability and the right of workers to organize across this Nation have allowed for the most basic civil rights to be upheld. Equal opportunity and treatment, freedom of speech and certainly freedom of assembly.

It is imperative that we as a Congress, acting on behalf of all citizens in this Nation, safeguard the right of workers to organize and to reap the benefits of union membership that have been given to generations in the past. This booming economy that we are now experiencing will only continue to be stimulated by an expansion of unionized workers. However, some employers have used threats of harassment, intimidation and coercion to deter employees from making the choice to join with their coworkers to form unions and, yes, to bargain collectively. Such activity cannot and should not be allowed to continue. It contradicts the core foundations of our democracy.

Unions provide for and ensure equality, stability and security in the workplace. Unions guarantee that the voices of employees, regardless of their level of seniority, educational background or level of expertise, all are heard by employers. Unions afford each worker with a means to resolve disputes and to participate in the decision-making process in their workplace.

It is hypocritical for Congress to fight on behalf of human rights violations worldwide without recognizing the human and civil rights violations that are committed by some employers in America. The right to organize must be observed by all employers, and fear of reprisals against workers must be eradicated. No individual should ever fear losing his or her economic existence merely for expressing an opinion or by association.

The right to organize, the right to collective bargaining, are basic and accepted by the broad mainstream of this Nation. The success that unions have had have helped to lift all of us in America. We recognize these basic rights today and give thanks for the good work that unions have accomplished across America.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 50 minutes a.m.), the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HAYWORTH) at 10 o'clock.

PRAYER

Reverend Mike Coleman, Pastor, Park Methodist Church, Hannibal, Missouri, offered the following prayer:

Let us pray.

Almighty God, who governs the world in righteousness and whose judgments are true and righteous altogether, grant that those who rule over our land and who legislate for us, its citizens, may be of one mind in order to establish true justice and to truly promote the general welfare of all our people.

As You, God of Eternity, anointed leaders and called-forth prophets of old, bring to us again Your spirit which makes holy, and call forth from this august assembly today newly-dedicated prophets and newly-determined leaders who will deliver Your message of truth and not just their own.

Lead us to recognize those true representatives and authentic leaders as men and women who walk with You, who love Your people and can walk with them, who empathize their pain and share their joys, who dream their dreams and strive to accompany them in their common goal.

In Your fire and with Your spirit embolden and commission we the people to empower these, our nationally-elected officials, to serve in ways that bring real glory to Your name.

Endow each of these, our representatives, with a right understanding, a pure purpose and a sound speech. Enable them to rise above all self-seeking and party zeal to the nobler concerns of public good and human brother- and sisterhood.

Cleanse our public life of every evil, subdue in our country all that is harmful, and make us to be a disciplined and devoted people, that we may do Your will on Earth, as it is done in heaven.

We ask these things, O God, in the name of Jesus, Your Son, the Christ. Amen.

THE JOURNAL

The SPEAKER pro tempore. 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 pro tempore. Will the gentleman from Georgia (Mr. KINGSTON) come forward and lead the House in the Pledge of Allegiance.

Mr. KINGSTON 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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 1-minutes from each side.

PASTOR MICHAEL COLEMAN

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

Mr. HULSHOF. Mr. Speaker, today I would like to commend the Reverend Michael Coleman, known as Pastor Mike to his parishioners. This morning Pastor Mike opened the United States House of Representatives with his blessings, and we are thankful that the people of Park Methodist Church in Hannibal, Missouri, were nice enough to share him with those of us here in Washington. It is wonderful to hear him spreading the good news.

Pastor Mike has a reputation for bringing folks together, not just Democrats and Republicans, but communities as well. When he served as president of the Ministerial Alliance in Hermann, Missouri, Pastor Mike led an evangelistic crusade that united churches and aided folks in the recovery of their spirit from the 1993 great flood of the Missouri river.

Pastor Mike was designated the Interfaith Regional Disaster Flood Coordinator, and built a team that included churches working along with the local rural mental health center in dealing with clean-up efforts, with the repair and placement of necessities as well as the emotional care of those who were suffering with post-traumatic stress. This was accomplished as a variety of churches and workers came to the area from all across the country, as they did in many communities.

I would like to thank, Mr. Speaker, Pastor Mike, his wife, Nancy, his daughter, Abi, for taking time out of their busy schedules to visit the Nation's Capital. It is a honor to have Pastor Mike bless the floor of the U.S. House of Representatives.

REGARDING THE PRESIDENT'S EXECUTIVE ORDER ON AFFIRMATIVE ACTION PROGRAMS

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

Mr. DELAY. Mr. Speaker, there he goes again. The President of the United States is trying, once again, to go around the American people to implement his liberal agenda. He signed an executive order that greatly expands affirmative action programs in the Federal Government to include sexual orientation as a protected class.

Now most Americans believe that every human being has basic rights, including the right to life, liberty and the pursuit of happiness, but why should someone's sex life be a reason for special status in our government?

Mr. Speaker, the President is out of touch with the American people. The American people do not want quotas, they do not want special preferences, and they certainly do not want affirmative action based on sexual orientation.

Like the President's efforts to put homosexuals in the military, this executive order should be resisted. The American people stand for fairness, not for special breaks for special interests.

THE RENOVATION OF LINCOLN ELEMENTARY SCHOOL

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

Mr. ROEMER. Mr. Speaker, Robert F. Kennedy once said when one of us prospers, all of us prosper, and where one of us falters, so do we all.

Over the weekend in my hometown of South Bend, Indiana, we all succeeded and prospered. That is because our local community came together. Inspired by former coach Digger Phelps, the Rotary club organized a renovation of a local school. We raised $200,000. J.V. Peacock and Tom Forsey did all the organization with this local Rotary Club, and 700 volunteers descended on a school to renovate, refresh and renew a local school.

I commend my local community for this modern-day old fashioned barn raising or refreshing of a local school, I commend this effort at the local community and give them all the credit in the world. This was not a Federal program, this was locally driven, and I hope many other school districts and congressional communities will replicate this fine example of local commitment to our public education system.

SALUTING LOCAL EDUCATION PROGRAMS

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

Mr. ROGAN. Mr. Speaker, as we work to strengthen education, I wish to spotlight a few schools in my district that have made great strides for our children.

Every year the California Department of Education recognizes schools from across the State that have established a successful track record. Of the 5,000 elementary schools in California, only 200 receive the California Distinguished School award. I am pleased to report that this year four of those schools are in my district.

While Hamilton, Paradise Canyon, Thomas Edison and Ralph Waldo Emerson Elementary Schools each serve different school districts, one thing remains the same. They are all finding innovative ways to meet the needs of local students.

The Distinguished School Award does not come easily. Schools must first submit to a rigorous application process, endless meetings with State and local officials, and have parents, teachers and even students consulted by a nominating committee. This process encourages schools to develop innovative curricula and increases local involvement.

When it comes to success stories in education, I am proud to be able to look no further than my own district.

REPUBLICAN LEADERSHIP'S POSITION ON TOBACCO AND MANAGED CARE: DO NOTHING

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

Mr. PALLONE. Mr. Speaker, working families in America have been told that soon the Republican leadership of the House will unveil proposals to address the crises of teen smoking and managed care. I do not know why America and the press have to wait for some grand unveiling. If my colleagues want to know what the Republican leadership's position is on tobacco and managed care, just read the position papers of the tobacco companies and the insurance industry. If my colleagues want to see the tobacco policies of NEWT GINGRICH, just turn on TV and they will see $50 million worth of tobacco ads which the Speaker fully endorses.

Any new legislation Republicans will lamely attempt to pass off as responsible domestic policy has the stamp of approval of big tobacco and the wealthy insurance industry, which means that it will do nothing.

The gentleman from Georgia (Speaker GINGRICH) and the Republican leadership are so dependent upon special-interest money, all they manage to do is ratify the status quo. Tobacco companies will still be allowed to peddle their poison to our kids, and American working families will still be trapped in inadequate health care plans.

CONGRATULATIONS TO COACH TOM PILE AND THE EDWARDSVILLE TIGERS BASEBALL TEAM

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

Mr. SHIMKUS. Mr. Speaker, after 18 successful years with the Edwardsville High School Tigers, Coach Tom Pile is retiring from coaching baseball. He has never won fewer than 20 games in a season, and his teams have made five State tournament appearances. In 1994 he was elected to the Illinois High School Coaches Association Hall of Fame. Even better, Coach Tom Pile is going out on top. Just recently his Tigers won the Class AA Baseball Championship, being the first Illinois Class AA team to finish with a perfect undefeated season, 40 and 0.

While Coach Tom Pile is a constituent of mine, his daughter, Elizabeth Pile, is on the staff of our colleague, the gentleman from Illinois (Mr. COSTELLO).

Congratulations to the Edwardsville Tigers baseball team for a championship season, and especially Coach Tom Pile for a great coaching career and a great daughter.

THE GREAT SATAN IS TURNING INTO THE GREAT SUCKER

(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, Russia wants another $10 billion, and President Clinton says, ''Okay with me,'' even though the last $10 billion was stolen.

That is right. Russian leaders said, and I quote, ''It's missing.''

In the words of Marvin Gaye, my colleagues, ''What's going on?'' Russian leaders steal our money, and then with our money they build nuclear reactors in India against our wishes. Then with our money they build missiles and then sell the missiles to Iran who refers to Uncle Sam as ''The Great Satan.''

Let me say this, Congress. If we give these people another $10 billion, Uncle Sam will not be called Great Satan any more. We will be known as the Great Sucker all around the world. Ronald Reagan must be absolutely sick to his stomach today.

ART COMPETITION WINNER

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

Mr. PITTS. Mr. Speaker, I rise today to talk about art.

Today over 300 high school students from around the country will be recognized for their artistic abilities. It is my pleasure to recognize Grace Denenno, a student at Henderson High School in West Chester, Pennsylvania, as the winner from the 16th Congressional District of Pennsylvania of the congressional ''An Artistic Discovery'' program. Grace is here right now in the gallery with her parents.

Grace's entry entitled ''Hey Babe, Happy Birthday,'' is a black and white pastel work that draws one to it through its expert application of shades and shadows. It is an example of God-given ability nurtured by the love of her craft. It is an example of what happens when students are allowed to pursue their talents.

I encourage each Member and visitor to our Capitol this year to view all of the art work on display in the corridor between the Cannon Building and the Capitol. They will not be disappointed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would take this time to remind all Members that it is against House rules to specify or refer to visitors in the gallery.

HOME OWNERSHIP OPPORTUNITIES FOR LOW-INCOME FAMILIES IN EL PASO

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

Mr. REYES. Mr. Speaker, I rise today to speak about an innovative program which provides remarkable home ownership opportunities for low-income families in El Paso. The Lower Valley Housing Corporation of El Paso has helped more than 300 families in my district. These are families with an average annual income of $13,000 or less, and it helps them to acquire their first homes through a private and public construction financing program.

Working with the USDA's Rural Development Fund, families pre-qualify for financing without down payments by agreeing to provide sweat equity. Each family is required to work on the construction of their homes and also their neighbors' by providing at least 65 percent of the labor.

Because of these do-it-yourself contributions, these homes cost only one-third of what the normal construction costs would be. The result is a move away from an expensive apartment rental to the pride of home ownership where families have equity and affordable payments as low as $300 a month for a $42,000 home.

This program is a model for the Nation. Families build strong communities, celebrate home-building skills and gain the pride of home ownership.

□ 1015

COMMENDING THE HARBIN CLINIC, ROME, GEORGIA

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

Mr. BARR of Georgia. Mr. Speaker, in 1897, William Pickens Harbin, M.D., later known as Dr. Will, accepted his brother's offer to join his surgical practice in Rome, Georgia.

Shortly after arriving in Rome in 1898 and borrowing money from his brother to begin his medical practice, Dr. Will left Rome to accept a commission as acting assistant surgeon in the United States Army during the Spanish-American War. He saved his military pay, repaid his brother's loan, and returned to Rome after the war in 1901.

The first practice location for the two Harbin brothers was on the second floor of the building at 206 Broad Street in Rome. Prospective patients would shout up from the sidewalk to learn if one or both doctors were in before walking up the long staircase. The cost of an office visit was usually $1 and home visits ranged from $2 to $3.

Mr. Speaker, today the Harbin Clinic staff includes 112 physicians, representing 27 medical specialties. This Sunday, the 28th of June, 1998, they will hold a ceremony in honor of the clinic's 50th anniversary.

I am proud to salute the Harbin Clinic for all it does to serve our community and heal our citizens.

MANAGED CARE REFORM NOW

(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, it is time to bring managed care reform legislation to the floor. The quality of medical care for our citizens has declined considerably, and it is time to act now. Some patients are not getting the best medical care possible.

Medical decisions are being made by insurance company bureaucrats, not by medical providers. If you are badly injured or severely ill, you should not have to worry about your insurance coverage. Patients should be able to obtain quality health care, whether or not they have acquired preauthorization for emergency room treatment.

We need to focus on an anti-gag rule, which allows physicians to talk to their patients, an external-internal appeals process, employee choice of insurance, access to specialty care and decision-maker responsibility, which will make the managed care plan that authorizes or fails to authorize health care procedures, be as accountable as medical providers.

Managed care is not inherently bad, but I do believe protections are needed immediately to protect the American people.

AN OUTRAGE AND AFFRONT TO DEMOCRACY

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

Mr. HUTCHINSON. Mr. Speaker, on the eve of the President's visit to China, we learn that the Chinese Government has pulled the visas of three U.S. reporters who work for Radio Free Asia and had planned to cover the President's trip. Mr. Speaker, this is an outrage and an affront to democracy.

Today, an expert in Asian studies at George Washington University said in the Washington Post, ''In the end, the Clinton visit is much more about symbolism than substance.'' Well, if that is the case, then we are sending the wrong signals if we stand idly by and tacitly cooperate in this denial of freedom for these three reporters for Radio Free Asia.

The President frequently uses Radio Free Asia as an example of how the United States should push China to improve human rights without using trade sanctions. It is now time, Mr. Speaker, to put actions with our words. We should stand with our reporters, and if the voice of democracy in Asia cannot travel with the President, then the President should not travel.

ENSURING FREEDOM OF SPEECH AND FREEDOM OF ASSEMBLY

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

Mr. VENTO. Mr. Speaker, a strong labor movement helps all Americans. It is our job as elected leaders to ensure that national and state laws allow our constituents to enjoy the fundamental values of democracy, freedom of speech and freedom of assembly.

That includes under the law and custom the long-honored right of workers to have a voice in wages and working conditions under which they labor. When workers are denied that voice, they no longer share in the wealth that they create. Health workers cannot afford to be treated at the clinics and hospitals at which they labor and autoworkers cannot afford to buy and drive the cars they make.

Congress needs to show support beyond voting positively upon labor issues. We can use our leverage and our role to help ensure that the rights and interests of American workers, the labor force, are advanced, that working families are accorded dignity and respect that indeed they deserve.

Moreover, we have the obligation to make sure that employers' policies and laws that shape this relationship are just and workable. Workers have a right to fully participate in the political arena. However, today, the political voice of labor and working families face the prospect of being silenced.

Mr. Speaker, I hope today we will listen to the voice of workers, as today they are speaking up for the rights they need and merit to participate in the free enterprise economy and gain a just reward for their labors.

IMPROVING THE TAX CODE

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

Mr. KINGSTON. Mr. Speaker, there are three things we need to do to our Tax Code these days: We need to reduce it, we need to simplify it, and we need to change the attitude of the IRS.

Last year Congress reduced taxes for the first time in 16 years. This time we are trying again by eliminating the marriage tax penalty. We also hope to reduce capital gains tax and end the death tax, or at least alleviate it.

We have, last week, passed a bill to end the Tax Code by the year 2002, with the hopes that that will open up the debate and set a deadline for moving towards a flat tax or a sales tax.

Finally, this week we will vote to change the attitude of the IRS in a very important major bill saying that you are innocent until proven guilty in matters before the IRS, and that is something that has never been the case in this country.

Three things that this party is going to do and this Congress is going to do: Reduce the Tax Code, simplify the Tax Code, and change the IRS's attitude.

SCANDAL OVER TECHNOLOGY TRANSFERS TO CHINA

(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, recent reports that Loral Corporation may have given highly sensitive information to the Communist Chinese Government during April and May of 1996 and harmed national security are alarming, especially given India's decision last month to conduct nuclear tests, partly in response to China's role in helping Pakistan with its nuclear weapons program.

Then we find out that Bernard Schwartz, the CEO of Loral, was the largest single donor to the Democrat party during the 1996 election cycle. Loral, we know, was given a waiver by the Clinton administration in February of this year to export satellite technology to China, even though the Justice Department was in the middle of a criminal investigation of Loral for its last technology transfer.

Many people want to know if Loral was given a waiver because its CEO gave the Democrat party $632,000 in 1996, and, of course, that would be nearly impossible to prove. But the real scandal, the real scandal, is our policy of giving China dual-use technology that is used in their space program and their military programs, from computers, to machines, to tools, to rocket technology. That is the biggest scandal of all.

REALITY CHECK ON TOBACCO LEGISLATION

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

Mr. PETERSON of Pennsylvania. Mr. Speaker, it is time for a reality check. Our friends on the opposite side of the aisle claim they are not the party of tobacco.

The reality is that through the eighties and mid-nineties, the Democrats accepted 10 percent more money from the tobacco industry than did Republicans, according to Common Cause. The reality is that three out of five top tobacco PAC recipients in the House are Democrats, with the second biggest recipient being the Democrat minority leader.

The reality is that during the recent tobacco debates, our liberal friends took a Republican proposal and turned it into a $868 billion tax increase. Yes,

that is billions with a ''B.'' Additionally, that tax would have placed the heaviest burden on lower income Americans who earn less than $30,000 a year.

The reality is that the recent tobacco proposal would have done little to curtail teenage smoking, which was one of its original intents, and would have turned a number of trial lawyers into very rich people.

I join the Republican leadership to make every effort possible to curtail teenage smoking without massive tax increases. That is reality.

EDUCATION SAVINGS ACCOUNTS

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

Mr. GUTKNECHT. Mr. Speaker, an important measure was recently passed by this House that begins to liberate American families. Those of us who talk about values like faith, family and personal responsibility must pursue policies that reinforce those values.

Allowing families to save for their children's education through education savings accounts is one such policy. Fourteen million American kids will benefit from this program. Our friends on the left say that they know best how education dollars should be spent. We say parents do. This is one more chapter in the ongoing debate.

Mr. Speaker, we want to return power and resources from the bureaucratized Federal Government back to American families. The good news is American families are winning.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on the motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV.

Such rollcall vote, if postponed, will be taken later in the day.

DRUG-FREE WORKPLACE ACT OF 1998

Mr. SOUDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3853) to promote drug-free workplace programs, as amended.

The Clerk read as follows:

H.R. 3853

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 ''Drug-Free Workplace Act of 1998''.

SEC. 2. FINDINGS; PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) 74 percent of adults who use illegal drugs are employed;

(2) small business concerns employ over 50 percent of the Nation's workforce;

(3) in over 88 percent of families with children under the age of 18, at least 1 parent is employed; and

(4) employees who use and abuse addictive substances increase costs for businesses and risk the health and safety of all employees because—

(A) absenteeism is 66 percent higher among drug users than nondrug users;

(B) health benefit utilization is 300 percent higher among drug users than nondrug users;

(C) 47 percent of workplace accidents are drug-related;

(D) disciplinary actions are 90 percent higher among drug users than nondrug users; and

(E) employee turnover is significantly higher among drug users than nondrug users.

(b) PURPOSES.—The purposes of this Act are to—

(1) educate small business concerns about the advantages of a drug-free workplace;

(2) provide financial incentives and technical assistance to enable small business concerns to create a drug-free workplace; and

(3) assist working parents in keeping their children drug-free.

SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) businesses should adopt drug-free workplace programs; and

(2) States should consider incentives to encourage businesses to adopt drug-free workplace programs. Financial incentives may include—

(A) a reduction in workers' compensation premiums;

(B) a reduction in unemployment insurance premiums;

(C) tax deductions in an amount equal to the amount of expenditures for employee assistance programs, treatment, or drug testing.

Other incentives may include adoption of liability limitation as recommended by the President's Commission on Model State Drug Laws.

SEC. 4. DRUG-FREE WORKPLACE DEMONSTRATION PROGRAM.

The Small Business Act (15 U.S.C. 636 et seq.) is amended by—

(1) redesignating sections 31 and 32 as sections 32 and 33, respectively; and

(2) inserting the following new section:

''SEC. 31. DRUG-FREE WORKPLACE DEMONSTRATION PROGRAM.

''(a) ESTABLISHMENT.—There is established a drug-free workplace demonstration program, under which the Administration may make grants, cooperative agreements, or contracts to eligible intermediaries for the purpose of providing financial and technical assistance to small business concerns seeking to start a drug-free workplace program.

''(b) ELIGIBILITY FOR PARTICIPATION.—An intermediary shall be eligible to receive a grant, cooperative agreement, or contract under subsection (a) if it meets the following criteria:

''(1) It is an organization described in section 501(c)(3) or 501(c)(6) of the Internal Revenue Code of 1986 that is exempt from tax under section 5(a) of such Act, a program of such organization, or provides services to such organization.

''(2) Its purpose is to develop comprehensive drug-free workplace programs or to supply drug-free workplace services, or provide other forms of assistance and services to small businesses.

''(3) It has at least 2 years of experience in drug-free workplace programs or in providing assistance and services to small business concerns.

''(4) It has a drug-free workplace policy in effect.

''(c) REQUIREMENTS FOR PROGRAM.—Any drug-free workplace program developed as a result of this section shall include—

''(1) a written policy, including a clear statement of expectations for workplace behavior, prohibitions against substances in the workplace, and the consequences of violating such expectations and prohibitions;

''(2) training for at least 2 hours for employees;

''(3) additional training for employees who are parents;

''(4) employee drug testing by a drug testing laboratory certified by the Substance Abuse and Mental Health Services Administration, or approved by the Department of Health and Human Services under the Clinical Laboratories Improvements Act of 1967 (42 U.S.C. 263a), or the College of American Pathologists, and each positive result shall be reviewed by a Licensed Medical Review Officer;

''(5) employee access to an employee assistance program, including assessment, referral, and short-term problem resolution; and

''(6) continuing alcohol and drug abuse prevention program.

''(d) EVALUATION AND COORDINATION.—The Small Business Administrator, in coordination with the Secretary of Labor, the Secretary of Health and Human Services, and the Director of the Office of National Drug Control Policy, shall evaluate drug-free workplace programs established as a result of this section and shall submit a report of findings to the Congress not later than 1 year after the date of the enactment of this section.

''(e) ELIGIBLE INTERMEDIARY.—Any eligible intermediary shall be located in a state, the District of Columbia, or the territories.

''(f) DEFINITION OF EMPLOYEE.—For purposes of this section, the term 'employee' includes—

''(1) supervisors;

''(2) managers;

''(3) officers active in management of the business; and

''(4) owners active in management of the business.

''(g) CONSTRUCTION.—Nothing in this section shall be construed to require an employer who attends a program offered by an intermediary to contract for any services offered as part of a drug-free workplace program.

''(h) AUTHORIZATION.—There are authorized to be appropriated to carry out the provisions of this section, $10,000,000 for fiscal year 1999 and such sums may remain available until expended.''.

SEC. 5. SMALL BUSINESS DEVELOPMENT CENTERS.

Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended—

(1) in subparagraph (R) by striking ''and'';

(2) in subparagraph (S) by striking the period and inserting ''; and''; and

(3) by inserting after subparagraph (S) the following new subparagraph:

''(T) providing information and assistance to small business concerns with respect to developing drug-free workplace programs.''.

SEC. 6. CONTRACT AUTHORITY.

The Small Business Administrator may contract with and compensate government and private agencies or persons for services related to carrying out the provisions of this Act.

SEC. 7. COLLECTION OF DATA AND STUDY.

(a) COLLECTION AND STUDY.—The Small Business Administrator shall collect data and conduct a study on—

(1) drug use in the workplace among employees of small business concerns;

(2) costs to small business concerns associated with illegal drug use by employees; and

(3) a need for assistance in the small business community to develop drug prevention programs.

(b) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Small Business Administrator shall submit a report containing findings and conclusions of the study to the chairmen and ranking members of the Small Business Committees of the House and Senate.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana (Mr. SOUDER) and the gentlewoman from New York (Ms. VELÁZQUEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Indiana (Mr. SOUDER).

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

Mr. Speaker, I am proud to join with the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Georgia (Mr. BISHOP) as an original cosponsor of this important legislation.

House Resolution 3853 focuses attention on the important problem of substance abuse in the workplace. As chairman of the Subcommittee on Empowerment, I heard testimony from small business owners from different parts of the country who shared with me the great difference that drug-free workplace policy has made in their businesses.

Larry Guzman, from the district of the gentleman from Arizona (Mr. SALMON), told my subcommittee that a drug-free workplace policy not only reduced stolen inventory and increased productivity in his truss-building company, but did so to such an extent that the business reached three times the size he had originally planned.

An owner of a printing company in Cincinnati in the district of the gentleman from Ohio (Mr. PORTMAN), shared his company's experience. Their drug-free workplace program and the employee assistance component led employees to thank management for helping to support their recovery from addiction.

Larry Bennett, who helped lead Ohio's efforts to introduce the kind of financial incentives for drug-free workplace programs contemplated by this bill, shared the story of another small business where the owner worked with his union employees to develop a drug-free workplace policy to meet the requirements of a subcontractor for his clients. Working together, unions and management developed a comprehensive policy that helped the company retain clients and eventually grow.

We know that 71 percent of substance abusers are employed. We also know that many more are employed by small businesses than larger businesses, for a very simple reason: Most large companies in this country have put together drug testing and drug treatment programs, where small businesses do not have the resources to do so. They are afraid they are going to get sued, they are afraid they are going to have different problems.

We heard at an earlier subcommittee hearing from law enforcement that at a local crack house which police had shut down, they found a list of small businesses in the area that did not have drug testing programs because small businesses had become targets of those who abused drugs, because they know that they can get away with it there because small business owners are so inundated and intimidated, inundated with the problems that they have, with the cash flow problems, and intimidated from the potential legal consequences, that they have become victimized by a lot of drug abusers.

□ 1030

The dealers had been helping these users find jobs in small businesses with which to support their habit.

We also know that the drug-free workplace programs are cost-effective for businesses. That is what we found with the experience of the Fortune 200. Ninety-eight percent of the Fortune 200 have drug-free workplace programs. It has taught us that these are cost-effective. They have increased productivity, they have lowered their insurance costs because of accident reductions, they have decreased absenteeism.

H.R. 3853 will help us spread this cost-effective lifesaving program to small businesses around the country by giving grants to nonprofit organizations that deal with drug testing training for small businesses.

Our goal is to get the dollars not directly in another government program, but to nonprofit organizations with an experience in this training, so that they can work with small businesses in what have been legal, effective programs to eliminate the scourge of drug abuse, to help the individuals involved, to help the productivity in our economy, and to regain the strength of the small business community and their ability not to fall prey to the problems that are plaguing our society in drug abuse.

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

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

Mr. Speaker, I rise today in reluctant support of H.R. 3853, the Drug-Free Workplace Act of 1998. Mr. Speaker, we all want the goal of a drug-free workplace. The damage that both drugs and alcohol have done on our society can be seen everywhere we look. It is involved in 50 percent of domestic violence cases across the country. We see it in the drug-related crimes that ravage our neighborhoods. It impacts small businesses by robbing them of an estimated $60 billion annually.

To combat this crisis, we need to provide greater assistance on all fronts in this struggle, including to our small businesses. It is unfortunate that only 3 percent of the small businesses have drug-free workplace policies. This is not due to a lack of recognition by small business, but given the choice of meeting payroll, creating a safe workplace, and serving customers, the value of investing time and money into implementing a drug-free workplace can easily get lost in the shuffle.

The question, then, is not whether we should act, but how we should act to create a drug-free workplace. Unfortunately, this legislation falls short in many areas. We have heard from the U.S. Chamber of Commerce and General Barry McCaffrey of the Office of National Drug Control Policy. It should come as no surprise that they support stopping drugs in the workplace.

What should be of concern is that there are some very real issues that must be addressed if we are going to create a successful program. With the adoption of this legislation, the Small Business Administration will begin a new venture into social policy.

I am very concerned that, once again, the committee is creating a new program. This is an area in which the SBA has no knowledge or expertise. Yet, Congress will be committing $10 million to this program. That is the equivalent to the entire SBA budget for our Nation's Women's Business Development Centers. With an estimated SBA budget shortfall of more than $100 million, it is hard to understand where the money will come from.

The reality is that it will be taken from existing programs, like the Small Business Development Centers that exist in almost every community across the country. It will come from the microloan program that is widely depended upon. These and other programs will be curtailed in order to pay for the program that SBA did not ask for and has no experience in administering. Keep that in mind when one of your constituents cannot get a microloan, or the local SBDC has insufficient funds to serve your district.

We are constantly hearing the need to give business flexibility, but the one-size-fits-all approach this legislation takes will severely limit the ability of small businesses to tailor a program that meets their needs. The outcome will be harming many of the businesses we claim we are here today to help.

If we are truly serious about creating a drug-free workplace, then we must create an environment where employees believe that they will be treated fairly. The bill reported out of committee contains no clear guidance about what happens to an employee who tests positive or voluntarily comes forward. These types of inconsistencies will not foster a drug-free workplace, but create an environment filled with tension and uncertainty.

Mr. Speaker, thanks in large part to Democrats on the committee, several improvements to H.R. 3853 were made in the areas of counseling, training, and participation by local chambers of commerce. These changes make the bill much more workable.

While these changes vastly improve this legislation, until we address the cost, flexibility, and employee protections, we may be throwing money at a problem without accomplishing our goal of creating a drug-free workplace.

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

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

Mr. Speaker, I would like to make a couple of points. In the Committee on Small Business, the Democrats made 9 amendments. Seven were accepted and only two defeated. The bill was not opposed in committee. We spent 4 hours in markup trying to work through all of the different concerns that were addressed there.

I believe we have an excellent bill. It requires that small businesses have a written plan that spells out consequences of any policy, and training sessions to review the policy. Employees, supervisers, managers, partners, and owners who actively manage the small business will all be subject to any drug-free workplace. We felt we needed to lead by example.

Nonprofit groups with expertise in drug-free workplace policies that will administer the bill must have a long history, and the bill does not in any way change laws that protect workers. I think we have gone out of our way to meet all of the concerns that the minority was raising, in addition to some of the majority members, and made a very, very good bill even better.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. PORTMAN), the distinguished author of this bill, the leader in the House of many of the prevention and demand reduction efforts.

Mr. PORTMAN. Mr. Speaker, I thank the gentleman for yielding me the time, for allowing me to talk on the legislation, and for all the good work he did in shepherding this bill through his subcommittee and through the Committee on Small Business.

The markup that he just explained was a rather comprehensive and sometimes long series of exchanges, but I think it was good in terms of perfecting the legislation. I applaud the full committee for doing that.

I want to particularly commend the subcommittee chairman, the gentleman from Missouri (Mr. TALENT) for his support of drug-free workplace programs, and in particular, his willingness to expedite this legislation.

Notwithstanding some concerns that the gentlewoman has expressed this morning, I want to also thank the ranking member, the gentlewoman from New York (Ms. NYDIA VELÁZQUEZ) for her support of the legislation, and again, for working with us to help to perfect it.

Let me try to put this bill in some kind of perspective. It is really part of what we hope will be a measured response here in Congress to a vexing national problem, which is how to substantially reduce the growing problem in this country of substance abuse and move towards a drug-free America.

Unfortunately, we are far from that today. In the 1960s about 3 percent of the American population had used illegal drugs. Today that figure is close to about 40 percent. The trends are not helpful. When we look at the last 5 years, for instance, we see a doubling of teenage drug use in this country.

Congress has attacked the problem on a number of fronts. We have expanded efforts to cut off the supply of drugs by increasing funding for so-called source country efforts: destroying coca fields, using the military more efficiently to interdict drugs. We have passed legislation just last month, in fact, to tighten border controls in our country.

Even more encouraging, from my perspective, we have begun a concerted effort here in Congress to get at the heart of the problem by reducing the demand for illegal drugs. That is why this Congress took the unprecedented step last year of working in partnership with the private sector to launch the most aggressive antidrug public service campaign in history. Working with the Partnership for a Drug-Free America and the Office of National Drug Control Policy, we have started a $380 million campaign to change the hearts and minds of America's young people, and to engage parents again in this battle to turn the tide before it is too late.

That is why we passed the Drug-Free Communities Act last year, to jumpstart prevention and education efforts at the local level that are actually working in our communities to mobilize parents, teachers, coaches, ministers, rabbis, law enforcement officials, kids, and yes, employers, in a concerted effort to make our streets safer, to allow our schools to teach, and to reverse the troubling trends we talked about in the last 5 years.

That is why we are putting existing Federal prevention programs under the microscope, to see which ones are working and which ones are not, and to try to maximize the impact of the Federal dollars we are spending on prevention, education, and treatment.

That is why we are working on innovative strategies to try to improve the frankly very disappointing treatment outcomes we see around the country for addicts, and why we are moving legislation this session to put effective treatment into our prisons and our jails.

Today's bill is a part of this overall strategy. It is a critical part of it, because if we do not deal with the workplace, we are not going to get America to kick the habit. The Drug-Free Workplace Act, as the gentleman from Indiana (Mr. SOUDER) and the gentlewoman from New York (Ms. VELÁZQUEZ) have already talked about, is bipartisan legislation that addresses the workplace.

The data tells us that targeting the workplace makes a lot of sense. Over 74 percent of drug users are employed. Substance abusers file 5 times, 5 times the number of workers' compensation claims in this country. Those who use drugs will have 3 to 4 times the number of workplace accidents as nonabusers, and drug users are 2½ times more likely to have absences of 8 days or more.

These numbers highlight the fact that drug abuse threatens safety, it raises costs, it lowers productivity, and most significantly, it has a detrimental impact on the worker that can and must be addressed.

Fortunately, there does seem to be a growing consensus, I think, on both sides of the aisle, cutting across all partisan and really ideological lines, that the workplace is one of the key sectors where we have to address the drug abuse problem.

The bill has garnered strong bipartisan support. The gentleman from Georgia (Mr. SANFORD BISHOP), who we will hear from in a moment, a Democrat from Georgia, and the gentleman from Indiana (Mr. MARK SOUDER), a Republican, join me as original cosponsors of this legislation. General Barry McCaffrey, the Administration's drug czar, director of the Office of National Drug Control Policy, sent a letter expressing the Administration's support of this legislation.

Both sides of the Committee on Small Business, as we have said earlier, have worked hard together constructively to perfect a bill. The amendments from the gentlewoman from New York (Ms. VELÁZQUEZ), the gentlewoman from the Virgin Islands (Ms. CHRISTIAN-GREEN) the gentleman from Illinois (Mr. JACKSON), the gentleman from Illinois (Mr. MANZULLO), the gentlewoman from California (Ms. MILLENDER-MCDONALD), and the gentlewoman from New York (Mrs. MCCARTHY) all offered thoughtful, well-considered amendments, and I am glad they were included in the legislation before us today.

Fortunately, the private sector already recognizes that drug-free workplace policies are good for employees, the community, and businesses. But while 98 percent, 98 percent, of Fortune 200 companies have drug-free workplace policies, only 3 percent of companies with fewer than 100 employees have such policies. So larger businesses are fully engaged in this. It is the smaller businesses where we are not seeing the kinds of results that we would like.

It is certainly not due to any failure on small business's part to recognize the importance of the programs. Like the Fortune 200, small businesses understand that drug-free workplaces will reduce absenteeism and accidents, lower workers' comp costs, health care costs, help to educate parents in the workplace to talk to their kids about the dangers of drugs, and most important, I think, help workers, both those who are not substance abusers who want and demand and deserve a safe workplace, and those who are struggling with addiction and need help.

But the challenges that small businesses face are daunting. Without the economies of scale achieved by larger companies, it is costly. Without human resources staffs, developing written anti-drug policies and providing employee assistance programs can be risky from a liability perspective.

Small businesses are starting to recognize the need for drug-free workplace programs, but they need assistance in implementing these important programs. The high costs of workers' comp insurance for drug-related accidents, the expense of replacing stolen inventory, stolen to pay for a drug habit, the lost productivity of somebody dealing with substance abuse in their family, all are issues small business owners need to address.

Just as we provide technical assistance in developing business plans, identifying loans and other small business services, we need to provide assistance for drug-free workplace programs.

This legislation has three components. First, it urges States to help make drug-free workplace programs more affordable for all companies through innovative programs like workers' compensation premium discounts. Second, it provides grants to nonprofits to help empower small businesses to work together on developing drug-free workplace policies, and to save money by forming consortia to contract for employee assistance and drug testing programs.

Finally, it uses the existing network of over 900 Small Business Development Centers all over the country to provide technical assistance to small businesses as they develop drug-free workplace policies.

Workers' compensation is a natural; in Ohio, we now have a 20 percent discount in place. Seven other States are doing it. It is working well. If we can get more States to do it, we will see a lot more businesses having that financial incentive getting involved in drug-free workplaces.

The nonprofit program in the bill I mentioned will help expand small networks of programs, like the Regional Drug-free Workplace Initiative in Portland, Oregon, the Houston Drug-free Workplace Business Initiative, and the Chicagoland Chamber of Commerce plans, to help these small businesses develop written workplace policies and achieve economies of scale in testing and employee assistance programs.

These programs have met with great success wherever they have been used, and small businesses participate with enthusiasm when they are available.

□ 1045

We can spread the success with a very small Federal investment in a short-term grant program that authorizes the program just for one year to jump start this effort.

Nationwide, communities that implement these programs find that businesses and charitable organizations have been eager to support the programs once they see the effect that they have.

Finally, the last part of the bill, the technical assistance provided by the Small Business Development Centers, will greatly expand access to policy development resources. Over 900 centers would provide support to small businesses in developing drug-free workplace programs, expanding on the excellent work those current SBDCs do in other areas.

We have to remember that small businesses employ over 50 percent of the workers in this country and generate the majority of new jobs in this country. If we are to achieve our goal of a Drug-Free America, they cannot be left out.

With this targeted legislation, we can make a difference with a modest, one-time investment. By reaching out to small businesses that are increasingly interested in getting involved in drug-free workplace programs, we can reach out to them and dramatically expand the reach of these programs to cover 74 percent of the drug users in this country who are employed, and, just as importantly, the working parents of 84 percent of our children.

By expanding these efforts to identify and combat drug use in the workplace, we can reduce the human cost to our society and the direct costs to our economy of drug use. But we will also create a safer work environment for those who work in smaller companies, help the bottom line, and educate parents on getting the message to kids that drug use is wrong and harmful.

For all these reason, this legislation has the strong support of the U.S. Chamber of Commerce, the Institute for a Drug-Free Workplace, the National Alliance for Model State Drug Laws, the Community Anti-Drug Coalitions of America, the Small Business Administration, the Office of National Drug Control Policy, and the Association of Small Business Development Centers.

Mr. Speaker, I hope my colleagues on both sides of the aisle will join us in supporting this important bipartisan bill to make workplaces all across America drug-free, safe, and healthy environments. I commend the gentleman from Indiana (Mr. SOUDER) and the gentlewoman from New York (Ms. VELÁZQUEZ) who led this fight in the committee.

Ms. VELÁZQUEZ. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. BISHOP), one of the main sponsors of the bill who has worked tirelessly on this issue.

Mr. BISHOP. Mr. Speaker, I thank the gentlewoman from New York (MS. VELÁZQUEZ) for allowing me to speak on this measure.

Mr. Speaker, I wish to commend the gentleman from Ohio (Mr. PORTMAN), the bill's cosponsor with me, the gentleman from Indiana (Chairman SOUDER), the gentlewoman from New York (Ms. VELÁZQUEZ), ranking member, and the members of the Subcommittee on Empowerment for their expeditious consideration of this bill.

I would also like to commend the United States Chamber of Commerce for being willing to step up and get involved.

Mr. Speaker, government cannot do everything and certainly we need law enforcement, we need interdiction, and we need more people policing our streets for drugs. But at the same time, we need to stop the market for them. We need to relieve those people who are addicted.

This bill, I believe, goes a long way to doing that. And the fact that the U.S. Chamber of Commerce has stepped up to the plate and gotten involved demonstrates how well we can work together to create a partnership in addressing such a serious concern as the epidemic of drug use and drug abuse.

Mr. Speaker, I would also like to commend my colleagues in this House, on the committee and across the House, for the bipartisan effort in support of this measure.

Drug abuse and drug use is not a Democrat nor a Republican issue. It is a people issue. It is an issue that compromises the effectiveness of the people and the workers of the United States of America. For that I would like to commend my colleagues for coming together in a bipartisan manner to address this problem.

As a cosponsor, I rise to support this very important legislation which provides funding and the necessary infrastructure to help small businesses, that are the lifeblood of our economy, implement drug-free workplace policies. Ninty-eight percent of the Fortune 200 companies have drug-free workplace programs in operation. They understand the importance of this issue.

According to a 1997 Department of Health and Human Services Substance Abuse and Mental Health Services Administration study, 11 percent of workers in businesses with 25 or fewer employees admitted current illegal drug use, over twice the rate reported by employees in larger firms.

Small businesses understand the necessity for drug-free workplace programs, but do not have the resources and the expertise to implement these programs. This bill will provide them with that assistance.

Mr. Speaker, the abuse of drugs and alcohol in the workplace is a significant hazard to working Americans and it is a serious drain on the economy in terms of lost productivity, increased health costs, and wasted potential. The 1996 Fortune 500 companies Conference Board Survey estimated the cost to the economy from absenteeism, injuries, diminished productivity, to be $200 billion.

The U.S. Chamber's Institute for a Drug-Free Workplace estimates that annual productivity losses from substance abuse amount to $640 for every American workers. This is too high a price to pay, both monetarily and emotionally, as substance abuse not only affects the abuser but everyone around him or her as well.

H.R. 3853 addresses the problem by providing incentives and assistance that will help businesses help their employees as approximately 70 percent of drug users are employed. The bill accomplishes this in three ways.

First, it creates a demonstration grant program for nonprofit intermediaries to provide assistance to small businesses in developing a drug-free workplace by using a variety of strategies to include employee assistance, training, and intervention.

Second, the bill encourages States to provide incentives to businesses that adopt a drug-free workplace policy, such as reducing worker's compensation insurance premiums for drug-free businesses.

And third, the bill uses the over 900 Small Business Development Centers around the country to assist in providing technical assistance to businesses in developing effective drug-free workplace policies.

Mr. Speaker, drug use in all sectors of our society is prevalent and must be attacked on all fronts. H.R. 3853 attacks our drug problem in the workplace. According to the Drug Czar, General Barry McCaffrey, the workplace therefore provides an ideal opportunity to steer the addicted into treatment and to educate both employees and family members on the dangers of drug use.

Therefore, I strongly urge my colleagues to support this measure and vote ''yes'' for a drug-free workplace. Again, I thank my colleagues, the committee, the ranking member, the chairman, for their courtesies, their kindnesses, and their hard work in bringing this bill to the floor in a very expeditious manner.

Ms. VELÁZQUEZ. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. MCCARTHY), who should be commended for her work on improving the training component of this bill.

Mrs. McCARTHY of New York. Mr. Speaker, I thank the gentlewoman from New York (MS. VELÁZQUEZ) for yielding me this time.

Mr. Speaker, today I rise in support of H.R. 2853, the Drug-Free Workplace Act of 1998. I also commend my colleagues on both sides of the aisle on bringing this bill to the floor. I think it is an important bill and I think it is going to help our small businesses. It has been a pleasure working on the Committee on Small Business on a lot of the issues that we have been doing this year.

Mr. Speaker, drugs in the workplace is a serious and costly problem. Drugs among employees result in increased sick days, accidents, and decreased productivity. Large companies have always recognized this problem and have set up drug-free workplace programs. Unfortunately, although small businesses employ over half the workforce in the country, most small businesses do not have drug-free workplace programs.

We must give small businesses the tools they need to ensure their workplaces are drug-free. The Drug-Free Workplace Act does just that. It provides incentives for small businesses to set up drug-free programs.

One important piece of a drug-free program is training. Training for the supervisors. Training for the employees who participate in the program. As a nurse, I know how complicated drug addiction can be. That is why it is so important for people who are participating with the program to have proper training.

Mr. Speaker, I was delighted that the committee adopted my amendment to strengthen the training requirements. My amendment ensures that small business owners, supervisors, and employees receive the training necessary to make them effective in identifying possible substance abuse problems.

I think this is a commonplace improvement to the bill that will ensure small businesses are able to successfully implement a drug-free workplace program. I think we are doing our small businesses a great service, and I encourage my colleagues to vote for this.

Mr. SOUDER. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky (Mr. LEWIS), my friend who has been an active member of the Drug Task Force.

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today in support of H.R. 3853, the Drug-Free Workplace Act of 1998. This legislation is critical in addressing the many problems that result in a workforce that uses drugs.

But I would also like to register my support for the section of the bill that assists working parents in keeping their children drug free. I am currently working on legislation that builds on this provision in H.R. 3853. Specifically, I am looking at establishing incentives to businesses that provide resources and training to parents regarding the importance of speaking to their children about drugs.

Mr. Speaker, as we know, parents are the first line of defense in the prevention and in protecting their children from this terrible plague. Unfortunately, studies show that not enough parents are talking about this important issue with their children.

By giving companies tax breaks, it will encourage them to come up with creative ways to provide parents with the necessary tools to open this discussion. In the end, this will be beneficial to the employer, the employees, the family, and the community.

Mr. Speaker, I look forward to working with members of the Speaker's Task Force for a Drug-Free America on this legislation. In the meantime, I would like to thank the gentleman from Ohio (Mr. PORTMAN) for his efforts, and ask my colleagues to support H.R. 3853.

Ms. VELÁZQUEZ. Mr. Speaker, I yield 3 minutes to the gentlewoman from the Virgin Islands (Ms. CHRISTIAN-GREEN), the newest member of the committee, who was instrumental in bringing before our committee the issues of having certified counselors, providing the proper training, and ensuring that the U.S. territories were covered.

Ms. CHRISTIAN-GREEN. Mr. Speaker, I thank the gentlewoman from New York (Ms. VELÁZQUEZ), our ranking member, for yielding me this time and for her leadership.

Mr. Speaker, I rise in support of H.R. 3853, the Drug-Free Workplace Act of 1998. I am pleased that my colleagues on both sides of the aisle consented to include my amendment to ensure that the drug-free workplace counselors and educators provided to small businesses under the demonstration program be fully certified by their State and territorial governments as qualified providers.

Mr. Speaker, as a former small business owner and physician in family practice, I know the value of a drug-free workplace. There are benefits for both the worker and the employer. In light of this measure's provision for mandatory drug testing of businesses who avail themselves of this program, it is important that counselors are not just well-meaning but well trained to advise employers on setting up programs that are well structured, that are based on both employer and employee input, that assist affected employees rather than punish them, and that fit the varied realities of each workplace, considering health, family and confidentiality issues and which can counsel on the consequences of drug testing for both employer and employee.

Mr. Speaker, on the other hand, I am disappointed that my colleagues did not see the wisdom of including in H.R. 3853 the requirement that any training provided to small businesses as a consequence of this bill be culturally appropriate. The American workplace is becoming increasingly diverse. Culturally appropriate training is important because of the very sensitive nature of the issue of drug use and of the need for counselors to be able to communicate clearly when explaining policy and doing counseling for persons of different backgrounds. It is also important to ensure that certain nationalities are not targeted, but that objectivity is maintained in this process.

But, Mr. Speaker, I thank my colleagues on the Committee on Small Business for including another of my amendments which specifically includes U.S. territories, of which my district, the U.S. Virgin Islands, is one.

There are many instances where Americans who live in the U.S. territories are denied access to programs not due to malice, but due to oversight on the part of this body. As an example, the SBA HUBzone program does not include the insular territories due to technicalities in the language, even though the intent of the legislation was to include every American everywhere who is in need of the benefits of the program.

□ 1100

Mr. Speaker, as my office works diligently with my colleagues to ensure that the territories can benefit from this program, I take this opportunity to remind everyone that the territories are an important part of the American family. I commend the sponsors of this bill. I urge its passage.

Mr. SOUDER. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. SOLOMON), distinguished chairman of the Committee on Rules, a warrior in the antidrug effort.

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

Let me first of all just sing the praises for the gentleman from Ohio (Mr. PORTMAN), the gentleman from Illinois (Mr. HASTERT), the gentleman from Indiana (Mr. SOUDER), the gentleman from Kentucky (Mr. LEWIS), the gentleman from Georgia (Mr. BISHOP), and the gentlewoman from New York (Ms. VELÁZQUEZ) for bringing this bill to the floor. It is so terribly important.

Three points need to be made very quickly. Seventy-five percent of all the illegal drug use in America today is not used by people in the inner core cities. It is used by suburbanites who live outside of the cities, who use drugs illegally, recreationally, seventy-five percent of all the drug use in America. If we were to solve that problem, we would knock the value out of drugs.

The other statistic is that 75 percent of all the violent crime in America today is against women and children and it is drug related. Think about that.

Then when you look at the third point, with the skyrocketing use of illegal drugs by our children, not just 17 and 16 and 15 and 14-year-olds but 11, 10, 9, even 9-year-olds, that is just terrible, Mr. Speaker. We are destroying a whole new generation of people.

Back in 1983, President Reagan, at my urging, implemented random drug testing in our military. At that point, 25 percent of all the military were on illegal drugs, 25 percent. Once we implemented random drug testing for everybody, from the buck private to the admirals and generals, within four years the drug use in our military dropped 80 percent. It dropped from 25 percent down to 4 percent.

If we could stop drug use in all Federal employees, all State employees, all county, town, city and village employees and then all the Fortune 500 companies and all of the midsize entrepreneurial companies, drugs would no longer be expensive. People would not use them. There would not be any need for them. And in Colombia they would be making bathtubs instead of importing drugs into this country. That is how important this is. That is why I praise all of my colleagues for bringing this bill to the floor. It is so badly needed.

God bless them all.

Ms. VELÁZQUEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DAVIS), whose work in addressing the need to have testing done by a certified lab was critical in ensuring employees have some protections.

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, let me first of all commend and congratulate the gentleman from Missouri (Mr. TALENT), the gentlewoman from New York (Ms. VELÁZQUEZ) and actually all of the members of the committee for the outstanding bipartisan manner in which we arrived at bringing this legislation to the floor today.

As a matter of fact, many people throughout America recognize drug use and abuse as having gotten out of hand and as a real menace to society. Therefore, I rise in support of this legislation, and I would note, Mr. Speaker, first of all, that this is a voluntary demonstration project which provides opportunities for small businesses to be meaningfully engaged in efforts to reduce drug use and create safe work environments.

This program is obviously no panacea. However, it is a positive step in the right direction. Therefore, I urge support for it. It provides testing for not only workers but also for managers, for supervisors, for everybody in the workplace. Therefore, no one can accuse it of being discriminatory.

We know that drug use and abuse continue to plague America, and we need bold efforts to really rid it. There are those who would say that this is a minor approach, but I believe, Mr. Speaker, that every step that we take moves us closer to the goal and the goal is to have a drug-free environment. I commend the sponsors. I commend again the gentleman from Missouri (Mr. TALENT), the gentlewoman from New York (Ms. VELÁZQUEZ) and all of my colleagues for an outstanding piece of work and a meaningful piece of legislation:

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

Ms. VELÁZQUEZ. Mr. Speaker, I yield 1 minute and 30 seconds to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Speaker, I would like to commend both sides for their leadership in bringing such an important topic to the floor.

I am glad that I had a part in this markup, as I brought the issue of alcohol to this program and to ensure that we included language that would require that we had alcohol abuse prevention programs as well as drug abuse prevention programs.

I also want to mention that violence in the workplace, domestic violence is a critical issue with me. I am sorry that we were unable to bring in the counseling for domestic violence in this bill because it is critical. It is an ever-increasing need to address this problem in our workplace.

In one year alone, almost 4 million American women are physically abused by their husbands or boyfriends. With over half of the female population and nearly 90 percent of the male population employed in this country, domestic violence is a public health issue.

I am sorry that we were unable to get this issue in the bill. Domestic violence is a public health problem that we can no longer ignore in the workplace. The issue of domestic violence must become a priority for our country and our Nation's leading businesses.

I thank the gentleman and the gentlewoman for their time, and I would hope that some day we would put domestic violence as part of the Drug Free Workplace Act.

Mr. Speaker, I rise today to offer my thoughts on the Drug-Free Workplace Act of 1998 which is aimed at reducing drug abuse in the workplace. The Small Business Committee marked-up this legislation in an attempt to improve its effectiveness. I am glad to say that many improvements were made. In particular, I am proud of the fact that we were able to include language that would require any drug-free workplace program developed as a result of this bill to include a continuing alcohol and drug abuse prevention program. Prior to my amendment to this bill, there was no mention of alcohol abuse. It is critically important that we address alcohol abuse and addiction when we address drug abuse in the workplace. Prevention of both alcohol and drug abuse is essential for any drug-free workplace program to be successful.

Effective prevention does not occur with just one class or one discussion on the dangers of alcohol or substance abuse. We must ensure that a comprehensive approach will be utilized in accomplishing a productive, drug-free work environment that promotes and protects the life of employees. Such a continuing alcohol and substance abuse program must provide quality prevention and education programs, assess individual alcohol and drug problems, refer individuals struggling with substance abuse problems or addiction to a trained substance abuse treatment professional or facility. Furthermore, such a comprehensive approach provides all employees with the necessary information to be able to see warning signs of substance abuse problems among their colleagues.

Continuing substance abuse prevention programs are a necessity when you consider that more than 70% of drug users and 75% of alcoholics are employed. This is a staggering number that can only be reduced through the use of comprehensive drug-free programs that include prevention as well as a range of effective on-going services that address the complex problems of alcohol and substance abuse.

Although this measure addresses the many issues of alcohol and drug usage on the worksite, the bill could go farther to address some other related issues. One issue that deserves attention is the need to provide counseling for and information on domestic violence. There is an ever increasing need to address this problem. In one year alone, almost four million American women are physically abused by their husbands or boyfriends. With over half of the female population and nearly 90 percent of the male population employed in this country, domestic violence is a public health problem that we can no longer ignore in the workplace.

The issue of domestic violence must become a priority for our country, and our nation's leading businesses agree. In a recent national survey of American businesses, 47 percent of senior executives polled said that domestic violence has a harmful effect on the company's productivity; 44 percent said that it increases health care costs; and 66 percent said that they believe their company's financial performance would benefit from addressing the issue of domestic violence among their employees. The result of these statistics indicate that this problem is affecting more than the women who are abused, but the place in which they work.

Thus, there is the necessity and urgency to provide counseling and education on domestic

violence. We must educate both female and male employees on domestic violence. Furthermore, there is a need to recognize the signs of potentially dangerous situations, and how to provide help once the abuse has begun. With such a program in place, we would be able to further address those problems that plague our work environments as well as our homes. It is in this spirit that I encourage my colleagues to continue to work to make the workplace as productive and efficient as possible by addressing not only alcohol and drug abuse, but domestic violence.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself the balance of my time.

In closing, let me once again state that everyone in this Chamber, both Democrats and Republicans, support the goal of the drug free workplace. H.R. 3853 attempts to address this very real problem affecting every aspect of our society.

But if we are truly serious about ending drugs in the workplace, H.R. 3853 will not be fully successful until we address the issue of cost, flexibility and employee protection. I am optimistic that before this program is implemented, these problems will be worked out.

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

Mr. SOUDER. Mr. Speaker, I yield myself the balance of my time.

I again want to thank the gentleman from Ohio (Mr. PORTMAN) for not only his leadership on this bill but his leadership in focusing on prevention and on treatment as an important part, in addition to interdiction and the judicial approaches to the drug problem, because if we can reduce the usage at the front end, then we do not need to do as much, hopefully, long-term in law enforcement interdiction.

I also want to thank our Speaker, who brought this drug issue to the front of what we are doing in Congress. It is not just this bill today. It has been bills on education. It will be amendments and funding in appropriations bills. If we have a comprehensive effort against drug abuse, illegal narcotics in this country, we, in fact, can make dramatic advances in reducing this scourge in our country.

I also want to thank the gentleman from Illinois (Mr. HASTERT) as well as the co-chairs, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Florida (Mr. MCCOLLUM) of the Drug Task Force, and all the members of the Drug Task Force, the chairman of the Committee on Small Business and the ranking member, the gentleman from Missouri (Mr. TALENT) and the gentlewoman from New York (Ms. VELÁZQUEZ), and also the staff, Al Felzenberg, Harry Katrichis, Tee Rowe, and Emily Murphy, who helped accelerate a bill like this through the committee in a rapid way.

This is a dramatic example of what can happen when both parties work together to benefit the workers of America, the young people of America, the families of America. We are seeing children's lives destroyed by illegal drugs, families destroyed by illegal drugs, our productivity and competitiveness in America destroyed by illegal drugs. This bill is one small step, a part of a continuing effort by this Congress to say, ''Say no to drugs,'' take active action, and we can lick this problem.

Mr. PAUL. Mr. Speaker, I rise in opposition to H.R. 3853, The Drug-Free Workplace Act. Certainly there are many things the Federal Government can do to minimize the negative impact illicit drug users have upon society. Further expanding a philosophically bankrupt national drug war policy with the creation of yet another costly federally-funded program is not the answer.

Specifically, this bill authorizes $10 million in fiscal year 1999 thus further shifting the cost burden from the irresponsible drug user to the taxpayer. Allowing the cost of drug use to fall on the irresponsible drug user rather than allowing that user to socialize his or her costs upon the innocent taxpayer would be a worthwhile step in the right direction. The dangerous socialization of costs is a consequence of various Federal actions.

A Federal Government which reduces the cost of drug use by supplying free needles is one example. But this practice is but a minor example of exactly how the Federal Government has made matters worse by lowering the costs and encouraging the expansion of risky behavior. We must, once and for all, expose the fallacy that problems can be solved simply by cost spreading—in other words, that all risky behavior should be socialized by the government. A Federal Government that accepts responsibility for paying the rehabilitation costs and medical costs of its citizens who act irresponsibly is certain to do only one thing—increase the number of those who engage in such behavior.

If we lower the cost of anything, we necessarily increase the incidence. But this is not only true when we are dealing with drugs. It has to do with cigarettes, alcohol, and all risky behavior. The whole tobacco legislation controversy is the natural consequence of the same flawed policy. That is, because government ''must'' pay the health costs of people who get sick from dangerous behavior with cigarettes, government must also regulate the tobacco companies and deprive all citizens of liberties which may at times involve risky behavior. Once the taxpayer is called upon to pay, costs skyrocket.

Moreover, the Federal Government further makes matters worse by imposing employment regulations which make it difficult to terminate employees who engage in drug or alcohol abuse. Such a regulatory regime further socializes the costs of irresponsibility upon innocents by forcing employers to continue to pay the salaries and/or health benefits of unsavory employees during rehabilitation periods.

Private employers should already be free to require drug testing as a condition or term of employment. This legislation, however, unnecessarily brings the Federal Government into this process. The threat of liability law suits will dictate that drug testing will be prevalent in jobs where abstinence from drug use is most critical. However, setting up taxpayer-funded federal programs here are not only unnecessary but ill-advised. The newspapers are replete with examples of various lawsuits filed as a consequence of false positives resulting from both scientific and human errors. This legislation involves the Federal Government so far as to require drug testing be completed by only a few government-favored drug testers. This bill also requires those small businesses who participate to mandatorily test employees for drug and alcohol abuse. This proposition treads dangerously on grounds violative of the fourth amendment. While the bill of rights is a limitation upon actions by the Federal Government, it does not restrict the voluntary actions of private employers and their employees. The case becomes far less clear when the Federal Government involves itself in what should simply be a matter of private contract. In fact, government involvement may actually constitute a hindrance upon employers ability to adequately test those employees for whom they feel testing may be a necessary job component.

It should never go unnoticed that, as is so often the case in this Congress, constitutional authority is lacking for the further expansion of the Federal Government into the realm of small business and the means by which they hire reliable employees. The Report on H.R. 3583 cites Article I, Section 8, Clause 18 as the Constitutional authority. This clause reads ''To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Office thereof'' (emphasis added). The authority cited requires a foregoing Power which not only is missing from the authority cited for this bill but in my close examination of Article I, Section 8, simply seems not to exist.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I strongly support this bill because I believe that we should always strive to eliminate the vile plague of drug abuse. This measure will provide small businesses with protection from drug use at their workplace.

The bill aptly targets businesses consisting of 25 people or less. Such businesses currently employ approximately over 50 percent of our nation's workforce. Of those adults who abuse drugs, 74 percent are members of the workforce. As the Institute for a Drug-Free Workplace estimates, the majority of illicit drug users work for these small businesses.

The bill authorizes $10 million to the Small Business Administration (SBA) for grants or contracts with not-for-profit organizations to provide small businesses with drug-free workplace programs. This funding is vitally important and seems justifiable in our war against drugs. Compared to many programs, $10 million seems like a bargain.

Moreover, this measure is not simply measured based upon the millions of dollars spent to arrest and prosecute illicit drug users. The national economy is burdened with billions of dollars in losses due to the effects of illicit drug users on small businesses. In fact, the 1996 Conference Board Survey estimated the cost to the economy from absenteeism, injuries, and diminished productivity to be $200 billion. These figures seem reasonable because absenteeism is 66 percent higher among drug users than nondrug users, health benefit utilization is 300 percent higher among drug users than nondrug users, 47 percent of workplace accidents are drug related, disciplinary actions are 90 percent higher among drug users than nondrug users, and employee

turnover is significantly higher among drug users than nondrug users.

To limit this disease to mere monetary figures, however, would ignore less tangible, but equally important factors. Although harms such as workplace injuries, lost productivity, and other effects of drug use are readily obtainable, some wounds, such as the costs to families and children, seem less obvious. In over 88 percent of families with children under the age of 18, at least 1 parent is employed. Thus, it seems clear that drug abuse among small business employees has implications that extend well beyond mere economics.

Many small business owners corroborate the notion that illicit drug use affects people on both tangible and intangible levels. One owner, Mr. Guzman, noticed that after opening a successful business, he soon found his business floundering. He discovered stolen inventory and low productivity. Upon learning that drug use represented the sole cause of such problems, Mr. Guzman implemented a drug-free workplace policy. Not only did the problems related to drug use subside, but the owner's business also flourished and profited beyond expectations. Such profits likely filtered down from the business to its employees and those employee's families.

This measure will standardize the policy implementation within Mr. Guzman's business. I laud the goals of this Act, for it seeks to educate the small businesses about the advantages of a drug-free workplace, provided financial incentives and technical assistance to enable small business concerns to create a drug-free workplace, and assist working parents in keeping their children drug-free. Such purposes should receive our praise and admiration. Regardless of political persuasion, these goals further all of our interests.

The specifics of the bill seem both adequate and reasonable. The Act establishes a strong relationship with the SBA and coordinates the SBA's efforts with those of the Secretary of Labor, the Secretary of Health and Human Services, and the Director of the Office of National Drug Control Policy. Together, these entities should be able to implement this praiseworthy program. They may also act as a system of checks and balances.

The measure properly requires written policies, training for employees, additional training for employees who are parents, and access to drug testing laboratories. By providing these standards, the bill sets the foundation for a viable program.

I also commend the writers of this bill for providing a broad definition of employees. By including supervisors, managers, officers, and owners as employees, the measure encompasses those who are in the greatest position of power where the opportunity for drug abuses are conceivably greater.

Given the fact that small businesses must run on equally modest budgets, they likely demand even more protection than the large businesses. Moreover, the effects of drug abuse are more pronounced in their small settings. We must protect these businesses, for they represent the very image of America and the ideals we uphold.

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

The SPEAKER pro tempore (Mr. HAYWORTH). The question is on the motion offered by the gentleman from Indiana (Mr. SOUDER) that the House suspend the rules and pass the bill, H.R. 3853, as amended.

The question was taken.

Mr. SOUDER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SOUDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on H.R. 3853.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 4101, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 482 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 482

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. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 2(l)(6) of rule XI or clause 7 of rule XXI are waived. 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 Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. The amendment printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. Points of order against provisions in the bill, as amended, for failure to comply with clause 2 or 6 of rule XXI are waived. During consideration of the bill for further amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. 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 five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such amendments as may have been adopted. 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 New York (Mr. SOLOMON) is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, I am pleased to inform Members that the Committee on Rules has provided an open rule for the consideration of this very, very important measure, one of the most important appropriation measures that come before this body each and every year.

This means that Members will be able to offer any amendment which complies with the standing rules of the House, and that is the way it should be.

In order to expedite the consideration of this legislation, the requirement that the committee report be available for 3 days is waived. The report was filed on Friday night and was available to all Members yesterday morning.

The rule provides for one hour of general debate, which will be equally divided between the chairman and ranking member of the committee.

□ 1115

There are two amendments printed in the report accompanying this rule which will be considered as adopted when the rule is passed. The first of these amendments provides relief to certain disadvantaged farmers whose complaints of discrimination were not considered in a timely manner. Through no fault of their own, the statute of limitations ran out.

The amendment limits claims to those between 1993 and 1996. It does not settle any cases, nor should it. It only allows these cases to proceed to be considered by the Department of Agriculture in spite of the statute of limitations.

What that means, Mr. Speaker, is that this provision is self-executed in the rule. So adoption of the rule places the language in the bill to be debated in a few minutes. It does not have to be offered as an amendment.

Adoption of the rule also means that the House will adopt sufficient spending cuts to pay for the cost of the disadvantaged farmers provision as well as paying for a second provision, the Members from agriculture States ought to pay attention to this, a second provision already in the bill to allow the sale of certain commodities to India and Pakistan in spite of the sanctions which recently took effect.

Mr. Speaker, both of these provisions have bipartisan support. The Republican Conference last week settled on a policy that requires that increased spending should be offset with cuts and not labeled as emergency spending. This provision in the rule implements that policy for the agriculture appropriation bill, and I hope will be implemented in all the other appropriation bills that come on this floor.

Because there are some provisions in this bill which constitute legislation on an appropriation bill, and some appropriations for which the authorization has not yet been signed into law, the rule waives the necessary points of order.

This bill also includes a few transfers of funds from one purpose to another, and the rule waives points of order to permit this.

In order to encourage Members to print their amendments in the CONGRESSIONAL RECORD before they are offered, the rule also provides priority and recognition to Members who do preprint their amendments.

Also under this rule, the Chairman of the Committee of the Whole has the authority to postpone and to stack votes so that Members can make more efficient use of their time.

Finally, this rule preserves the right of the minority to offer their final alternative in a motion to recommit just before the vote on adoption of the bill.

Mr. Speaker, I want to commend the distinguished gentleman from New Mexico (Mr. SKEEN), chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, one of the most admired and respected Members of this body, sitting here next to me, and the gentlewoman from Ohio (Ms. KAPTUR), who we have equal admiration and respect for, for their long hours that have been put into producing this piece of legislation.

They have done yeoman work, they and their staffs, over a number of years now. Again, as I mentioned earlier on, this is one of the most important bills that will come before the Congress each and every year.

I particularly want to thank them for upholding the 1995 farm bill as it concerns milk marketing orders, which is the lifeblood of every small dairy farmer in America. This provision will prohibit the Department of Agriculture from changing the rules until we have gone through both a legislative and an appropriations cycle next year.

The Committee on Agriculture, the authorizing committee, has assured me and others who have deep concern about this that they will look at this in a very favorable way.

The agriculture appropriation bill provides the necessary funding also for agricultural programs and related programs such as school lunch programs and the WIC program, which is the assistance for women and infants and children.

Mr. Speaker, I support this rule, and I support the constructive bill that it makes in order.

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

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from New York (Mr. SOLOMON), chairman of the Committee on Rules, for yielding me the time.

This is an open rule. It will allow full and fair debate on H.R. 4101, which is a bill that appropriates $55.9 billion for agriculture, rural development, and food and nutrition programs in the fiscal year beginning October 1, 1998.

As my colleague the gentleman from New York 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 Appropriations.

The rule also contains five self-executing amendments. One of those waives the statute of limitations for African American farmers to file discrimination claims against the Agriculture Department. This amendment will help us resolve this lingering injustice.

The Committee on Rules reported the rule by a voice vote. Overall, this is a good rule. It is crafted under difficult circumstances, and I intend to support it. I recognize that the gentleman from New Mexico (Mr. SKEEN), the chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies was forced to make difficult choices because the funding allocation for agriculture programs is so low. He worked in a bipartisan fashion, carefully balancing many needs.

However, I am particularly disappointed that this bill cuts $10 million in the Emergency Food Assistance Program which purchases food for needy Americans. The demand is growing for services by the Nation's food banks, emergency feeding centers, and soup kitchens. A survey by the U.S. Conference of Mayors showed that one out of five requests for emergency food in 1997 went unfilled. Now is not the time to cut this vital program. Later, during consideration of the bill, I intend to offer an amendment that will restore the $10 million for the Emergency Food Assistance Program.

I am also concerned that the bill does not adequately fund the WIC program which helps feed infants, children, and their mothers. This bill would cut off benefits to more than 100,000 needy people, at risk, low-income women and their babies.

Mr. Speaker, I believe that the gentleman from New Mexico (Mr. SKEEN) and the gentlewoman from Ohio (Ms. KAPTUR), the subcommittee's ranking minority member, did everything possible to produce a fair bill. The problem lies not with the subcommittee, but with the larger budgetary decisions by this House to constrain so severely discretionary spending. Because the targets are so low, we are forced to pit the needs of the hungry against the needs of farmers and food researchers and everyone else who is funded in this bill.

We have the money. Our economy is booming at rates that have rarely been seen in history, creating hundreds of billions of dollars in the last few years. Not only are we the wealthiest nation in the world, we stand today as the wealthiest nation the world has ever seen.

Surely we can find an extra $10 million to help reduce the food lines in front of our soup kitchens. Surely, out of this new wealth, we can, at the very least, maintain the same level of spending for the emergency needs of poor, hungry people.

This is a disgrace, if we cannot take a tiny percentage of this enormous wealth to feed the needy. We are talking about a $60 billion to $100 billion tax cut. This is unbelievable. We cannot find $10 million more for the EFAP program. That is what our budget agreements are forcing us to do.

This is the bill which feeds our Nation and hungry people around the world. This is the bill which contributes to our agricultural bounty. We should not set such low spending targets.

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

Mr. SOLOMON. Mr. Speaker, let me just say to the gentleman from Ohio (Mr. HALL) that we are prepared to close, get on with the regular business, if the gentleman wants to proceed.

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

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

Mr. Speaker, again let me just say that this is one of the most important appropriation bills to come before this House each and every year. I again want to just praise the work of the gentleman from New Mexico (Mr. SKEEN) and the gentlewoman from Ohio (Ms. KAPTUR), ranking minority member, and their staffs for the yeoman work that they have done on this legislation. It is very important. I hope the Members will come over and vote for the rule and then vote for the bill.

Ms. KAPTUR. Mr. Speaker, I rise in support of the rule allowing consideration of H.R. 4101, the Fiscal Year 1999 Agriculture Appropriations Bill.

This rule allows for the orderly consideration of the Agriculture Appropriations Bill.

It waives points of order against unauthorized programs in the bill.

The rule also self-executes an amendment that waives the statute of limitations for minority farmers who have complaints against the Department of Agriculture for discriminatory actions that occurred in the past. This language has been cleared with the Judiciary Committee and the Administration, and we support its inclusion in this bill.

The amendment self-enacted by the rule also provides the necessary offsets for scoring against the bill resulting from both the lan-

guage providing relief to minority farmers and the scoring created by the provision excluding agricultural exports from sanctions against India and Pakistan.

Again, I support this rule and the amendment it provides for.

My only disappointment is that the rule did not make in order an amendment by Congresswoman Lowey which would provide for civil penalties to be used a tool against meat and poultry plants which violate food safety laws. I support the efforts of the gentlelady from New York on behalf of American consumers, and will work with her to ensure the enactment of that provision.

Mr. Speaker, again I urge my colleagues to support this rule and the Agriculture Appropriations Bill. I thank my colleagues on the Rules Committee, and I yield back the balance of my time.

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 on the table.

DRUG-FREE WORKPLACE ACT OF 1998

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3853, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. SOUDER) that the House suspend the rules and pass the bill, H.R. 3853, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 402, nays 9, not voting 22, as follows:

[Roll No. 257]

YEAS—402

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
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
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fawell
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
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
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
Lee
Levin
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 (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
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
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer, Bob
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
Thornberry
Thune
Thurman
Tiahrt
Tierney
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—9

Clay
Conyers
Fattah
Frank (MA)
Nadler
Paul
Scott
Waters
Watt (NC)

NOT VOTING—22

Ackerman
Baker
Cannon
Gephardt
Gonzalez
Hunter
Lewis (CA)
Miller (CA)
Oberstar
Poshard
Riggs
Rothman
Sanders
Schaefer, Dan
Schumer
Thompson
Torres
Towns
Watkins
Waxman
Whitfield
Yates

☐ 1144

Mr. FATTAH changed his vote from ''yea'' to ''nay.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WATKINS. Mr. Speaker, I missed rollcall No. 257 due to attending a program with constituents including a student, Sheila Williams and her teacher, Brenda Truesdale from Crowder High School in Pittsburg County, Oklahoma. Had I been present, I would have voted "yes."

PERSONAL EXPLANATION

Mr. YATES. Mr. Speaker, I missed the last vote. The bells did not ring in my office. Had I been present, I would have voted ''aye.''

PERSONAL EXPLANATION

Ms. CARSON. Mr. Speaker, I was unavoidably absent yesterday, Monday, June 22, 1998, and, as a result, missed Rollcall votes 252 through 256.

Had I been present, I would have voted ''no'' on Rollcall Vote 252; ''yes'' on Rollcall 253; ''yes'' on 254; ''yes'' on 255; and ''yes'' on Rollcall 256.

GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 4101) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore. Pursuant to House Resolution 482 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. 4101.

□ 1147

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. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes, with Mr. LAHOOD 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 New Mexico (Mr. SKEEN) and the gentlewoman from Ohio (Ms. KAPTUR) each will control 30 minutes.

The Chair recognizes the gentleman from New Mexico (Mr. SKEEN).

Mr. SKEEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I get into the floor statement I would like to pay my respects to the members of my committee and particularly to the ranking member, the gentlewoman from Ohio (MS. KAPTUR), and all the members of the committee and the staff and the rest for the fine work that they have done.

Mr. Chairman, I want to thank all my colleagues that have been on the committee on the minority and majority sides, and particularly the staff, the Members' staffs that have work with us and the committee staff, and I certainly am indebted to all of them.

And, Mr. Chairman, I am pleased to bring before the House H.R. 4101, which makes an appropriation for Agriculture, Rural Development, and the Food and Drug Administration and related agencies.

Mr. Chairman, this bill meets our discretionary allocation of $13.587 billion in budget authority and $14.002 billion in outlays, and the total spending in the bill includes mandatory programs of $55.9 billion, an increase of about $6.4 billion over last year, which mainly reflects the increased spending from Commodity Credit Corporation funds.

Our discretionary allocation is about $130 million less than last year, and this situation is made more difficult because the administration has proposed about $800 million in new spending in the bill that is paid for through user fees, and these user fees all require authorization in law. However, the administration sent up this legislative package only 3 weeks ago.

The reality is that enactment of user fees will not occur. Therefore, any new spending must be offset from existing programs. The committee has tried on a bipartisan basis to construct a bill that funds our highest priorities and deals fairly with the very diverse programs that this bill pays for.

The bill provides an additional $20.5 million for the Food Safety Inspection Service, the third year in a row that meat and poultry inspection have received a major increase. There is also an additional $15.5 million for the food safety initiatives scattered throughout several accounts.

Farm operating loans have been increased by about $200 million, and this program is important to the administration's efforts to end discrimination against minority farmers.

We have increased the Rural Community Advancement Program by $93 million, with most of the increase going to rural water and sewer programs where there is a $3.5 billion backlog of applications for this particular funding.

We have also cut a number of programs, and many are being held to the fiscal year 1998 level.

For the first time in many years we have not provided an increase in the Women, Infants and Children, known as the WIC program, and this bill funds the WIC program at $3.924 billion, the same as fiscal year 1998. Our reason for doing that is the USDA's fiscal estimate of the WIC fiscal year carryover is $180 million, and we believe that number will grow. We also believe that carryover gives the program a very large cushion of support.

Mr. Chairman, I know many of my colleagues are unhappy that some of the programs are not funded at higher levels and that we have to tap mandatory programs just to get us to where we are now. During the course of the past five months we have received about 600 requests from Members, only one of which suggested program reduction. The rest wanted level or increased spending.

I would also like to do more, but the money is just not there. Unlike the Office of Management and Budget, we cannot engage in phony accounting schemes with user fees. We must work in the reality of a very tight budget.

Mr. Chairman, this bill pays for programs that benefit every American every day. It supports food safety and nutrition, whether in rural America or in our largest cities, and it supports agricultural production and research that enables less than 2 percent of our population to feed 270 million Americans and millions more overseas. It supports conservation programs to protect watersheds and the environment, and it supports rural development programs that bring affordable housing and clean water to rural America.

I would say to my colleagues that when they vote for this bill they vote for programs that benefit all their constituents, no matter where they live in this great country, and, Mr. Chairman, I ask my colleagues for their support.

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

Ms. KAPTUR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wanted to rise today and commend my good friend, the chairman of our Subcommittee on Agriculture and Rural Development, for his leadership in helping put this bill together, and all the members of our subcommittee who have worked so very, very hard over the last several months.

There are other provisions in this bill that we also need to acknowledge many of our members. We want to thank the Committee on Rules for allowing several provisions to be included in the base bill that are self-executing concerning the civil rights provisions as well as lifting the sanctions in terms of food for Pakistan. We want to thank the gentleman from Washington (Mr. NETHERCUTT) in that regard, as well as the gentlewoman from California (Ms. WATERS), who worked so very hard along with the gentleman from New York (Mr. SERRANO) York on the civil rights provisions in the bill, along with the gentlewoman from North Carolina (Mrs. CLAYTON) and the gentlewoman from Georgia (Ms. MCKINNEY). We are grateful to all these members and so many more who helped us craft a good bill.

I want to state that without question this particular measure helps keep our Nation at the leading edge for food, fiber, fuel and forest production as well as research, trade and food safety. The jurisdiction of this subcommittee is very broad. There is no question that agriculture is America's leading industry and that our farmers and our agricultural industries remain the most productive in the world, and they well understand, as we do, how difficult it is to maintain our nation's commitment to excellence in agriculture in these tight budgetary times.

Our bill contains $56.1 billion for 1999 in total budget authority, of which $13.6 billion is for discretionary programs and $42.5 billion is in mandatory programs which we have very little ability to influence. Our bill is $2.2 billion below the administration's budget request, and in fact over two-thirds of our bill's spending is directed in the mandatory area, largely the nutrition programs like our school lunch and breakfast programs as well as the Food Stamp Program. Those comprise nearly two-thirds, 70 percent, of what is in this bill.

We believe this bill is as balanced a bill as we could get to try to accommodate our farmers, the needs of food and drug safety, the needs of rural development in communities across this country as well as protecting the safety of consumers and those in our population who are most nutritionally and medically at risk.

□ 1200

Our committee has fashioned a bill that is the best possible bill within the

allocation it has been dealt, and I want to thank our chairman, the gentleman from New Mexico (Mr. SKEEN) for being gracious and treating both sides of the aisle evenhandedly. I appreciate his bipartisanship and his sensitivity to balancing the burden of these tight funding levels between various constituencies served by this bill.

I would be remiss if I did not point out, however, that the funding levels are simply inadequate for several of our most critically important programs in the bill, beginning with food safety, but also including WIC, the Women, Infants and Children's feeding program, all of our rural conservation programs, our youth tobacco prevention initiative and our rural water and sewer, as well as the temporary emergency feeding programs serving so many of our food kitchens and food banks. Without an additional allocation of resources, we continue to betray our commitment to American farmers, and to all consumers who benefit from the bounty that they produce.

For example, let us go through some of these shortcomings. As hard as we tried, we were unable to fully accommodate the requests for food safety in this bill, which provides only $15 million of the additional funds requested by the President, who asked for $95 million additional funds for the food safety initiative.

In the WIC program, so important to pregnant women and children across this country, the funding level is frozen in the bill at the 1998 level of $3.9 billion, which is $157 million below the President's budget request. This freeze level could mean the reduction of up to a few hundred thousand additional women, infants and children who will not be able to be served by WIC.

In the youth tobacco prevention area, the bill includes $34 million for the President's tobacco initiative. However, the President had requested $100 million over that level, a level of $134 million for the Food and Drug Administration. We could not accommodate that full request.

On the important conservation programs for our farmers, the primary source of technical assistance to producers and landowners are funded at $784.4 million, but this is $5 million below last year's level and $51.9 million below the President's budget request.

This bill makes further reductions in critical mandatory conservation programs such as the Wetlands Reserve Program, the Environmental Quality Incentive Program, which is called EQIP, and the Wildlife Habitat Incentive Program.

In addition, this bill includes no funding for the farmland protection program, because it has not been authorized. These lands are absolutely irreplaceable as a world resource, and it is really sad that in this measure we cannot include continuation of appropriations in that program because the authorizers have not brought that bill forward.

In terms of TEFAP, the Temporary Emergency Food Assistance Program, there is a $10 million reduction in this mandatory program compared to last year. It is under this program that we distribute commodities to individuals greatly in need of assistance. Demand for food assistance at our food banks and soup kitchens is increasing due to the implementation of welfare reform, and I would hope as we move toward conference, that we might be able to find a way at least to keep this program at last year's level, fully aware that the increased demand is occurring in food banks across this country.

In terms of rural water and sewer, while we appreciate the increase of $39.5 million for direct water and sewer loans, we are concerned that this amount simply is not enough. The U.S. Department of Agriculture has told us that over $2.5 billion in backlog remains in the water and sewer program, and we must be able in future years to find additional funding to meet these critical needs for affordable water and sewer necessary to improve the life in our rural areas.

Mr. Chairman, those who serve farmers and work with agriculture are taught over and over again that there is a big difference between money and wealth. Our job on this Committee on Agriculture is to help create the wealth of America through the investments we make in food, fiber, new fuels and forestry production, all essential components.

Market-oriented farm policy means farming for the market and not the government, and requires investments in research and conservation and sustainability, in education and technology transfer, which will keep our agriculture competitive as we move into the new century.

Traditional farm programs under this bill and in the past continue to receive a decreasing portion of Federal support and, in my view, we should be targeting our scarce agricultural dollars to family farmers, especially those who are smaller, to assure competition in an industry now dominated by megagiants.

In recent decades, we have slowly eroded the historic base of American agriculture, the family farmer, moving more in the direction of giant corporate farms. It is kind of interesting to look at the numbers in the area of agriculture trade. We have to work hard to keep our edge in the international marketplace.

As American agricultural exports grow and weather the volatile global markets, foreign agricultural exports are being shipped to the United States in greater magnitude. Since the early 1980s, U.S. agricultural exports initially declined from a level of about $43 billion to a low of $26 billion in 1986, and then hit a record level of $60 billion in exports in 1996. While that looks great in terms of overall dollar value, the fact is that the price per bushel to the average farmer has not really gone up, but in fact they are having to sell greater volumes and try to farm greater acreage in order just to meet the income levels they were able to achieve in the past. In many cases, products that our own farmers grow and process are being replaced by imports coming into our shores.

Mr. Chairman, in closing, I want to express my appreciation again to the gentleman from New Mexico (Mr. SKEEN) for putting together the best bill that we could under the circumstances that we were dealt.

Let me remind our colleagues that the agriculture portion of Federal spending has taken more than its fair share of cuts in these past several years. Discretionary funding for this coming year is $130 million below comparable spending of last year, but total amounts provided under this bill, both in the mandatory and discretionary accounts, have declined by almost 30 percent, by one-third, since 1994. It is clear that agriculture, rural development and nutritional programs continue to bear more than their fair share of overall budget reductions.

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

Mr. SKEEN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. WALSH).

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

Mr. WALSH. Mr. Chairman, I rise in strong support of the bill crafted by the gentleman from New Mexico (Chairman SKEEN) and the gentlewoman from Ohio (Ms. KAPTUR), the ranking member.

Mr. SKEEN. Mr. Chairman, I yield 6 minutes to the gentleman from Washington State Mr. NETHERCUTT), a member of the committee.

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

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

Mr. Chairman, I am delighted to support this agriculture appropriations bill and to salute the gentleman from New Mexico (Chairman SKEEN) and the gentlewoman from Ohio (Ms. KAPTUR), and, most especially, the people on our subcommittee, but also in addition the great professional staff that has assisted in putting this bill together, which been such a good resource for all of us who serve on this committee.

In particular, we have had a rather arduous undertaking to work through the issue of sanctions exemption that appear in this bill, as the gentlewoman from Ohio (Ms. KAPTUR) mentioned in her opening statement. Fundamentally, this sanctions language is going to be of great assistance to the agriculture community in this country.

The industry, the economy of agriculture, has never been more important with regard to low wheat prices in the West and across the country for

other commodities. It is insane that our country would impose unilateral sanctions on the industry that is there to provide food and fiber and assistance to people who are hungry, not only in our country but in all countries of the world, not the least of which are Pakistan and India, which deal very prominently with my State of Washington, in the export of wheat products and wheat to Pakistan. It is a huge market for us, and for the law to impose unilateral sanctions seems to me wrongheaded.

What we tried to do on the subcommittee was to provide the fastest method possible to get the sanctions exemption under the Arms Export Control Act, so we added it to the agriculture appropriations bill, and, through a bipartisan effort, not just within our committee, the subcommittee and the full committee, but outside the committee, the gentleman from Oregon (Chairman SMITH), the gentleman from North Dakota Mr. POMEROY), the gentleman from Kansas Mr. MORAN), the gentleman from my own State of Washington Mr. HASTINGS) on the Committee on Rules, the gentleman from Montana Mr. HILL), the gentleman from Illinois (Mr. (LAHOOD) and many others, who got involved in saying we must exempt these sanctions from agriculture.

It is in the bill, it is a very important measure, and I am delighted it was able to stay through the assistance of a lot of people.

Other than that, this is a bill that funds agriculture research very, very effectively. It goes above the President's request for budget approval of agriculture research and it restores the facilities that were reduced in the budget by the President to Prosser, Washington, and Mandan, North Dakota, which are two very important facilities that will very much help agriculture and agriculture research.

One of the things we passed when we adopted the farm bill two years ago was that we assured the farmers that we must have a strong agriculture research component if the freedom to farm concept was going to be successful. Not only research, but tax relief and exports. Those three components were the most important, as well as regulatory reform.

This bill restores some of that agriculture research funding that is so critical to agriculture research and the success of the agriculture economy across the country.

Mr. Chairman, I want to speak in favor of the special grants. I know it is nice to say ''Let's have everything peer-reviewed,'' but there are some areas of the country that have unique disease programs or yield problems that need a special grant. So I am here to argue very forcefully in favor of special grants, some of which benefit my Pacific Northwest region of the country, but other regions of the country as well. That is a very important component of this bill.

One other thing that I think is very important that is not precisely agriculture-related but affects the welfare of people around the country has to do with diabetes. In the bill we have language that would provide for a pilot demonstration project to rural residents of Hawaii and Washington. They will get access to state-of-the-art health technology and education related to diabetes and diabetes complications through the existing Extension Service county office structure and communications system.

Josslin Diabetes Center, located in Boston, Massachusetts is recognized as the world leader in diabetes research and clinical care. It is going to lend its technology and advanced care pilot program not only through the Department of Defense and Veterans Affairs, but through the Department of Agriculture. It is going to help Native American people all over this country if we can have this diabetes demonstration project undertaken.

Remember, diabetes affects all races and religions. It especially hits our minority populations, and through this Extension Service assistance, diabetes research will be advanced and people will be helped.

We are going to restore PL 480 programs in this bill. We are going to restore the market access program. We are going to have food distribution program language through the Department of Agriculture that is going to greatly help Native American children. We now give fatty foods through our program under the Indian reservation distribution program, and, with the language that we have imposed here, the Department of Agriculture will be working with the Indian Health Service in trying to work through and make sure we give good food to these Indian children, who are the beneficiaries of this food program, all be they laudable, but we want to be sure these kids are not unnecessarily treated to diabetes.

So, overall, this is a great bill. The gentlewoman from Ohio (Ms. KAPTUR), the gentleman from New Mexico Mr. SKEEN) and all the professional staff and the full Committee on Appropriations looked very carefully at this bill, and we very much support it. I urge all of my colleagues to resist many of these amendments that would change this bill. Let us pass it today and really assist American agriculture to the greatest extent that we can.

Ms. KAPTUR. Mr. Chairman, I yield 3 minutes to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, I also want to rise in support of this bill and to commend the gentleman from New Mexico (Chairman SKEEN) and the ranking member, the gentlewoman from Ohio (Ms. KAPTUR) for the very fine, persistent and diligent work they have done to bring this bill to the floor.

This is a comprehensive bill. It affects a wide range of constituents, so there are different sectors of our communities who are concerned about its success or its failure.

□ 1215

I want to tell the Members, this bill does bring some unique opportunities. It is an opportunity to right a wrong. In the self-executing rule that was just passed was a provision of opportunity, removing a stumbling block that thousands of minority black farmers have had in not being able to have their case adjudicated before the courts or administrative remedies. So I want to thank both sides of the aisle, but particularly the gentleman from New Mexico (Mr. SKEEN) and the gentlewoman from Ohio (Ms. MARCY KAPTUR) and the leadership for bringing this to the floor.

It also has the opportunity to make sure we do not use food as a sanction in the cases of India and Pakistan. I think those are obviously commendable areas.

I also want to raise the issue of providing new opportunities for inspection of food and quality of food, new resources for conservation and clean water. Many of our farm areas are impacted and need this additional assistance to make sure they have a continuous opportunity for providing those resources to keep their environment clean.

However, there are some shortcomings to this bill. We just signed the bill on research over at the White House a few minutes ago, and this bill, by this act, will now zero out what we have just said. I think that is a mistake. It removes the infrastructure for water and sewer and some of the housing initiatives that rural areas had. Also, we reduce, in my judgment below the need to do it, both the WIC and nutritional program and the emergency food program. I hope at least we have an opportunity to look at the amendment.

All in all, this is a good bill. It is a bill that not only does a fair appropriation of our scarce resources for a wide range, but we have an opportunity to right a wrong. Righting that wrong is to afford all Americans the opportunity to use our resources for agriculture and growing. The black farmers who have been denied that opportunity want to say, through me, they certainly appreciate this opportunity to have that remedy in court.

Mr. SKEEN. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon (Mr. SMITH).

(Mr. SMITH of Oregon asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Oregon. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in support of H.R. 4101, the agriculture appropriation bill. I wanted to, indeed, thank the gentleman from New Mexico (Chairman SKEEN) and the gentlewoman from

Ohio (Ms. KAPTUR) for bringing up this very important legislation. I wanted to commend both of them and their staffs for their hard work in achieving balance with limited resources.

I want to particularly commend the gentleman from Washington (Mr. NETHERCUTT) for his hard work to eliminate an immediate threat to America's farmers. The Nethercutt amendment included in the bill fixes a problem that was created by, I think, an erroneous interpretation of the Arms Export Control Act.

The Nethercutt amendment clarifies that USDA credit, credit guarantees, or other financial assistance for the purchase or provision of food or agricultural commodities are not included in the sanctions provided for in section 102 of the Arms Export Control Act.

Mr. Chairman, this bill, as reported by the Committee on Rules, also deals with an issue that has directly concerned me and other members of the Committee on Agriculture for the past 2 years, providing access to judicial and administrative remedies to hundreds of black farmers who have been the victims of racial discrimination in the operation of the Department of Agriculture programs.

Because of a statutory limitation, these farmers have been barred from seeking appropriate relief. An amendment worked out by the Committee on the Judiciary and other interested parties, and that is contained in this bill, would allow persons who have filed complaints of racial or other discrimination to seek redress in the Federal court system.

Mr. Chairman, Congress passed a monumental reform to our Nation's agricultural policy in 1996. At that time we eliminated depression-era production controls and subsidies. Congress promised American farmers that we would replace these outdated programs with a new emphasis on research, on risk management, and regulatory reform. Three weeks ago Congress passed the Agricultural Research, Extension, and Education Reform Act of 1998 in which we voted overwhelmingly to shift spending from bureaucracy to the cutting edge of research.

Just a short term ago, today, the President signed that bill into law. Due to tremendous resource constraints and competing priorities, the Committee on Appropriations was forced to offset the cost for existing programs and other new initiatives by eliminating this new and vital research program.

Mr. Chairman, I would like to strongly encourage my friend and colleague, the gentleman from New Mexico (Mr. SKEEN) to work with his counterparts in the Senate to reprioritize programs so they can restore these important funds. I understand that this will be a difficult challenge, but it is essential that this program be funded.

Mr. Chairman, I would ask to enter into a colloquy with the gentleman from New Mexico, Mr. SKEEN.

I would say to the chairman, as he knows, on June 14 the House passed the conference report on S. 1150, the Agricultural Research, Extension, and Education Reform Act of 1998, by a vote of 364 to 50. The House vote overwhelmingly to shift spending from the bureaucracy to cutting edge research, and allocated $120 million for that purpose.

Unfortunately, the bill before us provides no funding for this program, while the Senate measure includes full funding.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Oregon. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, due to tremendous resource constraints and competing priorities, the Committee on Appropriations was forced to offset the costs for existing programs and other new initiatives by eliminating this new and vital research program.

Mr. SMITH of Oregon. Mr. Chairman, many of our colleagues representing the agriculture community ask that you give funding consideration to this important function when again you meet with the Senate in conference.

Mr. SKEEN. The Committee on Appropriations is often faced with the difficult task of striking a balance among competing and worthy initiatives. Research has always been a priority of mine. I can assure the gentleman that it will be a priority during the conference negotiations. I appreciate gentleman's adherence to it.

Mr. SMITH of Oregon. I indeed thank the chairman for his assistance in this matter.

Ms. KAPTUR. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, I would like to engage in a colloquy with the ranking member.

Mr. Chairman, I say to the chairman of the committee and the ranking member, first of all, let me commend them for the outstanding work they have done on bringing this bill to the floor, and also especially for recognizing the unique problems and needs of African-American farmers.

I would like to bring to the Members' attention and to the attention of the floor a project that has significant support but was not included for funding in this bill.

The AGD project is a plant genome sequencing project being undertaken by Loyola University of Chicago, in conjunction with the University of Illinois at Chicago. This is an important project that has positive implications for agriculture and agribusinesses, both in the United States and abroad.

Back on March 16 Members of this body, both Republicans and Democrats, even members of the Committee on Appropriations, requested that specific funding be made available for this project. However, it is my understanding that except in very limited circumstances, no new projects were funded under the research and educational activities account.

I would ask the gentlewoman, is that correct?

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Illinois. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. That is correct.

Mr. DAVIS of Illinois. While I understand that not every project that is requested can be funded, the AGD project is an extremely important one. Congress has already recognized the critical role plant genomic research plays in the improvement of crop production and increased productivity.

I am hopeful that projects like the AGD, which received such vigorous support for funding from so many Members of this body but were not specifically funded in this bill, be given special consideration for funding as we move to conference.

I would appreciate a response, Mr. Chairman.

Ms. KAPTUR. If the gentleman will continue to yield, Mr. Chairman, I want to thank the Congressman for being so vigilant on this particular request for plant genome sequencing at Loyola University of Chicago. No one has been a stronger advocate in this Congress than has the gentleman from Illinois (Mr. DAVIS).

We will work with him as this legislative process moves forward, and urge the gentleman to also consider pursuing funding in the National Science Foundation plant genome initiative. But we will continue to work with the gentleman.

Mr. DAVIS of Illinois. I thank the gentlewoman very much.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. RADANOVICH).

Mr. RADANOVICH. Mr. Chairman, I seek to enter into a colloquy with my chairman, the gentleman from New Mexico (Mr. SKEEN).

Mr. Chairman, I would like to take just a moment to address the issue of funding for the Agriculture Quarantine Inspection Program that prevents the entry of exotic animals and pests into the United States.

Funding for AQI is of great importance to my district, which includes the two largest agriculture producing counties in the Nation. As we know, the authorized funding level for AQI is $100 million. However, the FY 1999 appropriation for the program was set at $88 million.

Does that mean that the committee believes that the annual appropriation for AQI should only be at $88 million per fiscal year?

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. RADANOVICH. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I thank the gentleman for his concern and his strong support of American agriculture. The committee strongly supports the AQI program, but our budget situation will only allow us a level of $88 million in user fees. There is, however, an additional $30 million in appropriated funds for this program. I

thank the gentleman again, and look forward to working with him.

Mr. RADANOVICH. I appreciate the clarification, Mr. Chairman, and look forward to working with the gentleman and all the members of the committee next year in seeking full funding for AQI in the next fiscal year.

Mr. SKEEN. I thank the gentleman.

Ms. KAPTUR. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. KIND).

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

Mr. Chairman, I rise today in strong opposition to this bill as currently drafted. I would urge my colleagues today to support the amendments that will be offered that will strip the dairy provisions from this bill.

More specifically, Mr. Chairman, section 736 was added to this annual agricultural appropriations bill. It allows Congress to delay reforming the Federal milk marketing ordering system for another 6 months. It also allows the ill-advised Northeast Dairy Compact to remain intact for an additional 6 months.

In the 1996 Freedom to Farm bill, Mr. Chairman, Congress was unable to find a legislative remedy for the regional dairy policy which has been in existence for too long that has pitted producers in various regions of this country against one another. That bill instead authorized the Department of Agriculture to develop a market-oriented system.

Now some Members of this Congress, through a back room deal, have decided that reform should be delayed another 6 months, which would also extend to the New England Dairy Compact. Who knows how much longer it is going to be delayed beyond that point?

Mr. Chairman, the Secretary's office has informed me that they are on track for passing the final rule this fall and implementing it early next year. They have had public hearings, they have accepted public comment. They are ready to go forward with this market-oriented reform of dairy policy. This legislation would set that effort back.

I would say, let us stop delaying the inevitable. Instead, let us allow a fair market-oriented dairy policy to take effect. The 1996 farm bill held out the promise that farmers could produce for the marketplace, rather than for a government program. Today dairy farmers and consumers should not be subjected any longer to a Depression-era dairy policy in this country.

Let us let the Department of Agriculture do its job, Mr. Chairman. I would encourage my colleagues to support the amendments that are going to be offered a little later this afternoon that would strip the dairy provisions and allow the Department of Agriculture to move forward on a more market-oriented, fairer system for our dairy producers throughout the entire country.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

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

Mr. Chairman, as the gentleman knows, Congress debated the issue of national organic standards in 1990 by passing the Organic Foods Production Act, requiring the USDA to implement a national organic program.

The proposed rules, however, did not represent the intent of the Organic Foods Production Act, the recommendations of the National Organic Standards Board, or consumer expectations. Organic foods should be grown and processed without synthetic pesticides or chemicals, and organic livestock should be treated humanely and not medicated with steroids or antibiotics.

Over 200,000 people, including 38 Members of Congress, showed their support for high standards during the public comment period. I would like to ask the chairman if he supports further revision of the proposed rule for organic standards, in collaboration with the NOSB and within the guidelines of the OFPA, and if he supports providing adequate resources for the national organic program and the NOSB.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. KUCINICH. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I would tell the gentleman that Congress has shown its commitment to high organic standards, and that commitment will continue.

□ 1230

The USDA is committed to developing organic standards that everyone will accept, and the rulemaking procedure should continue with the help of public comments and the NOSB recommendations.

Mr. KUCINICH. Mr. Chairman, reclaiming my time, I applaud USDA for revising the rule. And I hope the gentleman agrees that a second draft be released in a timely manner. I thank the gentleman from New Mexico (MR. SKEEN) for his time, and I look forward to working with him on this issue in the future.

Mr. SKEEN. Mr. Chairman, I too look forward to reviewing the second draft of the proposed rule soon.

Ms. KAPTUR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have no further requests for time. I want to acknowledge the hardworking members of our staff, certainly Mr. Tim Sanders, Sally Chadbourne, Bobbie Jeanquart, and John Ziolkowski have served us so very well during this process and we want to thank them very, very much for doing the very best job they could for our country.

Mr. Chairman, I yield back the balance of my time.

Mr. SKEEN. Mr. Chairman, I thank the gentlewoman from Ohio (Ms. KAPTUR) and I would to follow her lead on those remarks and the appreciation that we have for the folks that work with us day after day.

Ms. DELAURO. Mr. Chairman, I would like to thank Representative SKEEN and Representative KAPTUR for all of their hard work. I know it has been difficult to balance the many important priorities that this bill must fund, especially given the funding constraints that Congress faces.

I am, however, very concerned that we could not do more to support vital programs that improve the day-to-day-lives of American families. I am concerned that the real and urgent needs of this country—to reduce smoking among young people, to protect the safety of our food, and to ensure high-quality nutrition for mothers and their children—could not receive the full attention that they deserve.

One of the most serious issues before this nation is tobacco use among America's youth. For years, the tobacco industry deliberately targeted children. Now, an astounding 4.5 million 12–17 year-olds smoke. Three thousand young people under the age of 18 become regular smokers each day. And when children this young take up smoking, they do not shake the habit easily. Almost 90 percent of adult smokers began by age 18.

This year, the President requested a $100 million increase to expand FDA enforcement of laws prohibiting tobacco sales to minors and to expand the FDA's national public education campaign to get the word out to Americans across the country that these laws are being enforced. Sadly, this bill does not provide this important investment.

I also am disappointed that, while this bill includes an additional $15 million over current spending levels for the President's food safety initiative, additional resources are not available for both the FDA and USDA to ensure the safety of our food supply. Americans need to be able to sit down together at the table and know that everything possible has been done to ensure that their meals are free from contamination.

But each year, an estimated 9,000 Americans die, and another 5 million get sick, from food-borne pathogens. If we are truly going to protect the health of American families, we must commit greater resources to assure the safety of their food and produce. Americans deserve better safeguards, stronger enforcement, and greater research and understanding of how our food supply becomes contaminated.

Furthermore, I am disappointed that the WIC program could not be funded to reach more mothers and their children. WIC currently guarantees that 7.4 million young women and their children receive adequate nutrition and health advice—preventing future illnesses and other health problems in their lives.

WIC dollars are excellent long-term investments in America's future. Each dollar spent on WIC yields more than three dollars in savings to the government through reduced spending on programs such as Medicaid.

I am pleased that this bill requires WIC to streamline its program and eliminate waste, providing more services to more deserving people, yielding higher returns on the dollar.

Thank you again Representative SKEEN and Representative KAPTUR for crafting this bill under such difficult funding restrictions. But, I must emphasize that, as members of Congress, it is our responsibility to invest in programs that ensure the long-term safety and

security of Americans and their families. The Tobacco Initiative, WIC and the Food Safety Initiative do exactly that. They deserve our commitment to the highest levels possible.

Mr. HILLEARY. Mr. Chairman, I rise today in strong support of this important agriculture bill. I want to thank the distinguished Chairman of the Agriculture Appropriations subcommittee for his hard work in bringing a solid bill to the floor in which our agricultural community so desperately relies on.

Additionally, I would like to say that I am in support of the Horse Protection language that is included. As we know, there has been a sizable uproar over the USDA's Animal and Health Inspection Services' (APHIS) implementation of the Horse Protection Strategic Plan.

I have been actively involved with USDA, APHIS, the horse show industry and my constituents on this important issue, trying to strike a common ground on a fair and just plan. I have attended many public and private meetings with all sides and have worked with other Representatives to try and gage USDA's position.

The Horse Protection Act of 1976, protects show horses from injury and abusive training practices. Since 1976, this Act has authorized the establishment of industry inspection programs to assist the Department with its enforcement efforts at more than 1000 Walking Horse shows annually. Six industry regulatory organizations and inspection programs currently have been certified by the Department to conduct inspections and otherwise carry out the regulatory responsibilities of the Act.

In December of 1997, APHIS released its Strategic Plan for Horse Protection outlining several proposals for industry self-regulation. Unfortunately, the Plan does not adequately address all of the issues which need to be resolved. The Committee has included important report language that will assist the USDA and the horse show industry, in reaching fair and universal practices, procedures, penalties and guidelines. There is still a sizable amount of disagreement on who is qualified to regulate and how they are trained to execute inspections. Furthermore, examination procedures outlined in the Strategic Plan do not properly reflect appropriate equine medical principles.

For these reasons, I feel that the Department needs to work closely with the six industry regulatory organizations, as well as Congress, to further develop the proper framework for industry self-regulation.

Although this language does not go as far as I would like in an attempt to iron out all the differences between the Department of Agriculture and the Walking Horse Industry, I am pleased that the Committee has shown its concern for an industry that is vital to Tennessee.

Mr. Chairman, Congress needs to remain engaged in our agricultural oversight function and regain control of the situation surrounding the enforcement of the Horse Protection Act. In that regard, I think we have come one step closer with the language included in this bill.

I hope my colleagues on both sides of the aisle will join me in supporting this important horse protection language, as well as this critical agriculture bill.

Mr. PACKARD. Mr. Chairman, I rise in support of H.R. 4101, The Agriculture Appropriations Act of 1999. I want to specifically acknowledge the provision which allots $1 million for pesticide and crop disease research. This will directly benefit Southern California floriculture and nursery crop producers.

With over 20 percent of the total agriculture share, California farmers rank first in the nation in overall production of nursery products. I want to make sure California farmers have every tool available to continue leading the nation. The research this legislation provides is truly what every California grower can support; higher production that's environmentally friendly.

This research can positively impact rural and suburban economies, and increase international competitiveness by helping prevent the spread of pests and diseases among nursery and floriculture crops. Growers in my community made the need for this research very clear. Much of their own success has been a direct result of similar research.

Mr. Chairman, I would like to commend Mr. Skeen for once again producing an Agriculture Appropriations bill that is beneficial for the American farmer. He has done a fabulous job meeting the needs of our nation's agriculturalists.

Farming is still one of the toughest jobs in America. Our nation's farmers can put in a 40 hour work week by Tuesday noon and I want to make sure that is not forgotten here in Washington.

Mr. BONILLA. Mr. Chairman, I rise in support of the Agriculture Appropriations bill. I know the Chairman has worked very hard to bring a balanced bill to the floor today that addresses all of the challenges that face American Agriculture, whether it be the pests that damage our crops to competing in the world market.

I believe that this bill works to balance the needs of agriculture from Texas to Washington to California to Connecticut. It was a very difficult task to balance all of the important competing interests, but the bill before you today does just that and still meets the needs of a balanced budget. This bill provides money to fund vital agriculture research to help our farmers and ranchers become more competitive and improve production, it supports food safety and conserves our natural resources while improving the lives of those who live in rural America.

More specifically the bill provides funding for the boll weevil eradication program which is vital to cotton producers across the cotton belt. The boll weevil is the primary cotton pest and it has cost our economy billions of dollars. Currently five states has passed referenda and are planning for program initiation. This program is at a pivotal point and the money in this bill will allow for full implementation of the program across the cotton belt.

This bill also contains funding to support a variety of research projects for both plants and animals. One example is a research project that enhances cancer fighting agents that occur naturally in vegetables. A super carrot has already been developed and now they are working on other foods.

The Committee has also made a significant commitment to food safety. The bill increases spending on food safety by $20.6 million.

Not only will our producers be growing more food that is better for you we will be able to maintain our outstanding record on food safety. These are just a few examples of very important projects that are in this bill. The list is certainly much longer.

Americans enjoy the world's safest and most abundant food supply. This bill goes a long way to ensure that Americans will continue to enjoy this privilege in the future. The bill supports the people who keep Americans fed and clothed, our food supply safe and I urge my colleagues to support this bill.

Mr. FAZIO of California. Mr. Chairman, I rise in support of H.R. 4101, the Agriculture Appropriations bill for Fiscal Year 1999.

Although this is only my second year of service on the subcommittee, it is also my last year of service due to my retirement, and I want to congratulate and thank my chairman, JOE SKEEN, and the ranking Democrat, MARCY KAPTUR, for their work and assistance this year. I have enjoyed participating in our budget oversight hearings and offering the perspective of California agriculture, the largest agriculture-producing state in the nation.

H.R. 4101 is not a perfect bill, but it is probably the best bill that could come forth after receiving a budget submission from the Administration based on over $750 million of user fees which have not been enacted by Congress. Based on our allocation, our bill is $130 million less than the fiscal year 1998 appropriations. That meant that many difficult decisions had to be made in putting together a bill that would sustain the types of USDA and FDA activities that Americans expect in the areas of food safety, rural development, research, conservation, market promotion and the many other activities in our bill.

The most controversial part of our decision-making stemmed from using savings from mandatory programs—the Fund for Rural America and the new research program in the agricultural research bill—to avoid a set of across-the-board cuts in virtually every program in the bill. Even so, we have held WIC, the Supplemental Nutrition Program for Women, Infants and Children, to last year's appropriations, the first time in many years when we have been unable to provide an increase that would serve additional beneficiaries.

However, we have made some important progress on food safety by adding $15 million to support increased inspection of imported fruits and vegetables by the Food and Drug Administration, as well as new activities of the Food Safety Inspection Service, and new food safety research activities by the Agricultural Research Service and the Cooperative State Research Extension and Economic Service. And $34 million has been provided to continue the President's important initiative to prevent youth smoking.

I have particular praise for several items of importance to California agriculture and to my district.

First, the bill provides funds mandated by the Agriculture Committee for the Market Access Program (MAP). This is a program that traditionally has come under attack on the House floor, but has been supported strongly by the House membership. I am pleased that perhaps this will be the first year that opponents come to their senses and understand both the value of the program and the deepseated support for it.

There is probably no more important tool for export promotion than MAP. In California, where specialty crop agriculture is the rule, export promotion is extremely important.

Agriculture exports climbed to $59.8 billion in fiscal year 1996—up some $19 billion or

close to 50 percent since 1990. In an average week this past year, U.S. producers, processors and exporters shipped more than $1.1 billion worth of food and farm products to foreign markets, compared with about $775 million per week at the start of this decade.

The overall export gains raised the fiscal year 1996 agricultural trade surplus to a new record of $27.4 billion. In the most recent comparisons among 11 major industries, agriculture ranked No. 1 as the leading positive contributor to the U.S. merchandise trade balance.

As domestic farm supports are reduced, export markets become even more critical for the economic well-being of our farmers and rural communities, as well as suburban and urban areas that depend upon the employment generated from increased trade.

Agriculture exports strengthen farm income.

Agriculture exports provide jobs for nearly a million Americans.

Agriculture exports generate nearly $100 billion in related economic activity.

MAP is critical to U.S. agriculture's ability to develop, maintain and expand export markets in the new post-GATT environment, and MAP is a proven success.

In California, MAP has been tremendously successful in helping promote exports of California citrus, raisins, walnuts, prunes, almonds, peaches and other specialty crops.

We have to remember that an increase in agriculture exports means jobs: A 10% increase in agricultural exports creates over 13,000 new jobs in agriculture and related industries like manufacturing, processing, marketing and distribution.

For every $1 we invest in MAP, we reap a $16 return in additional agriculture exports. In short, the Market Promotion Program is a program that performs for American taxpayers.

Second, the committee has continued to provide the greatest possible funding for research in two main forms: through the agricultural research stations of the Agricultural Research Service, and through the special grants and competitive grants in the Cooperative State Research Education and Extension Service.

I am particularly grateful that funds have been provided in support of our nutrition research centers. These centers will play an important role in the food safety research that will be a vital part of the food safety initiative. Funds have also been provided to complete the move of the Western Human Nutrition Research Center to the campus of the University of California at Davis. I believe its location there, along with one of the preeminent nutrition programs in the nation as well as our ag and medical schools, will provide the synergy necessary to make important research strides in the years to come.

There are other research areas of importance to California, including alternatives to the use of methyl bromide, PM–10 particulate air quality research, sustainable agriculture practices, and alternatives to rice straw burning. Viticulture research has received a boost in ARS, and that is in keeping with its growing importance to the U.S. economy. The U.S. grape crop, now grown in over 40 states, has doubled in the last decade from $1.35 billion in 1987 to $2.7 billion in 1997. Grapes are now the highest value fruit crop in the nation and the seventh largest crop grown. Long-term research on rootstocks will assist this burgeoning industry.

Another new initiative that has received attention is a special research grant regarding floriculture and nursery crops. Floriculture and nursery crops represent more than 10% of total U.S. farm crop cash receipts, and I believe this research which will be coordinated with the University of California—Davis and will examine environmental, pest and biodiversity issues, is vital to that component of our country's agriculture. Certainly our future success in agriculture, especially market-oriented agriculture as envisioned by the 1996 Farm Bill, will require an on-going commitment to research if we are to maintain the U.S. lead.

I also appreciate the assistance of the committee in resolving a problem that co-ops in California and elsewhere were experiencing with regard to USDA's commodity purchase program. In the committee's view, USDA was using too restrictive an interpretation about small business set-asides which worked not just against co-ops, but against competitive bidding when USDA conducts surplus commodity buys for the school lunch program and other feeding programs. Language included in the bill directs USDA not to prohibit eligibility or participation by farmer-owned cooperatives, essentially recognizing that they are simply associations of small businesses equally deserving of consideration in these competitive bids.

In short, I support the bill and I think JOE SKEEN and MARCY KAPTUR have done a good job under difficult circumstances. I'll look forward to working with them as we see this bill through conference and into enactment.

Mr. POMEROY. Mr. Chairman, I rise in strong support of the Agriculture Appropriations Act and to commend the good work of the chairman of the subcommittee, Mr. SKEEN, and the ranking member, Mrs. KAPTUR.

I am especially pleased that the bill includes the legislation introduced by Representative NETHERCUTT and myself to clarify the status USDA export credit programs under the Arms Export Control Act. Following the nuclear tests conducted by India and Pakistan last month, a serious question was raised as to whether the GSM program, which provides guaranteed financing for American agriculture exports, would have to be suspended for India and Pakistan. The resolution of this issue is vitally important to American wheat farmers since Pakistan is the third largest wheat market in the world, accounts for 10 percent of all U.S. wheat exports, and relies on the GSM program for nearly all of its U.S. wheat imports.

The Nethercutt-Pomeroy bill provides needed statutory clarification by specifically excluding USDA export programs from the Arms Export Control Act. I commend Mr. NETHERCUTT for his leadership, and I would also like to thank the Administration for endorsing the legislation. Just this morning, the President personally expressed his support for the Nethercutt bill during the White House signing ceremony of the Agriculture Research bill. With all parties firmly behind the legislation, I am encouraged that it will be swiftly adopted and that market disruption will be held to a minimum.

Mr. Chairman, farmers on the Upper Great Plains are already struggling with miserably low market prices, adverse growing conditions, and devastating crop disease. The crisis in farm country demands a multi-faceted response from Congress, including improvements in crop insurance, an enhanced marketing loan, and an expansion of foreign markets. At a minimum, we should not surrender hard-fought and hard-won foreign markets through unilateral sanctions. The Nethercutt-Pomeroy bill ensures that we will not make that mistake.

I urge my colleagues to support the Agriculture Appropriations Act.

Mr. BEREUTER. Mr. Chairman, this Member rises in support of H.R. 4101, the Agriculture Appropriations bill for fiscal year 1999.

This Members would like to commend the distinguished gentleman from New Mexico (Mr. SKEEN), the Chairman of the Agriculture Appropriations Subcommittee, and the distinguished gentlewoman from Ohio (Ms. KAPTUR), the ranking member of the Subcommittee for their hard work in bringing this bill to the Floor.

Mr. Chairman, this Member certainly recognizes the severe budget constraints under which the full Appropriations Committee and the Agriculture Appropriations Subcommittee operated. In light of these constraints, this Member is grateful and pleased that this legislation includes funding for several important projects of interest to the State of Nebraska.

First, this Member is pleased that H.R. 4101 provides $475,000 for the Midwest Advanced Food Manufacturing Alliance. The Alliance is an association of twelve leading research universities and corporate partners. Its purpose is to develop and facilitate the transfer of new food manufacturing and processing technologies.

The Alliance awards grants for research projects on a peer review basis. These awards must be supported by an industry partner willing to provide matching funds. During its third year of competition, the Alliance received 16 proposals requesting $627,968 but it was limited to funding 10 proposals for a total of $348,700. Matching funds from industry partners totaled $780,052 with an additional $158,869 from in-kind contributions. These figures convincingly demonstrate how successful the Alliance has been in leveraging support from the food manufacturing and processing industries.

Mr. Chairman, the future viability and competitiveness of the U.S. agricultural industry depends on its ability to adapt to increasing world-wide demands for U.S. exports of intermediate and consumer good exports. In order to meet these changing world-wide demands, agricultural research must also adapt to provide more emphasis on adding value to our basic farm commodities. The Midwest Advanced Food Manufacturing Alliance can provide the necessary cooperative link between universities and industries for the development of competitive food manufacturing and processing technologies. This will, in turn, ensure that the United States agricultural industry remains competitive in a increasingly competitive global economy.

This Member is also pleased that this bill includes $200,000 to fund a drought mitigation project at the Agricultural Meteorology Department at the University of Nebraska-Lincoln. This level of funding will greatly assist in the further development of a national drought mitigation center. Such a center is important to Nebraska and all arid and semi-arid states. Although drought is one of the most complex and least understood of all natural disasters, no centralized source of information currently exists on drought assessment, mitigation, response, and planning efforts. A national drought mitigation center would develop a

comprehensive program designed to reduce vulnerability to drought by promoting the development and implementation of appropriate mitigation technologies.

Another important project funded by this bill is the Alliance for Food Protection, a joint project between the University of Nebraska and the University of Georgia. The mission of this Alliance is to assist the development and modification of food processing and preservation technologies. This technology will help ensure that Americans continue to receive the safest and highest quality food possible.

This Member is also pleased that the legislation has agreed to fund the following ongoing Cooperative State Research Service (CSRS) projects at the University of Nebraska-Lincoln:

Food Processing Center—$42,000.

Non-food agricultural products—$64,000.

Sustainable agricultural systems—$59,000.

Also, this Member is pleased that H.R. 4101 includes $125 million for the new Section 538, the rural rental multi-family housing loan guarantee program. The program provides a Federal guarantee on loans made to eligible persons by private lenders. Developers will bring ten percent of the cost of the project to the table, and private lenders will make loans for the balance. The lenders will be given a 100% Federal guarantee on the loans they make. Unlike the current Section 515 direct loan Program, where the full costs are borne by the Federal Government, the only costs to the Federal Government under the 538 Guarantee Program will be for administrative costs and potential defaults.

Mr. Chairman, this Member appreciates the Subcommittee's support for the Department of Agriculture's 502 Unsubsidized Loan Guarantee Program. The program has been very effective in rural communities by guaranteeing loans made by approved lenders to eligible income households in small communities of up to 20,000 residents in non-metropolitan areas and in rural areas. The program provides guarantees for 30 year fixed-rate mortgages for the purchase of an existing home or the construction of a new home. The loan amount may be up to 100 percent of a home's market value, with a maximum mortgage amount of $86,317.

Mr. Chairman, in conclusion, this Member supports H.R. 4101 and urges his colleagues to approve it.

Mr. SKEEN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule. The amendment printed in House Report 105–593 is adopted.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered as read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any proposed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1999, and for other purposes, namely:

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed $75,000 for employment under 5 U.S.C. 3109, $2,941,000: *Provided,* That not to exceed $11,000 of this amount, along with any unobligated balances of representation funds in the Foreign Agricultural Service, shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further,* That none of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 793(c)(1)(C) of Public Law 104–127: *Provided further,* That none of the funds made available by this Act may be used to enforce section 793(d) of Public Law 104–127.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $5,973,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $25,000 is for employment under 5 U.S.C. 3109, $12,204,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $6,120,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109, $5,551,000.

CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109, $4,283,000: *Provided,* That the Chief Financial Officer shall actively market cross-servicing activities of the National Finance Center.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded in this Act, $636,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for the operation, maintenance, and repair of Agriculture buildings, $132,184,000: *Provided,* That in the event an agency within the Department should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 5 percent of the funds made available for space rental and related costs to or from this account. In addition, for construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the programs of the Department, where not otherwise provided, $5,000,000, to remain available until expended; making a total appropriation of $137,184,000.

HAZARDOUS WASTE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961, $15,700,000, to remain available until expended: *Provided,* That appropriations and funds available herein to the Department for Hazardous Waste Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, $32,168,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109: *Provided,* That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), $3,000,000, to remain available until expended.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded in this Act, including programs involving intergovernmental affairs and liaison within the executive branch,

$3,668,000: *Provided,* That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations: *Provided further,* That not less than $2,241,000 shall be transferred to agencies funded in this Act to maintain personnel at the agency level.

OFFICE OF COMMUNICATIONS

For necessary expenses to carry out services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, $8,138,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed $2,000,000 may be used for farmers' bulletins.

OFFICE OF THE INSPECTOR GENERAL

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, $67,178,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, including a sum not to exceed $50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed $95,000, for certain confidential operational expenses including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95–452 and section 1337 of Public Law 97–98: *Provided,* That funds transferred to the Office of the Inspector General through forfeiture proceedings or from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as a participating agency, as an equitable share from the forfeiture of property in investigations in which the Office of the Inspector General participates, or through the granting of a Petition for Remission or Mitigation, shall be deposited to the credit of this account for law enforcement activities authorized under the Inspector General Act of 1978, to remain available until expended.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $30,396,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, $560,000.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, $67,282,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627), the Census of Agriculture Act of 1997 (P.L. 105–113), and other laws, $105,082,000, of which up to $23,141,000 shall be available until expended for the Census of Agriculture: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL RESEARCH SERVICE

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25% of the total value of the land or interests transferred out of Federal ownership, $755,816,000: *Provided,* That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $115,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further,* That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed $250,000, except for headhouses or greenhouses which shall each be limited to $1,000,000, and except for ten buildings to be constructed or improved at a cost not to exceed $500,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or $250,000, whichever is greater: *Provided further,* That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: *Provided further,* That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center, including an easement to the University of Maryland to construct the Transgenic Animal Facility which upon completion shall be accepted by the Secretary as a gift: *Provided further,* That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further,* That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law. None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

In fiscal year 1999 the agency is authorized to charge fees, commensurate with the fair market value, for any permit, easement, lease, or other special use authorization for the occupancy or use of land and facilities (including land and facilities at the Beltsville Agricultural Research Center) issued by the agency as authorized by law, and such fees shall be credited to this account, and shall remain available until expended, for authorized purposes.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, $61,380,000, to remain available until expended (7 U.S.C. 2209b): *Provided,* That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including $168,734,000 to carry into effect the provisions of the Hatch Act (7 U.S.C. 361a–i); $20,497,000 for grants for cooperative forestry research (16 U.S.C. 582a–a7); $27,735,000 for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222); $49,273,000 for special grants for agricultural research (7 U.S.C. 450i(c)); $15,048,000 for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)); $99,550,000 for competitive research grants (7 U.S.C. 450i(b)); $4,775,000 for the support of animal health and disease programs (7 U.S.C. 3195); $700,000 for supplemental and alternative crops and products (7 U.S.C. 3319d); $3,000,000 for higher education graduate fellowships grants (7 U.S.C. 3152(b)(6)), to remain available until expended (7 U.S.C. 2209b); $4,350,000 for higher education challenge grants (7 U.S.C. 3152(b)(1)); $1,000,000 for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), to remain available until expended (7 U.S.C. 2209b); $3,000,000 for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241); $3,880,000 for aquaculture grants (7 U.S.C. 3322); $8,000,000 for sustainable agriculture research and education (7 U.S.C. 5811); $9,200,000 for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321–326 and 328), including Tuskegee University, to remain available until expended (7 U.S.C. 2209b); $1,450,000 for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103–382; $200,000 for teaching grants for public secondary education and 2-year postsecondary education (7 U.S.C. 3152(h)), to remain available until expended; and $10,733,000 for necessary expenses of Research and Education Activities, of which not to exceed $100,000 shall be for employment under 5 U.S.C. 3109; in all, $431,125,000.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For establishment of a Native American institutions endowment fund, as authorized by Public Law 103–382 (7 U.S.C. 301 note), $4,600,000.

EXTENSION ACTIVITIES

Payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative

extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93–471, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, $268,493,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), $2,000,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $56,147,000; payments for a pesticides applicator training program under section 3(d) of the Act, $300,000; payments for the pest management program under section 3(d) of the Act, $10,783,000; payments for the farm safety program under section 3(d) of the Act, $3,000,000; payments for the pesticide impact assessment program under section 3(d) of the Act, $3,214,000; payments to upgrade 1890 land-grant college research, extension, and teaching facilities as authorized by section 1447 of Public Law 95–113 (7 U.S.C. 3222b), $8,549,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, $908,000; payments for a groundwater quality program under section 3(d) of the Act, $10,061,000; payments for youth-at-risk programs under section 3(d) of the Act, $9,000,000; payments for a food safety program under section 3(d) of the Act, $3,500,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, $3,192,000; payments for Indian reservation agents under section 3(d) of the Act, $1,672,000; payments for sustainable agriculture programs under section 3(d) of the Act, $3,309,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326 and 328) and Tuskegee University, $25,090,000; and for Federal administration and coordination including administration of the Smith-Lever Act, and the Act of September 29, 1977 (7 U.S.C. 341–349), and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301 note), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, $7,571,000; in all, $416,789,000: *Provided,* That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, the Agricultural Marketing Service, and the Grain Inspection, Packers and Stockyards Administration, $642,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947 (21 U.S.C. 114b–c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426–426b); and to protect the environment, as authorized by law, $424,500,000, of which $4,105,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: *Provided,* That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: *Provided further,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: *Provided further,* That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, and section 102 of the Act of September 21, 1944, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: *Provided further,* That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year 1999 the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

Of the total amount available under this heading in fiscal year 1999, $88,000,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account.

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, $5,200,000, to remain available until expended.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry out services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $90,000 for employment under 5 U.S.C. 3109, $46,567,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $60,730,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided,* That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Appropriations Committees.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $10,998,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), $1,200,000.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $25,000 for employment under 5 U.S.C. 3109, $27,542,000: *Provided,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

LIMITATION ON INSPECTION AND WEIGHING SERVICE EXPENSES

Not to exceed $42,557,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: *Provided,* That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Appropriations Committees.

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses of the Office of the Under Secretary for Food Safety and to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, $609,250,000, and in addition,

$1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102–237: *Provided,* That this appropriation shall not be available for shell egg surveillance under section 5(d) of the Egg Products Inspection Act (21 U.S.C. 1034(d)): *Provided further,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, $597,000.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, $724,499,000, of which not less than $10,000,000 is for purchases of equipment or studies related to the Service Center Initiative Common Computing Environment: *Provided,* That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: *Provided further,* That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: *Provided further,* That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $1,000,000 shall be available for employment under 5 U.S.C. 3109.

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101–5106), $2,000,000.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of: (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer; or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968 (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, $450,000, to remain available until expended (7 U.S.C. 220(b): *Provided,* That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government: *Provided further,* That this amount shall be transferred to the Commodity Credit Corporation: *Provided further,* That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928–1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, $500,031,000 of which $425,031,000 shall be for guaranteed loans; operating loans, $1,976,000,000 of which $1,276,000,000 shall be for unsubsidized guaranteed loans and $200,000,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $1,000,000; for emergency insured loans, $25,000,000 to meet the needs resulting from natural disasters; for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, $100,000,000; and for credit sales of acquired property, $25,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, $17,986,000 of which $6,758,000 shall be for guaranteed loans; operating loans, $62,630,000 of which $11,000,000 shall be for unsubsidized guaranteed loans and $17,480,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $153,000; for emergency insured loans, $5,900,000 to meet the needs resulting from natural disasters; for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, $1,440,000; and for credit sales of acquired property, $3,260,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $219,861,000 of which $209,861,000 shall be transferred to and merged with the ''Farm Service Agency, Salaries and Expenses'' account.

RISK MANAGEMENT AGENCY

For administrative and operating expenses, as authorized by the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933), $64,000,000: *Provided,* That not to exceed $700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b).

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

For fiscal year 1999, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed (estimated to be $8,439,000,000 in the President's fiscal year 1999 Budget Request (H. Doc. 105–177)), but not to exceed $8,439,000,000, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a–11).

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

For fiscal year 1999, the Commodity Credit Corporation shall not expend more than $5,000,000 for expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961: *Provided,* That expenses shall be for operations and maintenance costs only and that other hazardous waste management costs shall be paid for by the USDA Hazardous Waste Management appropriation in this Act.

Mr. SKEEN (during the reading). Mr. Chairman, I ask unanimous consent that the bill through page 29, line 26 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, $719,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the programs administered by the Natural Resources Conservation Service, including the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f) including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed $100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, $641,243,000, to remain available until expended (7 U.S.C. 2209b), of which not less than $5,990,000 is for snow survey and water forecasting and not less than $7,825,000 is for operation and establishment of the plant materials centers: *Provided further, That* appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed $250,000: *Provided further,* That when buildings or other structures are erected on non-

Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further,* That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): *Provided further,* That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a–f) in demonstration projects: *Provided further,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed $25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e–2).

WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001–1009), $9,545,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $110,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001–1005, 1007–1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and in accordance with the provisions of laws relating to the activities of the Department, $97,850,000, to remain available until expended (7 U.S.C. 2209b) (of which up to $15,000,000 may be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a)): *Provided,* That not to exceed $47,000,000 of this appropriation shall be available for technical assistance: *Provided further,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93–205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010–1011; 76 Stat. 607), the Act of April 27, 1935 (16 U.S.C. 590a–f), and the Agriculture and Food Act of 1981 (16 U.S.C. 3451–3461), $35,000,000, to remain available until expended (7 U.S.C. 2209b): *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

TITLE III

RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, $611,000.

RURAL DEVELOPMENT

RURAL COMMUNITY ADVANCEMENT PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, and 1932, except for sections 381E–H, 381N, and 381O of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f), $745,172,000, to remain available until expended, of which $35,717,000 shall be for rural community programs described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act; of which $658,955,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; and of which $50,500,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: *Provided,* That of the amount appropriated for rural utilities programs, not to exceed $20,000,000 shall be for water and waste disposal systems to benefit the colonias along the United States/Mexico border, including grants pursuant to section 306C of such Act; not to exceed $15,000,000 shall be for technical assistance grants for rural waste systems pursuant to section 306(a)(14) of such Act; and not to exceed $5,400,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: *Provided further,* That of the total amounts appropriated, not to exceed $20,048,000 shall be available through June 30, 1999, for empowerment zones and enterprise communities, as authorized by Public Law 103–66, of which $1,200,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which $18,700,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; of which $148,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, *as amended,* to be available from funds in the rural housing insurance fund, as follows: $3,930,600,000 for loans to section 502 borrowers, as determined by the Secretary, of which $3,000,000,000 shall be for unsubsidized guaranteed loans; $25,001,000 for section 504 housing repair loans; $125,000,000 for section 538 guaranteed multi-family housing loans; $20,000,000 for section 514 farm labor housing; $100,000,000 for section 515 rental housing; $5,000,000 for section 524 site loans; $25,000,000 for credit sales of acquired property, of which up to $5,001,000 may be for multi-family credit sales; and $5,000,000 for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, $112,700,000, of which $2,700,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, $8,808,000; section 538 multi-family housing guaranteed loans, $2,900,000; section 514 farm labor housing, $10,406,000; section 515 rental housing, $48,250,000; section 524 site loans, $17,000; credit sales of acquired property, $3,492,000, of which up to $2,416,000 may be for multi-family credit sales; and section 523 self-help housing land development loans, $282,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $354,785,000, which shall be transferred to and merged with the appropriation for ''Rural Housing Service—Salaries and Expenses''.

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, as amended, $583,397,000; and in addition such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: *Provided,* That of this amount not more than $5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed $10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: *Provided further,* That agreements entered into or renewed during fiscal year 1999 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated.

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), $26,000,000, to remain available until expended (7 U.S.C. 2209b).

RURAL HOUSING ASSISTANCE GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For grants and contracts for housing for domestic farm labor, very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service as authorized by 42 U.S.C. 1474, 1479(c), 1486, 1490e, and 1490m, $41,000,000, to remain available until expended: *Provided,* That of the total amount appropriated, $1,200,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: *Provided further,* That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

SALARIES AND EXPENSES

For necessary expenses of the Rural Housing Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act, title V of the Housing Act of 1949, and cooperative agreements, $57,958,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $520,000 may be used for employment under 5 U.S.C. 3109.

RURAL BUSINESS—COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, $17,622,000, as authorized by the Rural Development Loan

Fund (42 U.S.C. 9812(a)): *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That these funds are available to subsidize gross obligations for the principal amount of direct loans of $35,000,000: *Provided further,* That through June 30, 1999, of the total amount appropriated, $3,345,000 shall be available for the cost of direct loans for empowerment zones and enterprise communities, as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1993, to subsidize gross obligations for the principal amount of direct loans, $7,246,000.

In addition, for administrative expenses to carry out the direct loan programs, $3,499,000 shall be transferred to and merged with the appropriation for ''Rural Business-Cooperative Service—Salaries and Expenses''.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, $15,000,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, $3,783,000.

Of the funds derived from interest on the cushion of credit payments in fiscal year 1999, as authorized by section 313 of the Rural Electrification Act of 1936, $3,783,000 shall not be obligated and $3,783,000 are rescinded.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), $3,300,000, of which up to $1,300,000 may be available for cooperative agreements for the appropriate technology transfer for rural areas program.

SALARIES AND EXPENSES

For necessary expenses of the Rural Business-Cooperative Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act; section 1323 of the Food Security Act of 1985; the Cooperative Marketing Act of 1926; for activities relating to the marketing aspects of cooperatives, including economic research findings, as authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; $25,680,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $260,000 may be used for employment under 5 U.S.C. 3109.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935), shall be made as follows: 5 percent rural electrification loans, $71,500,000; 5 percent rural telecommunications loans, $75,000,000; cost of money rural telecommunications loans, $300,000,000; municipal rate rural electric loans, $295,000,000; and loans made pursuant to section 306 of that Act, rural electric, $700,000,000 and rural telecommunications, $120,000,000, to remain available until expended.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of direct loans, $16,667,000; cost of municipal rate loans, $25,842,000; cost of money rural telecommunications loans, $810,000: *Provided,* That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $29,982,000, which shall be transferred to and merged with the appropriation for ''Rural Utilities Service—Salaries and Expenses''.

RURAL TELEPHONE BANK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs for the current fiscal year. During fiscal year 1999 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be $175,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), $4,638,000.

In addition, for administrative expenses necessary to carry out the loan programs, $3,000,000, which shall be transferred to and merged with the appropriation for ''Rural Utilities Service—Salaries and Expenses''.

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., $10,180,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas: *Provided,* That the costs of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

SALARIES AND EXPENSES

For necessary expenses of the Rural Utilities Service, including administering the programs authorized by the Rural Electrification Act of 1936, and the Consolidated Farm and Rural Development Act, and for cooperative agreements, $33,000,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $105,000 may be used for employment under 5 U.S.C. 3109.

TITLE IV

DOMESTIC FOOD PROGRAMS

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; $9,218,647,000, to remain available through September 30, 2000, of which $4,170,497,000 is hereby appropriated and $5,048,150,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided,* That none of the funds made available under this heading shall be used for studies and evaluations: *Provided further,* That up to $4,300,000 shall be available for independent verification of school food service claims.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $3,924,000,000, to remain available through September 30, 2000: *Provided,* That none of the funds made available under this heading shall be used for studies and evaluations: *Provided further,* That up to $12,000,000 may be used to carry out the farmers' market nutrition program from any funds not needed to maintain current caseload levels: *Provided further,* That notwithstanding sections 17(g), (h), and (i) of such Act, the Secretary shall adjust fiscal year 1999 State allocations to reflect food funds available to the State from fiscal year 1998 under sections 17(i)(3)(A)(ii) and 17(i)(3)(D): *Provided further,* That the Secretary shall allocate funds recovered from fiscal year 1998 first to States to maintain stability funding levels, as defined by regulations promulgated under section 17(g), and then to give first priority for the allocation of any remaining funds to States whose funding is less than their fair share of funds, as defined by regulations promulgated under section 17(g) unless the Secretary has published a revised funding formula regulation prior to the allocation of fiscal year 1999 funds: *Provided further,* That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: *Provided further,* That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of the Child Nutrition Act of 1966: *Provided further,* That State agencies required to procure infant formula using a competitive bidding system may use funds appropriated by this Act to purchase infant formula under a cost containment contract entered into after September 30, 1996, only if the contract was awarded to the bidder offering the lowest net price, as defined by section 17(b)(20) of the Child Nutrition Act of 1966, unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of infant formula in the State does not vary by more than five percent.

AMENDMENT NO. 5 OFFERED BY MR. HALL OF OHIO

Mr. HALL of Ohio. Mr. Chairman, I offer an amendment.

Mr. SKEEN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from New Mexico reserves a point of order.

Is the gentleman from Ohio referring to his amendment that was printed in the RECORD?

Mr. HALL of Ohio. I am, Mr. Chairman.

The CHAIRMAN. The amendment that the gentleman is offering is printed on page 13 of the bill. Is there objection to the amendment of the gentleman from Ohio (Mr. HALL) printed on page 13 being considered at this point?

Mr. SKEEN. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. The Clerk will report the amendment pending the reservation of objection.

The Clerk read as follows:

Amendment No. 5 offered by Mr. HALL of Ohio:

Page 13, line 14, insert ''(reduced by $8,000,000)'' after the dollar figure.

Page 14, line 24, insert ''(reduced by $8,000,000)'' after the dollar figure.

Page 15, line 18, insert ''(reduced by $9,000,000)'' after the dollar figure.

Page 17, line 4, insert ''(reduced by $9,000,000)'' after the dollar figure.

Page 48, line 9, insert ''(increased by $10,000,000)'' after the dollar figure.

Mr. HALL of Ohio. Mr. Chairman, I ask unanimous consent to offer this amendment out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. SKEEN. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. HALL of Ohio. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am offering an amendment which the gentleman from New Mexico was very much aware of. I suggested that I would be offering this amendment on the floor. I had not realized when I was in my office in a meeting that the agriculture bill was being called up and the discussion on the bill would go so quickly.

My amendment was in order. It was printed in the RECORD. It has been in the RECORD since last night. The problem is that the Reading Clerk went beyond the section. Therefore, I had to ask for unanimous consent. I would just ask for the gentleman's indulgence and that he would accept the amendment so that we could have a colloquy, if we could go back and I could offer this out of order.

It is not because we did not try. It is because the gentleman moved so quickly in the whole process here on the floor. This is a very important amendment.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. HALL of Ohio. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I understand the gentleman's predicament and I would offer him this; that we will work with him in conference on this particular matter. But at the present time, it is out of order and I will maintain that objection.

Mr. HALL of Ohio. Mr. Chairman, I will take the time that I have. I am sorry that the gentleman does not see fit to accept this amendment. I do not know what the threat is.

The amendment essentially restores $10 million that has been cut from the emergency food assistance program, it is called TEFAP, in the fiscal year 1999 agriculture appropriations bill. This additional $10 million is needed to fully fund this critical antihunger program at the authorized level of $100 million.

□ 1245

There is no question that more and more Americans are hungry and they are turning to food banks throughout our Nation for help. Study after study, Second Harvest, the U.S. Conference of Mayors, my own study shows that there has been countless news reports of more and more people asking for food. If Members have any doubts, visit the local food banks in their own districts.

I hate to be here cutting good programs, but hungry people ought to come first. The United States has the strongest economy in a generation, and yet hunger remains a serious problem for many people. The cuts that I propose still leave these programs with funding levels that have increased over the past year, and they keep funding for food banks flat.

When we cut food stamps by $23 billion to pay for welfare reform, we committed to paying $145 million to cover the increased demand on food banks. That is nowhere near enough to do the job. But cutting food banks even further in a year of increased need is unconscionable.

Food is the least expensive, most effective ingredient in a successful welfare reform. People cannot work on empty stomachs.

We are blessed in this country. There is no question about it. This bill is approximately $55 billion. I realize that the chairman and ranking minority member are under a difficult task of trying to find money for all these different programs, but if we cannot find an additional $10 million out of existing programs, especially programs that have been increased, there is something the matter with us.

If we are considering a $60- to $100 billion tax cut and we cannot give $10 million extra to TEFAP, I cannot believe it. I cannot believe that the chairman is denying my amendment here when, about as fair as I could be, I offered that amendment, told the gentleman I was going to offer the amendment. The fact that it went too quickly, that we cannot consider this. I have to take the gentleman, though, at his word, since he objected to the amendment being offered, that he will try to restore this money of $10 million. It is vitally needed. If anybody doubts me on this floor, call their food banks and their soup kitchens in this country. I guarantee them they will find out there are hundreds of thousands of extra people, mostly working poor and senior citizens, that are asking for food all over this country.

It does not seem possible that at a time when this country has a balanced budget, tremendous employment, the most wealthy Nation in the world, that we have 25 to 30 million people asking for food at soup kitchens and food banks. These are not people on welfare. These are people that are hurting.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. HALL of Ohio. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I understand the gentleman's feelings and his fervor for this, because we have had a discussion on this topic. I am going to maintain the rule, but I will, as I offered before, work with the gentleman in the conference to see if we cannot come to some solution on this thing either one way or the other. I take the gentleman at his word and I understand how dedicated he is.

Ms. KAPTUR. Mr. Chairman, I move to strike the last word.

I would like to say to the gentleman from Ohio (Mr. HALL) that I do not think that there is a Member of this institution on either side of the aisle and in either Chamber who is more dedicated and more fervent and more committed to serving the needs of hungry people in our country and in other countries than is the gentleman from Ohio (Mr. HALL).

We have tried very, very hard and done the best that we could to the moment in this bill we are bringing to the floor to deal with the emergency needs across this country in our feeding kitchens. We know that they are there, and the gentleman from Ohio (Mr. HALL) has made us more aware of these needs. I could not let the moment go by without recognizing him and his dedication to this cause.

On the merits, he is absolutely correct. I know that this is the case in our State of Ohio, with all of the changes made in welfare reform, and I understand the pressures that our chairman was under as we tried to mark and cut and trim and do everything we could to produce a bill that satisfied across the board.

I would say to the gentleman from Ohio (Mr. HALL) that I will work very hard, as we move toward conference, with him and with our chairman and with the conferees to try to see if we cannot do better than we have done to this point.

One of the changes that we did make in the bill was to provide greater administrative flexibility to the States in the administration of the $135 million that is in the measure for these programs. This should free up some commodities to food banks. It is still not enough, but we would hope that the States and the Governors would pay particular attention to these changes. That does not solve the gentleman's problem, which is the gross amount included for this account. I wanted to give the gentleman an opportunity to expand on his earlier statements, if he wishes at this point.

Mr. HALL of Ohio. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from Ohio.

Mr. HALL of Ohio. Mr. Chairman, I thank the gentlewoman for yielding to me and certainly thank her for her very kind words. I want to thank the gentleman from New Mexico (Mr. SKEEN) as well.

I know it seems that we can be lulled asleep in this country thinking that everything is going so well. The fact is that we do have a budget that is balanced. We have people that are working. We have very low unemployment across this country. But at the same time, according to the U.S. Conference of Mayors, according to Second Harvest, according to a survey that I did with 200 food banks across this country, we have somewhere between 15 percent and well over 100 percent in

some parts of our country of the increase of people asking for food in the last six months, and it is staggering. It does not seem possible.

These people are not people that are on public assistance. These are not people that qualify for any help. These are people, somewhere in the area of about 25 to 30 million people, that are two or three, sometimes four days a month, they go to bed, and their children, without food.

What happens is, after they pay their rent and they pay for the utility bills, they run out of money. These are the working poor and, in many cases, senior citizens. It is this group of people that find themselves going to food banks and soup kitchens. This is up in the last six months to the last year, not only at a minimum of 15 percent but it is up well over 100 percent increase.

What is happening at the same time is that a lot of the food chains and food markets and groups that give food are getting so much better in their estimate of not only food collection but inventories, and what is happening is that a lot of the food that they would normally donate is not coming into food banks and soup kitchens. So we find ourselves in a situation in which last year, under the welfare reform bill, $23 billion was cut over the next four or five years out of food stamps. So money was increased to the tune of about $100 million last year to the TEFAP program. But now I find that we are cutting back on the program.

What my amendment is trying to do is restore $10 million, period. I realize that there are so many sections of this bill that are important. And when I have to cut one area to give to another, it is not a question that the area that is being cut is a bad area or a frivolous area, it is a good area. It is question of what is the priority.

Mr. BOEHLERT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support for the conservation programs in this bill. But in doing so, I want to express my deep disappointment that their funding has been cut. So I guess this might fall under the heading of a qualified endorsement.

Conservation programs were an integral part of the farm bill in 1996, and they are crucial to safeguarding our supply of clean water. Programs like the Environmental Quality Incentives Program, the Wildlife Incentives Program, the Wetlands Reserve Program and the Consolidated Farm Option help protect our environment by assisting farmers.

These programs help farmers protect water quality by installing buffer strips along streams and rivers to prevent soil and pollution run off. They help farmers develop innovative waste treatment projects to control the growing impact on water quality by animal feedlots. And they help farmers restore and protect vital wetlands, continuing the goal of no net loss of wetlands first announced by President George Bush.

And what is more, the programs accomplish these goals without the threat of regulation. They are completely voluntary. They are incentives based, and they have the overwhelming support of the Congress, as was demonstrated by the 372–37 vote for the conservation title of the 1996 farm bill, probably our single greatest environmental achievement in the 104th Congress.

So, Mr. Chairman, I support this bill, but I want to draw attention to the shortfall in these vital programs. The Senate committee has taken a somewhat different approach, giving a higher priority to these important conservation environment programs. I hope that when all is said and done, these programs will emerge from conference with more funding than is in the House bill, more like those funds provided in the Senate bill.

It is important for American agriculture. It is important for the environment. It is important for America.

Mr. STENHOLM. Mr. Chairman, I move to strike the last word. I do this for purposes of entering into two colloquies with the chairman.

Mr. Chairman, it is my understanding that the reason for the inclusion of report language directing that the cost of providing technical assistance to the EQIP program will be fully funded within the EQIP, as provided in the Federal Agriculture Improvement Act of 1996, was to help ensure that other areas of technical assistance, such as grazing land improvement and ensuring water quality would not suffer.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I tell the gentleman that that is correct. The subcommittee is concerned that the NRCS has undertaken and has been asked by Congress to carry out a number of functions complicating their ability to fulfill their longstanding role of delivering technical assistance in the field in partnership with the conservation districts.

Mr. STENHOLM. Mr. Chairman, I thank the chairman for that response.

The chairman is aware that the Office of Management and Budget has directed that the agency will only receive a reimbursement of 10 percent for carrying out the EQIP program in fiscal year 1999 as opposed to the 19 percent level received in 1998. Would the chairman agree that the OMB should reexamine this decision?

I ask this question, particularly in light of the greatly increasing work the NRCS is doing with livestock producers and water supply districts to protect the quality of our water supply. As the gentleman is aware, the Environmental Protection Agency is going to be placing increasing regulatory demands on livestock producers. I would hope that we could do more to help install the best management practices available to stave off enforcement actions that may come about because of these proposed regulatory actions.

Mr. SKEEN. Mr. Chairman, if the gentleman will continue to yield, the gentleman's concerns are not unwarranted. I will work with him to ensure that our farmers and ranchers will have the needed assistance to meet present and future environmental demands. I would also hope that OMB would reexamine the impact of their decision on reimbursement levels as we complete the work on this legislation.

Mr. STENHOLM. Mr. Chairman, I thank the chairman for that response. I assure him that I will work with him and with OMB to see that they may reexamine those decisions.

Second colloquy, I know the chairman is aware, again, of the tremendous regulatory burdens facing many of our Nation's livestock producers. In light of these burdens, there is a tremendous need to develop innovative, market-based solutions for livestock-related water quality concerns.

A project to do just that has been proposed by a broad coalition of dairy producers, local governments and researchers in the Bosque watershed of central Texas. This project would facilitate evaluation of promising waste utilization technologies and would work to develop markets in order to enhance the value of these by-products.

□ 1300

Unfortunately, because their project necessarily involves both research and actual market development, they have found it rather complicated to secure funding under either the research or the rural development categories.

I believe this is a worthy project deserving funding from USDA rural development and hope the gentleman from New Mexico would look at this as we go to conference.

Mr. SKEEN. I will respond to the gentleman by saying I am aware of the project the gentleman is referring to, and I share his concern regarding the challenges of such innovative efforts. I would certainly encourage the Department to give serious consideration to this project when evaluating rural development priorities. In addition, I will happily work with the gentleman from Texas should any other appropriate research funds become available during this conference.

Mr. STENHOLM. I thank the gentleman from New Mexico for that response.

Mr. SERRANO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first of all, I would like to offer my thanks both to the gentleman from New Mexico (Mr. SKEEN), chairman of the subcommittee, and the gentlewoman from Ohio (Ms. KAPTUR), ranking member, as well as the leadership of the committee, the gentleman from Louisiana (Mr. LIVINGSTON) and the gentleman from Wisconsin (Mr. OBEY) on the work that has been done on this bill.

These days it is not easy to put a bill like this together with all of the cuts

that we are facing in this Congress and throughout our government. So when, in fact, we set out to try to help the very people who need help, and we move on the road to accomplishing that, it is something that we have to be commended for.

While it is a difficult bill to put together, I think the final result, with yet some minor changes, may, in fact, address the needs of so many people in this country.

Most importantly, I would like to thank the leadership on both sides for accepting into the rule an amendment that I worked on for many months this year and which many people were working on which would deal with the issue of African American and minority farmers.

This action was necessary because the Justice Department had determined that the statute of limitations prevents the USDA from providing compensatory damages to individuals who allege discrimination in USDA programs if those individuals did not file a complaint in Federal district court within 2 years of the alleged discrimination, even if they had filed a complaint in USDA's administrative process.

In fact, a Civil Rights Action Team report, issued in February, 1997, concluded that USDA had not been effectively resolving civil rights complaints from 1993 to 1996. Since then, USDA has new civil rights leadership and, with the help of Congress, has rebuilt the civil rights investigatory and settlement infrastructure.

USDA now has in place a process where each case is investigated, compensation claims are subjected to independent economic analysis, and officials from the office of civil rights and the office of the new associate general counsel for civil rights issue written findings of investigations and prepare and review settlements.

But without addressing the issue that is addressed in this bill, USDA would not be able to effectively resolve discrimination complaints filed against it by a group of farmers who deserve our attention. So it is important to understand what we have accomplished here today.

I think it is also most important to understand that it was done on a bipartisan fashion. We have for so many years wanted very much to move in the direction of being fair with everyone. These farmers had been treated unfairly, and, yet, there was no way to deal with this issue.

So today I think we have accomplished a lot, and it is a great day. We have solved, and we are on the road to a very serious solution of this problem. I know that this issue will come up again in conference, but I wanted to thank the gentleman from New Mexico (Mr. SKEEN), the gentlewoman from Ohio (Ms. KAPTUR), and the leadership of the committee for allowing this amendment to be part of the final product.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), $22,591,806,000, of which $100,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided*, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further*, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: *Provided further*, That none of the funds made available under this heading shall be used for studies and evaluations: *Provided further*, That funds made available for Employment and Training under this head shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act, as amended.

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) and, the Emergency Food Assistance Act of 1983, $131,000,000, to remain available through September 30, 2000: *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note), and section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a), $141,081,000, to remain available through September 30, 2000.

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services and of the domestic food programs funded under this Act, $108,311,000, of which $5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law and of which $2,000,000 shall be available for obligation only after promulgation of a final rule to curb vendor related fraud: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $150,000 shall be available for employment under 5 U.S.C. 3109.

TITLE V

FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761–1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $140,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $135,561,000, of which $3,231,000 may be transferred from the Export Loan Program account in this Act, and $1,035,000 may be transferred from the Public Law 480 program account in this Act: *Provided*, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).

None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products.

PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691, 1701–1715, 1721–1726, 1727–1727f, and 1731–1736g), as follows: (1) $182,624,000 for Public Law 480 title I credit, including Food for Progress programs; (2) $14,890,000 is hereby appropriated for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act and the Food for Progress Act of 1985; (3) $837,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title II of said Act; and (4) $25,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title III of said Act: *Provided*, That not to exceed 15 percent of the funds made available to carry out any title of said Act may be used to carry out any other title of said Act: *Provided further*, That such sums shall remain available until expended (7 U.S.C. 2209b).

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct credit agreements as authorized by the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit agreements under said Act, $158,499,000.

Mr. SANDERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to enter into a colloquy with the gentleman from New Mexico (Mr. SKEEN), if I might. I had planned to offer an amendment to increase funding for the rural community advancement program by $10 million in order to fund a national pilot program to promote agritourism.

The purpose of this program is to provide another means of income for America's struggling family farmers. I think the plight of the family farmer in America is well documented, and I do not need to get into it right now. But as I said before, I am impressed with the work done in New Mexico with the rural economic development through tourism program.

I know the gentleman from New Mexico (Mr. SKEEN) has been very active in that program. I think it would be very useful to expand this general concept into a national program. I think it is working well in New Mexico, and I think it could work well throughout rural America.

However, I understand that the funding authority for the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies has decreased significantly

for fiscal year 1999, and I would, therefore, like to get a commitment from the gentleman from New Mexico to work with me in the future to fund a pilot national agritourism program for fiscal year 2000.

Mr. SKEEN. Mr. Chairman, will the gentleman yield to me?

Mr. SANDERS. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I want to tell the gentleman that he has picked on a good program, because it has been very, very good in its operation in New Mexico. I hope that we could extend that. I will pledge to the gentleman that I will work with him to help develop this program into a nationally recognized program.

Mr. SANDERS. That is really good. I think farmers, dairy farmers, and others need additional sources of income. Agritourism has proved successful in New Mexico and other States. I look forward to working with the gentleman in the future to consider it a national concept.

Mr. SKEEN. The gentleman should consider it done.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

In addition, for administrative expenses to carry out the Public Law 480 title I credit program, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 480 are utilized, $1,850,000.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, $3,820,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which not to exceed $3,231,000 may be transferred to and merged with the appropriation for the salaries and expenses of the Foreign Agricultural Service, and of which not to exceed $589,000 may be transferred to and merged with the appropriation for the salaries and expenses of the Farm Service Agency.

EXPORT CREDIT

The Commodity Credit Corporation shall make available not less than $5,500,000,000 in credit guarantees under its export credit guarantee program extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 202(a) and (b) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641).

EMERGING MARKETS EXPORT CREDIT

The Commodity Credit Corporation shall make available not less than $200,000,000 in credit guarantees under its export guarantee program for credit expended to finance the export sales of United States agricultural commodities and the products thereof to emerging markets, as authorized by section 1542 of Public Law 101–624 (7 U.S.C. 5622 note).

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; $1,003,772,000, of which not to exceed $132,273,000 in fees pursuant to section 736 of the Federal Food, Drug, and Cosmetic Act may be credited to this appropriation and remain available until expended; and of which $500,000 shall be available for development of the systems and regulations necessary to implement the program under section 409(h) of such Act: *Provided,* That fees derived from applications received during fiscal year 1999 shall be subject to the fiscal year 1999 limitation: *Provided further,* That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701.

In addition, fees pursuant to section 354 of the Public Health Service Act may be credited to this account, to remain available until expended.

In addition, fees pursuant to section 801 of the Federal Food, Drug, and Cosmetic Act may be credited to this account, to remain available until expended.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $11,350,000, to remain available until expended (7 U.S.C. 2209b).

RENTAL PAYMENTS (FDA)

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313 for programs and activities of the Food and Drug Administration which are included in this Act, $88,294,000, including not to exceed $5,428,000 to be transferred to this appropriation from fees collected pursuant to section 736 of the Federal Food, Drug, and Cosmetic Act and credited to the Food and Drug Administration Salaries and Expenses appropriation: *Provided,* That in the event the Food and Drug Administration should require modification of space needs, a share of the salaries and expenses appropriation may be transferred to this appropriation, or a share of this appropriation may be transferred to the salaries and expenses appropriation, but such transfers shall not exceed 5 percent of the funds made available for rental payments (FDA) to or from this account.

DEPARTMENT OF THE TREASURY

FINANCIAL MANAGEMENT SERVICE

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

For necessary payments to the Farm Credit System Financial Assistance Corporation by the Secretary of the Treasury, as authorized by section 6.28(c) of the Farm Credit Act of 1971, for reimbursement of interest expenses incurred by the Financial Assistance Corporation on obligations issued through 1994, as authorized, $2,565,000.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed $25,000 for employment under 5 U.S.C. 3109; $62,140,000, including not to exceed $1,000 for official reception and representation expenses: *Provided,* That the Commission is authorized to charge reasonable fees to attendees of Commission sponsored educational events and symposia to cover the Commission's costs of providing those events and symposia, and notwithstanding 31 U.S.C. 3302, said fees shall be credited to this account, to be available without further appropriation.

FARM CREDIT ADMINISTRATION

LIMITATION OF ADMINISTRATIVE EXPENSES

Not to exceed $35,800,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249: *Provided,* That this limitation shall not apply to expenses associated with receiverships.

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year 1999 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 440 passenger motor vehicles, of which 437 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Not less than $1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946, and July 28, 1954 (7 U.S.C. 427, 1621–1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 704. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed $2,000,000: *Provided,* That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended (7 U.S.C. 2209b): Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, and integrated systems acquisition project; Farm Service Agency, salaries and expenses funds made available to county committees; and Foreign Agricultural Service, middle-income country training program.

New obligational authority for the boll weevil program; up to 10 percent of the screwworm program of the Animal and Plant Health Inspection Service; Food Safety and Inspection Service, field automation and information management project; funds appropriated for rental payments; funds for the Native American Institutions Endowment Fund in the Cooperative State Research, Education, and Extension Service; and funds for the competitive research grants (7 U.S.C. 450i(b)), shall remain available until expended.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed $50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94–449.

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose

of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 710. None of the funds in this Act shall be available to reimburse the General Services Administration for payment of space rental and related costs in excess of the amounts specified in this Act; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year 1998 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act. Further, no agency of the Department of Agriculture, from funds otherwise available, shall reimburse the General Services Administration for payment of space rental and related costs provided to such agency at a percentage rate which is greater than is available in the case of funds appropriated in this Act.

SEC. 711. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 712. With the exception of grants awarded under the Small Business Innovation Development Act of 1982, Public Law 97–219 (15 U.S.C. 638), none of the funds in this Act shall be available to pay indirect costs on research grants awarded competitively by the Cooperative State Research, Education, and Extension Service that exceed 14 percent of total Federal funds provided under each award.

SEC. 713. Notwithstanding any other provisions of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 714. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year 1999 shall remain available until expended to cover obligations made in fiscal year 1999 for the following accounts: the rural development loan fund program account; the Rural Telephone Bank program account; the rural electrification and telecommunications loans program account; and the rural economic development loans program account.

SEC. 715. Such sums as may be necessary for fiscal year 1999 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 716. Notwithstanding the Federal Grant and Cooperative Agreement Act, marketing services of the Agricultural Marketing Service; Grain Inspection, Packers and Stockyards Administration; and the Animal and Plant Health Inspection Service may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service, the Grain Inspection, Packers and Stockyards Administration or the Animal and Plant Health Inspection Service and a State or Cooperator to carry out agricultural marketing programs or to carry out programs to protect the Nation's animal and plant resources.

SEC. 717. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: *Provided*, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 718. None of the funds made available in this Act may be used to provide assistance to, or to pay the salaries of personnel who carry out a market promotion/market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance to the United States Mink Export Development Council or any mink industry trade association.

SEC. 719. Of the funds made available by this Act, not more than $1,400,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

SEC. 720. None of the funds appropriated in this Act may be used to carry out the provisions of section 918 of Public Law 104–127, the Federal Agriculture Improvement and Reform Act.

SEC. 721. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 722. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 723. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

SEC. 724. Funds made available to the Farm Service Agency, the Natural Resources Conservation Service, and the Rural Development agencies may be used to support a staff office established to provide common support services, including the common computer system for use by such agencies.

SEC. 725. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the provisions of section 793 of Public Law 104–127, the Federal Agriculture Improvement and Reform Act of 1996, as amended.

SEC. 726. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out a wildlife habitat incentives program authorized by section 387 of Public Law 104–127.

SEC. 727. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out an environmental quality incentives program authorized by sections 334–341 of Public Law 104–127 in excess of $174,000,000.

SEC. 728. None of the funds appropriated or otherwise made available by this Act shall be used to enroll in excess of 130,000 acres in the fiscal year 1999 wetlands reserve program as authorized by 16 U.S.C. 3837.

SEC. 729. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out the emergency food assistance program authorized by section 27(a) of the Food Stamp Act if such program exceeds $90,000,000.

SEC. 730. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the provisions of section 401 of the Agricultural Research, Extension, and Education Reform Act of 1998.

SEC. 731. Notwithstanding any other provision of law, the City of Big Spring, Texas shall be eligible to participate in rural housing programs administered by the Rural Housing Service.

SEC. 732. Notwithstanding any other provision of law, the Municipality of Carolina, Puerto Rico shall be eligible for grants and loans administered by the Rural Utilities Service.

SEC. 733. Notwithstanding section 381A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009), the definitions of rural areas for certain business programs administered by the Rural Business-Cooperative Service and the community facilities programs administered by the Rural Housing Service shall be those provided for in statute and regulations prior to the enactment of Public Law 104–127.

SEC. 734. None of the funds appropriated or otherwise made available by this Act shall be used to carry out any commodity purchase program that would prohibit eligibility or participation by farmer-owned cooperatives.

SEC. 735. Meaning of ''Antibacterial''. Section 512(d)(4)(D)(iii) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C.

360b(d)(4)(D)(iii)) is amended by inserting before the semicolon the following: '', except that for purposes of this clause, antibacterial ingredient or animal drug does not include the ionophore or arsenical classes of animal drugs''.

Mr. SKEEN (during the reading). Mr. Chairman, I ask unanimous consent that the bill through page 67, line 15 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. Are there amendments to the portion of the bill just read?

If not, the Clerk will read.

The Clerk read as follows:

SEC. 736. In issuing the final rule to implement the amendments to Federal milk marketing orders required by subsection (a) of section 143 of the Agricultural Market Transition Act (7 U.S.C. 7253), none of the funds appropriated or otherwise made available to the Secretary by this Act, any other Act, or any other source may be used to issue the rule other than during the period of February 1, 1999, through April 4, 1999, and only if the actual implementation of the amendments as part of Federal milk marketing orders takes effect on October 1, 1999,

AMENDMENT NO. 7 OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. OBEY:
Strike out section 736.

Mr. OBEY. Mr. Chairman, this will take a little time because I need to go back into some history to explain what is happening here today.

In 1938, the Congress passed legislation which established a series of milk marketing orders which, in essence, had the government setting prices for fluid milk based on where that milk was manufactured in the country. That made sense in 1938 when we did not have refrigeration, we did not have quality highways; it does not make sense today. It simply encourages overproduction, and it costs the taxpayer, and it hurts the consumers, and it hurts a lot of farmers in a number of regions around the country.

In the 1985 farm bill, Congressman Coehlo was instrumental in making a legislative change to that provision in law, first time that the Congress had interfered up until that time. Whatever differentials were provided for a Class I pricing were provided by administrative decision on a neutral basis. But that 1985 law added to the differential, and it raised the cost of milk products in a number of sections around the country.

As a result, today a farmer in Florida is required by law to receive $3 more per 100 pounds of milk than a farmer from my neck of the country is. A farmer from New York for fluid milk is required by law to be paid $2 more per 100 pounds on average than farmers in my section of the country.

We tried to change that in the farm bill that passed 2 years ago. Our efforts culminated in the amendment being offered that was offered at that time by Mr. Gunderson who was, at that time, the Republican chair of the Subcommittee on Livestock, Dairy and Poultry, and he tried to offer an amendment which would in a wholesale way reform that system.

He was rebuffed. He was told by the leadership of the House, no, there will not be any ability to offer an amendment to change this on the House floor. We are going to block you in the Committee on Rules. The only remedy that you will have is administrative.

Proceeding under authority in the farm bill to review the situation, Secretary Glickman has reviewed the seven options that he had before him for reforming this monstrosity, and he has proposed two for consideration by farmers. One is called Option 1–A. The other is called Option 1–B. The agency prefers 1–B, which is a tiny modest reform of the existing system. The status quo is represented by Option 1–A.

What is happening is that the very people who told us that we could not have a legislative remedy are now saying we cannot have an administrative remedy either. What they are saying is they are, in essence, delaying the ability of the Secretary to produce a reformed recommendation.

What that means is the Congress is saying, Mr. Secretary, Mr. Glickman, do not bother to even think about changing the milk marketing order system, because we will override you legislatively. That is why they have this delay in allowing the Secretary to propose his amendment.

I think that is illegitimate, and that is why I have a simple motion to strike that provision of the bill. Under the normal rules of the House, I should have been allowed to simply strike the section on a point of order because this section of the bill is clearly legislating on an appropriation bill. It is illegal under the rules of the House. It is not under the jurisdiction of the Committee on Appropriations.

I should have been allowed to strike that. I was not allowed to do so because that illegitimate section was protected by the rule. So now this is the only opportunity we have to have any discussion whatsoever of this proposal.

There is one other problem associated with what is in the bill. It also, by indirection, extends what is known as the Northeastern Dairy Compact. I do not blame representatives from any region of the country for trying to get a better deal for their farmers, but it should not come at the expense of farmers in other sections of the country, and it should not come at the expense of consumers.

What this provision in the bill provides is that it also allows for another 6-month extension of the Northeastern Dairy Compact. That will continue to raise prices for consumers in that region. It will continue to fence out from that region all dairy products produced in any other section of the country.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. OBEY. Mr. Chairman, I find it ironic that some of the same people in this House who have lectured us on the need to open trade barriers internationally are now saying, oh, but we should proceed to erect trade barriers within the Continental United States. That is exactly what the continuation of the Northeastern Dairy Compact would do.

So this amendment is very simple. It simply strikes the provision in the bill which extends the existing milk marketing order system and prevents the Secretary from offering reforms to it until he has waited another 6 months. It would also follow the original intent of the Northeastern Dairy Compact and end that compact at the same time.

If we believe in bringing dairy into a free market system rather than having government dictate the price that farmers are paid, we will vote for this amendment. It will be fair to consumers. It will be much fairer to the farmers in many sections of the country than the existing situation is. It will certainly be fairer to my farmers.

I think if anyone votes against this amendment and claims with a straight face to be a free marketer, he has been looking at a different dictionary than I have.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I am happy to yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I am delighted to see my friend, the gentleman from Wisconsin, my good friend, suddenly defending the free market theory when on so many issues we have stood together and said that it is absolutely appropriate to protect working people, to protect family farmers against the changes in the free market.

□ 1315

Mr. OBEY. Reclaiming my time, I have no objection to protecting people from the unfair aspects of the free market, provided that you protect everybody. But the way this works is you are protecting your farmers at the expense of farmers in every other section of the country, and I do not regard that as a legitimate way to proceed.

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Wisconsin.

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

Mr. PETRI. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. SOLOMON. Mr. Chairman, I move to strike the last word.

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

Mr. SOLOMON. Mr. Chairman, let me just rise in the strongest possible opposition to the motion to strike this extremely important provision in this bill. This provision is vital to the long-term livelihood of the dairy farmers throughout this entire country.

I am about to show my colleagues a chart that shows dairy farmers all across America. It does not matter whether you are from the Northeast, the Southeast, the Southwest, anywhere except in Wisconsin, they would lose and they would lose badly. Our farmers would be out of business. There would not be a farm left in Massachusetts, in New York, in New England, anywhere in New England, in Vermont if this legislation were to be defeated here today.

Let me take a moment to correctly characterize the dairy provisions of the 1996 farm bill as I was the author of those provisions just over 2 years ago along with the gentleman from Louisiana (Mr. LIVINGSTON), the chairman of the Committee on Appropriations; and also the gentleman from New Mexico (Mr. SKEEN), the chairman of the subcommittee.

The 1996 farm bill calls for reform in dairy, government purchases of product are phased out, eliminating the Federal budget outlays to dairy, marketing orders are consolidated and pricing adjustments are to be made. However, it was made explicitly clear in the deliberations over the 1996 farm bill that the basic pricing structure of the Federal dairy program that is so vitally important to the dairy men and women across this Nation would be maintained, without question. That is what the legislation says.

Some would argue that the Federal dairy program divides our Nation's dairy farmers into regions of haves and have-nots. The facts simply do not support that claim, Mr. Chairman. The Class I differentials that are such a popular target of the sponsors of this amendment in reality do not translate to higher producer pay prices.

As the USDA mailbox prices indicate, the Upper Midwest consistently receives higher farm-gate prices than all other regions with the exception of Florida. Over the last three years Wisconsin milk prices have averaged $0.39 per hundredweight higher than the prices received by my New York dairymen.

Mr. Chairman, the federal milk marketing order system is the life blood of the dairy farmers of this country.

Taking money out of the pockets of dairy farmers as USDA proposes is not the intent of this Congress and it will only accelerate dairy farm attrition and reduce local supplies of fresh fluid milk.

No one—not dairy farmers, not consumers—benefits from depressed farm milk prices.

In February, dairy producers in my district came to me and explained how the proposed USDA plan would in one fell swoop annihilate the already tight margins challenging their family businesses today.

Other Members, many other Members, from the many diverse dairy producing heard similar messages and we came together to publicly criticize the USDA plan regions—238 Members in this House and 61 in the Senate.

The dairy program may be complex and many Members today will claim they don't understand it, but please know—your farmers understand very well the impacts these policies have on their livelihoods.

Let's step back and look at this provision for what it truly is. The provision provides a 6-month across the board extension to all the dairy reform provisions of the Farm Bill to ensure that our nation's family dairy farmers are treated fairly under the federal milk marketing order reform.

It ensures that the damaging USDA proposal cannot be implemented while Congress is out of town and cannot respond to a rule that levy heavy costs on producers around the country to the clear benefit of one region.

Under the proposal, nearly 50 cents is taken away from my New York producers when they already receive 40 cents less per hundredweight than Wisconsin producers.

That is what I call unfair.

Support the extension, support Congressional oversight and oppose the Obey amendment to strike.

Mr. Chairman, in upstate New York in the Hudson Valley, we have farmers that have farmed that land for generations. These people have probably a net income between the husband, the wife and one child, in other words, gross income of about $31,000, if they are lucky, and most of them are less than that. How do they get that? If they are lucky, under the present milk marketing order system, which is a price support, not paid for by the Government, not one nickel paid for by the Government, but, in other words, the farmer might make $8,000, with all that work that goes into this over the course of a year. In order to maintain the farm and to maintain even a standard of living, the wife has to go out and she has to work for a catheter firm where she might make 12 or $13,000; and the one son who gets up at 4 o'clock in the morning when it is 30 below zero up there, the one son gets up, helps to milk the cows, then he goes to work in some other area, and in total they have an income of $31,000 and they barely are able to pay the taxes and keep that farm going. That is why we are losing farms by the hundreds, because people from New York City with all their money come up and then when they see the farmer no longer can make it, his son decides not to be the 16th generation, in other words, to work on that farm, and they no longer can make it, then somebody comes up there, they buy this farm, they renovate this farmhouse, and these wealthy people live happily ever after. But the farm is gone. They are gone by the hundreds and hundreds and hundreds.

Milk price supports, regardless of what the gentleman is going to say, simply guarantees that in every part of the country, you are going to lose money if we do not maintain those milk price supports. Take a look at this chart. Every single State in the union, except Wisconsin, loses money. Wisconsin makes money.

Let me just clarify for the last time what happened in 1996. I had just gotten out of a hospital, 30 days, where I had cancer, came on this floor and got into an argument with the gentleman from Rhode Island (Mr. KENNEDY), which I probably should not have been here, over guns; and the next day we took up this bill. The explicit bill said that we will maintain milk marketing orders, we will let the Secretary of Agriculture shrink those orders from 34 or 35 down to a workable 13 or 14. That was the order we gave.

Now, we have over 238 Members of this Congress coming from New York City, from the rural areas like the gentleman from Vermont who have signed this letter to Mr. Glickman saying, ''You have to live up to the law. The law says we will maintain milk marketing orders.''

The gentlemen from Wisconsin, this gentleman from Wisconsin (Mr. OBEY), they want to abolish it. They want to abolish it because they know their farmers will make more money if it is abolished, but all the rest of us will lose and lose badly.

The CHAIRMAN. The time of the gentleman from New York (Mr. SOLOMON) has expired.

(On request of Mr. OBEY, and by unanimous consent, Mr. SOLOMON was allowed to proceed for 2 additional minutes.)

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Wisconsin, someone I respect greatly.

Mr. OBEY. Let me simply ask the gentleman, outside of the fact that his State has 31 Members in this House and our State has 9, is there any other reason why his farmers should be required by law to receive $2 for every 100 pounds of fluid milk, $2 more for every hundred pounds of milk than my farmers are allowed to receive under the law?

Does the gentleman not believe that the market should determine what the price is rather than which State has the most votes on the floor of the House?

Mr. SOLOMON. That is exactly why we need the Northeastern Compact. It is why they need a Southeastern Compact. Because what it does, it guarantees that 8 million people in New York City and another 10 million upstate are going to get fresh milk, not coming from Wisconsin or someplace else; produced in the Hudson Valley of New York State.

Now, let us clear it up one more time. There is an overproduction of milk in the Northeast. Do you know how much we overproduce? I mean all these farmers that we are talking about. Two percent.

Do you know where the real overproduction comes? It comes from the area of the gentleman from Wisconsin

(Mr. OBEY). You know it, the whole country knows it, and you want to make even more money for your farmers. I do not begrudge you that, but do not put ours out of business. That is what you are doing.

Mr. OBEY. If the gentleman will yield on that point, let me simply ask, does the gentleman really believe that we should be establishing internal trade barriers to milk products in this country while we are being told that we should abandon trade barriers internationally?

Mr. SOLOMON. Did the gentleman ever live or work on a dairy farm? I grew up on a dairy farm in Okeechobee, Florida.

Mr. OBEY. You bet I did.

Mr. SOLOMON. Let me tell you something. Fresh milk means everything. We cannot abolish small dairy farms from across the country and depend on 5,000 herd of cattle owned by people that do not even belong in the dairy business, these international conglomerates. We do not want to depend on them. We want small dairy farmers in America.

Mr. OBEY. If the gentleman will yield further, the average farm in my district is 50 cows. That is already a giant. The gentleman makes the best possible argument for the worst case that you have on the merits.

Mr. SOLOMON. I plead with the gentleman to join us.

Mr. PETRI. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the dean of the Wisconsin delegation the gentleman from Wisconsin (Mr. OBEY) and his amendment.

Mr. Chairman, the fact of the matter is that the Federal milk marketing order system has been gradually strangling the dairy producers of Wisconsin. There is no doubt about it. Before the Federal Government got into this business, Wisconsin was known as America's dairyland. We were by far number one in dairy production.

Since the Federal Government got into this in the Depression and then it has been extended, what we have seen is the pattern where gradually the producers of Wisconsin have been squeezed out of business. I will yield to no one in the country in their concern about dairy producers, but I would question them being concerned about dairy producers just because they happen to be next door rather than across the United States. The fact of the matter is the effect of the Northeast Compact and of the milk marketing order system has been to put hard-working dairy farmers out of business net in the United States.

The reason really that the impact is disproportionate on Wisconsin is due to the different structure of our dairy industry historically from many other areas of the country. Most of the areas of the country were historically fluid milk producing areas of the country for urban consumers. In Wisconsin, 90 percent of our milk on average historically has gone into value-added processed products, cheese, butter and the like, and then shipped all across the United States.

Over years as people learned how to manipulate the milk marketing order system, what has happened is that they have used the price supports to help them produce fluid milk for their local consumers, they have used that to subsidize excess production, and then manufactured that excess production into butter and cheese and so on, driving Wisconsin producers out of business.

The fact of the matter is we are no longer America's dairyland in Wisconsin. We are number two, both in milk production and now, for the first time in several generations, in the number of cows, to California. That is because, not that Wisconsin farmers do not work hard, not that they are relatively inefficient but because of the discrimination against the upper Midwest that is inherent in the Federal Government milk marketing program. The time has come to end that program and not keep it alive.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

Mr. Chairman, let me simply observe that all through the debate last year, we were told, ''You guys aren't going to get the opportunity to offer an amendment on this floor because we're going to prevent you from doing that by a special rule in the Rules Committee, so you aren't going to get a legislative remedy. You are going to have to rely on the USDA to come up with an objective reevaluation through their analysis.''

Now that USDA has done so and the Secretary of Agriculture has indicated clearly that this system needs some reform, even though the reform he has proposed is the most minimal of the options offered outside of the status quo, we are now being told, ''No, sorry, guys, don't bother. Mr. Secretary, don't bother, because if you try to adjust it, we're going to hammer you down legislatively.''

That is what that provision is about in the bill. We are offering this amendment so that we finally get an opportunity to deal with this issue the way we should have been allowed to get an opportunity when the bill was originally before us.

Mr. KIND. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from Wisconsin.

Mr. KIND. Mr. Chairman, as the gentleman from Wisconsin knows very well, this is June Dairy Month back in Wisconsin. We have got 72 dairy breakfasts going on. Twenty-four thousand family farms are celebrating June Dairy Month right now. Since 1980 alone, because of this antiquated Depression-era Federal milk marketing order system, we have suffered half, half of the family farms that have gone out of business in the last 18 years. Roughly five or six family farms a day are going out of business because of this price differential that is pitting region against region.

This is a golden opportunity for this Congress to finally come together, bring the competing regions together, finally hammer out one coherent national dairy policy that will get rid of these trade barriers that are now existing from region to region and start positioning our dairy producers for the 21st century so we can compete internationally. Rather than subsidizing inefficient dairy operations at home, we should be looking beyond our borders in how we can gain access to these opening markets overseas. We are not going to do that as long as we perpetuate this discriminatory form of dairy policy that works by and large to the disadvantage of farmers in Wisconsin. I have got 9,000 of those family farms in my district alone.

Eau Claire, the city, has been the epicenter of this discriminatory policy. That is what has to change. I thank the gentleman for yielding.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wisconsin. Indeed I feel a little bit like an exhibit in an SAT question, ''What doesn't belong in this sequence?'' because I find myself in among all the Wisconsinites, and I am not motivated similarly to them. I bid them all a happy June Dairy Month. I was previously unaware of its existence and I probably will not celebrate it other than today. I am speaking for the consumers in favor of the amendment. Let me address the free market question.

□ 1330

I have generally believed that we should, when we are dealing with production, rely on the powerful pro-production, pro-efficiency mechanism of the free market. I differ with some of my colleagues here in believing that the government then has some responsibility to provide safety nets. So I want to see these dairy farmers who are not doing well get the benefit of health care. I differ from some of my colleagues maybe in that. I do think, however, we make a distinction. The free market is the best way to govern production. Then the government intervenes to deal with people who may not be doing well.

What I am struck by are the number of my colleagues who are ordinarily supporters of the free market who trash it in this regard. My friend from New York, who I had always thought of as a great conservative, says that there are people who do not belong in the dairy business. Apparently we have a new function now. We in the Congress will decide who belongs in the dairy business and who does not belong in

the dairy business. I do not think we belong in the business of deciding who belongs in the dairy business, and therefore we ought to get to this amendment.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, no, I did not mean that at all. What I meant was, I say to the gentleman from Massachusetts, we went through an S&L crisis, as my colleagues know, a number of years ago. And I know, and I will get the gentleman from Massachusetts some more time; okay?

But as my colleagues know, what happened was when we changed the guaranteed deposits, as my colleagues know, everybody got into the banking business. My colleagues and I decided we were going to be bankers, and we jumped in because it was all going to be federally guaranteed. Now we have got the same kind of people jumping into the dairy business.

Mr. FRANK of Massachusetts. Mr. Chairman, let me say I apologize for responding to what the gentleman said rather than what he meant, but my psychic powers are not as strong today as they have been.

I differ with the analogy. In the S&L business we did try very hard to put the S&L owners out of business. Those who were, in fact, culpable, we protected the depositors but not the owners.

But this is the issue, and I have all these free market people on the other side. I mean, maybe I am a sloppy reader. I thought I was familiar generally with the works of Milton Friedman, Friedrich Von Hayek, Ludwig Von Mises and Daffy Von Duck and whoever else the gentleman is citing. I must have missed the footnote that said none of this applies to farming. Somehow apparently in this whole body of intellectual activity that the friends of the free mark, there is an exception for farming.

What are we told? There is overproduction, my friend from New York says. Too many people are producing, there are people who can barely make it. And what is the solution? It is that the government step in and protect that overproduction, let us have government rules that guarantee that people can continue to overproduce.

It is the role of the market to deal with this in a fair way. If there are people who will then suffer, I am for health care for them, I am for better education programs for their children, and I am for trying to protect them. What this does is artificially keep prices high in the parts of the country so that poor consumers have to pay higher milk prices.

Let us also understand that there is no magical source of money here. If we are going to pay some farmers more money than they would otherwise get because of government rules and it is not coming from the taxpayer, it must be coming from the consumers. And indeed I am, I guess, in the minority in my region in opposing the dairy compact because that is another example of mercantilism to protect a small number of people who apparently would not make it in a free market system. We require others to subsidize them.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield again to the gentleman from New York.

Mr. SOLOMON. As my colleagues know, I just do not quite understand this because I have got some strange allies, too. The Liberal Party in the State of New York; we have a Republican, a Democrat, a Liberal, a Conservative Party; the Liberal Party of the State of New York, which are consumer-oriented, support my position.

Mr. FRANK of Massachusetts. First of all, Mr. Chairman, let me say two things to the gentleman.

First of all, I am somewhat familiar with the political history of New York, and there is less justification for the continued existence of that Liberal Party, which is a vestige, as the gentleman knows, than there is for some of these dairy farms that cannot make it on their own. The Liberal Party in New York is a patronage farm, and my colleague wants to subsidize them. But beyond that, what the gentleman is saying is that the consumer should be willing to subsidize this because the consumer will get fresh milk.

Mr. Chairman, I think I will let the consumer make that decision. I do not think the United States House of Representatives has to say to the consumer, ''Look, we're going to make this choice for you. We will set rules that make you pay higher because you'll be getting fresh milk.''

Consumers are capable of making that decision. If in fact people are not willing to pay enough of a premium to buy the extra milk, then we will not have it.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. FRANK) has expired.

(By unanimous consent, Mr. FRANK of Massachusetts was allowed to proceed for 2 additional minutes.)

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield first to the gentleman from Vermont.

Mr. SOLOMON. Why does the gentleman not yield to me first?

Mr. FRANK of Massachusetts. I yield first to the gentleman from Vermont because I have not yielded to him yet at all. It is the same side, it is equity. They are both against the free market. We are talking about socialist economics, one versus the other. That is okay. I yield to the gentleman from Vermont.

Mr. SANDERS. What we are talking about is six States, among other things, and the legislatures and the Governors of six States and the people of six States coming together and saying, yes, it is terribly important that we save family farmers today and in the future.

In terms of consumers, I say to the gentleman from Massachusetts (Mr. FRANK), let me suggest this: that family farms in the weeds around this country go out of business, and if dairy is controlled by a handful of multinational agribusiness corporations, if my colleagues think the consumers are going to get a good deal, they are wrong.

Mr. FRANK of Massachusetts. Mr. Chairman, excuse me, I am taking back my time. I only have 2 minutes.

No, I do disagree with the gentleman on exactly that. It is always the argument on behalf of the people who are less efficient that efficiency will lead to price increases. I understand there are people who do not believe the market works. I disagree with that. In the first place there is no danger, in my view, of the milk production business being dominated by three or four or five entities. There will continue to be competition.

Secondly, as for preserving the family farms, I would like to try to preserve family farms, but I would like to preserve family plumbers, family small grocery stores. One of the problems we have here is that we are singling out one occupation, small farming, which is not well served apparently by current economics and saying, ''We'll preserve you with subsidies and with extra consumer funds and not anyone else.''

As far as the sick States are concerned, yes, I know all States have voted for that. I have seen times in my life which States have voted incorrectly. I believe, as a representative of one of those States, that in fact the people I represent are poorly served by a mechanism which increases the price because we make the choice for them if they pay more.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I will yield once more to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I also am concerned about consumer prices, and the question we have to ask is, in the last 20 years, at least in my State, the real price that farmers have gotten for milk has declined in real price by 50 percent.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. FRANK) has again expired.

(On request of Mr. SANDERS, and by unanimous consent, Mr. FRANK of Massachusetts was allowed to proceed for 1 additional minute.)

Mr. SANDERS. Mr. Chairman, if the gentleman will yield, the issue here to think about, if we are concerned about consumers, is why, if the real price that family farmers have received has gone down by 50 percent and farmers all over this country are being driven off of the land, why in the supermarkets the prices have gone up.

Mr. FRANK of Massachusetts. Let me respond. I would say to the gentleman, Mr. Chairman, that the price paid to the farmer is not the only price. There are processing costs, there are trucking costs, there are costs in having the store, and I know the gentleman is much more critical of the market than I. I would point out to many of my colleagues on the other side that the view of the market he is taking, he is being consistent, is not one they usually take. They are the ones that are making a very blatant exception for this one favored profession. I differ with the gentleman from Vermont about this. I understand that is his view. I do believe the market generally works, but the price paid to the producer is by far the only element.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would simply like to point out the problem with the gentleman from Vermont's argument. It is that he intervenes only in support of some of the farmers in this country. Many other farmers are driven out of business by the very action that is being defended on this House floor today.

Mr. SMITH of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, now that the entertainment is over, we ought to be talking about the issue that is before us and the amendment before us, and having survived these dairy wars in the past, I thought it was possible that we might get by one more time, but of course that did not happen.

Frankly, I became involved because I believed that this was not the time or the place to debate again the finality of what is going to happen to dairy. It was my understanding that my colleagues in 1996 passed a bill called the Freedom to Farm bill which ends subsidies, and I thought that was the process that we were going through.

But that did not occur, and in an effort to assist the people in the Midwest I offered a program to merely extend for 6 months the existing issue, all in a manner to keep the peace. Well, obviously the people in the Midwest are now suggesting that that is not enough, but it was a compromise, and it was agreed to by the gentleman on this side and ladies and gentlemen on that side. We thought it was a agreement.

Now what is wrong with allowing the authorizers and the appropriators another session, since this is late in this one and since, thank God, I will not be here to have to enlist in this argument again, what is wrong with allowing the next Congress, authorizers and appropriators, to deliberate and debate this issue in depth? I thought I was offering a reasonable amendment. I was congratulated, by the way, by some Members on their side and my side on reaching a reasonable agreement.

Mr. KIND. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Oregon. I yield to the gentleman from Wisconsin.

Mr. KIND. Mr. Chairman, just from a personal point of view, one of the concerns I have is even if this amendment fails and we get the 6-month extension, we are merely delaying the inevitable. We have been in touch with the Department of Agriculture. They have been having hearings, they have been receiving public comment. They propose two options right now. They are ready to move forward on issuing a rule this fall and implementing that rule early next year, just as the Freedom to Farm bill authorized them to do just 2 short years ago.

Let us get on with it right now. We do not want to have another big dairy fight on this House floor now.

Mr. SMITH of Oregon. Reclaiming my time, Mr. Chairman, I understand the gentleman's point. My point is simply this. We have reached an agreement and a compromise, I thought. Now keep it. Vote this amendment down.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Oregon. I yield to the gentleman from New York.

Mr. SOLOMON. Let me just clarify one thing because, as my colleagues know, we are trying to have some comity here, but, as my colleagues know, this gentleman now who is retiring, he is chairman of the Committee on Agriculture, has gone, bent over backwards to try to compromise so that we could work this issue out over the next 6 months or so. I will not be here either. But let me tell my colleagues what he did.

I went out and got 250 signatures in support of ramming through an order on the Secretary of Agriculture to implement 1–A. We could have done that. We could have rubbed their noses in it. The gentleman from Oregon came to me and said, ''You shouldn't be doing that.'' He came to the gentleman from Louisiana (Mr. LIVINGSTON) and said, ''You shouldn't be doing that.''

Incidentally, we already had 61 Senators. As my colleagues know, that is more than we even need to force something on the floor over there in support of our position.

So we all backed off and we all sat down because of the chairman of the Committee on Agriculture and said, ''All right, if you want a 6-month extension, we'll agree to it.'' It is part of an agreement that we all made, and that is why we should not even be going through this debate right now. We should have gone perhaps the other way and settled it once and for all.

But I for one commend the gentleman because he was acting in good faith, and we all went along with him.

Mr. SMITH of Oregon. Mr. Chairman, I yield 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 rise in strong opposition to the amendment and in support of the gentleman's enlightened position.

Mr. Chairman, I rise in strong opposition to the amendment.

The amendment would eliminate the extension of the current milk marketing rules and the Northeast Dairy Compact by an additional 6 months, from April 1999 to October 1999. This extension is necessary to ensure that Congress is able to fully understand and properly oversee the Department of Agriculture's efforts to reform the federal milk marketing rules.

Why is this necessary? Because when Agriculture Secretary Dan Glickman announced the proposed rule for the reform of the federal milk marketing order system, he outlined a ''preferred'' plan, known as ''Option 1–B'', which would dramatically reduce dairy farm income in almost all regions of the country. Option 1–B will reduce annual dairy farm income by approximately $365 million nation-wide at a time when many dairy farmers are barely able to hold on to their farms and their way of life. I think it is fair to expect that Option 1–B would put many farmers out of business.

In response, 238 Members of this body sent Secretary Glickman a letter criticizing the Secretary's ''preferred'' option and voicing strong bipartisan support for the other option outlined in the proposed rule—a fair and equitable option, known as ''Option 1–A.''

Despite the overwhelming support for Option 1–A, USDA appears to be moving forward with efforts to implement its preferred plan, Option 1–B, early next year.

This is why the next Congress, the 106th Congress, must have adequate time to review and act on USDA's final rule. The extension provision in the bill does not mandate any specific reform of the federal milk marketing rules. It merely ensures that Congress will have the opportunity to properly oversee USDA's rulemaking on behalf of the American people and dairy farmers, in particular.

With that, I urge my colleagues to oppose the amendment and any other amendment which would delete or weaken the extension provision.

Mr. SMITH of Oregon. Mr. Chairman, I yield to the gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Mr. Chairman, I just wondered why, when extending for 6 months the Secretary's marketing order determination, they include in the extension for 6 months the New England Dairy Compact, since the two are not related.

Mr. SMITH of Oregon. Mr. Chairman, the gentleman has an amendment in which we will have plenty of time to discuss that, and I will be happy to. I think it was to extend the total program compacts that were involved. That is the reason, and frankly it was not debated at length. We will debate the gentleman's amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. BALDACCI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment that has been offered, that would eliminate this extension as

it was negotiated by the chairman of the committee, and I commend the chairman of the committee and the ranking member, the gentleman from Texas (Mr. STENHOLM) for being able to come to some reasonable judgment in terms of how this should continue on for an additional 6 months until the department and the affiliated groups can come to some resolution of this.

□ 1345

The extension applies to all the provisions of dairy reform and would ensure that Congress will have that time to review and respond to a rule that would not hurt the dairy farmers around the country.

I ask my colleagues not to be misled by the extravagant claims of the industrial cartel organized in opposition to the compact of dairy farmers. I think it is important to clarify some points. I think the most important thing that all of us recognize is the importance of small family farms, small dairy farms, not only in terms of economic dollars and sense, but what they provide to communities, whether it is the participation in the 4–H program, and there are 35,000 young people in our State of Maine that are part of those 4–H programs, or whether it is part of Future Farmers of America program.

A lot of the agricultural policies that have been established have benefitted large agri-businesses and forced a lot of the small farmers to get into larger businesses. We want to preserve this heritage and this culture in the compact, and the issues that are being dealt with by the department is a compact between the consumer and the farmers because of the importance of both.

I believe today, when we are talking about the values and we are talking about culture and passing it on from one generation to the next, I think it is very important to maintain at least this glue which holds communities together.

When you are talking about surpluses and the fact that it is felt that maybe in the Northeast they have contributed to that surplus, the facts do not bear that out. In fact, it was the West and Midwest that produced 99.8 percent of all the surplus purchased this year; it was not the Northeast.

The compact has not increased the cost to the government for nutritional programs. In fact, WIC and the school nutrition programs have been exempted from increases associated with that compact. The compact does not cost the USDA any money, and the compact commission contracts with the market administrator and pays for the services provided.

So I ask my colleagues to oppose the amendment that is being offered by the gentleman from Wisconsin, which eliminates this extension and would allow for a true debate to continue on.

In my first session on the Committee on Agriculture there was an attempt to basically turn dairy policy on its head, because at that time the chairman of the subcommittee happened to be from the part of Wisconsin that is under discussion today. What came out of that discussion was that all regions of the country have the same interests. I would submit to Members here, what is happening in the Northeast is happening in the Southeast, is going to happen in the West and all over, because of the same very underlying issues that are impacting in the Northeast.

So I ask my colleagues to both oppose this amendment and the additional amendment that is being offered in this session.

Mr. WALSH. Mr. Speaker, I rise to strike the requisite number of words.

Mr. Speaker, the debate that we have heard thus far points out fairly clearly the issues that are at stake. There was a lot of discussion regarding the dairy compact. That is not the issue here. The issue here is an extension of all existing dairy legislation under this appropriations bill for 6 more months. It treats everyone equally. It treats the States involved in the compact, it treats the State of California, and it treats Wisconsin all equally. This is merely an extension of the existing law.

As the gentleman from New York (Mr. SOLOMON) pointed out, there are 250 Members of this House who are on record in support of Option 1–A. There are 61 Senators who are on record in support of Option 1–A.

We believe that we have the votes to win this. We still believe that. But out of deference to the chairman of the Committee on Agriculture, he said ''Let's compromise on this, this is not an authorizing bill, this is an appropriations bill, we will merely extend the law,'' that is what we propose to do here.

Now, fairly clearly, you have seen members of the State of Wisconsin's delegation standing up doing their level best to protect their farmers as they see it. The reason is because they believe that Option 1–A hurts their farmers and helps the rest of the country at the expense of their farmers. All the economic data shows Wisconsin farmers are not harmed by this legislation; they just do not do as well as they would under Option 1–B.

The problem with that is Option 1–B does harm our farmers, the rest of the country's farmers. So what we are asking is that we extend this law further so that Secretary Glickman can get a better read on what exactly is going out there in the country. The professional people on his staff recommended Option 1–A, the law that we believe that the rest of the country believes would be good for the dairy industry.

The political appointees and Secretary's staff recommended Option 1–B, I am sure out of deference to the very distinguished ranking member of the Committee on Appropriations who hails from the State of Wisconsin. He has done a very good job in protecting his farmers.

But, it is very clear, the lines are drawn. There is Wisconsin and Minnesota, and then there is the rest of the country. But we are not even choosing here between the upper Midwest and the rest of the country. We are merely saying give us the opportunity to let this law extend out over a period of another 6 months from when it is scheduled to finish up, and give us, the Members of Congress, an opportunity to work with the Secretary, and we hope to help him to see the light that Option 1–A is the best direction to travel in. But this treats the compact States, the upper Midwestern States, the State of California and the rest of the country, equally, by merely extending the law.

So I would urge strong rejection of the gentleman's amendment.

Mr. JOHNSON of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment basically just asks this Congress to stick to its original deal, the deal that was made here a couple of years ago, and that is why I vigorously rise today to support this amendment.

What it does is just restore order to the underlying bill, that continues to punish not just the dairy farmers in Wisconsin, but a lot of them in the Midwest.

If we put the situation in perspective, we are working under what I think most people agree is an outdated dinosaur that we call our dairy policy. It disregards the advance of time, the advance of transportation and technology, and, as was referenced here earlier today, in spite of all the talk about the global economy and competing in the rest of the world, we continue to want to put up artificial barriers within our country.

We have spent 60 years rewarding dairy farmers with higher prices based on the distance that the cows are located from Eau Claire, Wisconsin. As a result, just some farmers, and it has been pointed out they are in Eau Claire, but that is how the original dairy policy is based, in Wisconsin, on the distance from Eau Claire. So the farmers who live there and work in America's dairyland have struggled, while dairy producers elsewhere have thrived.

That was not punishment enough. Two years ago Congress made a deal and gave the freedom to farm to farmers who produce commodities other than dairy, giving those producers new opportunities. Meanwhile, they delayed the freedom to farm and reform for dairy farmers until April of 1999. If that was not punishment enough, Congress in the same bill created the Northeast Dairy Compact, the subject of some of the debate today.

What happened as a result? It cost taxpayers money. We produced surplus milk at twice the rate of the rest of the Nation. It cost consumers money in the grocery store, raising the price of milk in that area, and it gives unfair leverage to farmers in the Northeast at the expense of the Midwest.

It further divides the country. It pits region against region, farmer against farmer, and what we are trying to do here is have a level playing field. What we asked for in other countries, we are asking for that in our country.

Today what we have before us, as was pointed out, this is an appropriations bill. It is supposed to be absent of legislative language. Now it would further delay the implementation of what has been called for 2 years ago, reform in the dairy pricing policy. It would further extend the harmful Northeast Dairy Compact.

Now Congress wants to tell Midwest farmers to wait longer for freedom. We have wandered for 60 years under a policy that still relates to the distance the cows are located from Eau Claire, Wisconsin. We do not want to wait any longer.

In speaking of agreements, this bill is a giant leap backwards. It is a return to the stone age of dairy policy. Congress 2 years ago put a process in place that would reform dairy prices, and that was the deal by April of 1999. It may not be perfect, but it was a deal. Now, today, we want to turn our back on our deal.

I think that is an outrage. Everybody in this House who talks about the free market system ought to be outraged. Everybody in the House who champions less government interference ought to be outraged. Everybody who praises less government spending also ought to be outraged.

I urge my colleagues to join in support of the gentleman from Wisconsin (Mr. OBEY), to support this amendment that is before us, to reject the back door legislative tricks and support the fairness and dairy price reform.

I know we will have a further amendment from the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Minnesota (Mr. PETERSON), but I think this amendment is one that will serve us well, that will stick to the original deal that we had to change and really reform the dairy policy, and yet let the USDA do it by April of 1999.

We said let USDA make the decision. Let us let them make the decision on the schedule that was originally intended. I support and ask for support for this amendment.

Mr. KIND. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to the gentleman from Wisconsin.

Mr. KIND. Mr. Chairman, I would like to ask my friend a question. The gentleman represents the Eighth District of the northeastern part of Wisconsin. As the gentleman is traveling around his district, meeting with family farmers and dairy farmers in his area, is the gentleman hearing from them that they are looking for any special handout or privilege as producers of dairy products, as compared to the rest of the Nation?

Mr. JOHNSON of Wisconsin. Mr. Chairman, reclaiming my time, our farmers are not looking for a special deal. They are concerned about dairy farmers all across the country. The problem is we do not want to have artificial barriers, more compacts created all across the country. We need this amendment to move on with the process of dairy reform.

Mr. NEUMANN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to take this debate from where it is, with a bunch of people out here in ties and suits, and bring this discussion back home to what it really means back in Wisconsin.

My first job was on a dairy farm. I used to get to that farm at 7 o'clock in the morning. I was a teenager at the time. By the time I got to that dairy farm, the farmer had already milked the cows and was headed in to breakfast.

Dairy farmers are hardworking individuals in this country. My wife's family had dairy cows, and I would like the authors of this amendment to hear these words, because they are very real. There are no cows on that farm where my first job was. My wife's family, dairy farmers for years, for generations, there are no cows on that dairy farm any more.

There is a good reason that the dairy farmers in Wisconsin are going out of business. It is the advantage, the unfair advantage, that is being given people around this country, because people out here in this Congress wearing suits are taking away the opportunity for our people to compete on a level playing field.

Where are all the free-traders? Where are all the people that say we should have a fair marketplace to produce our products and to market our products? Where are all those people in this debate?

Then I hear we are protecting the Wisconsin farmers. Come on, we are not protecting the Wisconsin farmers. We are asking that those farmers be given a fair shake across this country, and they are not being given that right now. I personally think it is a tad unfair when the government steps into the picture and credits $3 per hundredweight in one part of the country, and then goes to Wisconsin and says if you happen to live close to Eau Claire, Wisconsin, you are not eligible for that $3 per hundredweight.

What happened to all of those people that I hear on the floor of the House regularly saying we want a fair level playing field on the world marketplace? What about the United States of America? Why do we not get a fair level playing field for our dairy farmers here?

Then I hear, well, we ought to just extend this thing for 6 months. Shoot, I am beginning to think we are treating this like the notch problem, and every time I bring up the notch victim problem in this country, everybody laughs and says it is going to go away. Well, that problem is not going to go away either, and those people are being mistreated too.

But the point is we are now starting to treat the dairy issue in the same way as we are treating the notch problem. If you wait long enough, I am convinced there are Members in this Congress that believe our dairy farmers in the Midwest are all going to be out of business, and shoot, if you think about it, if you have got a $3 per hundredweight advantage in one part of the country, it is likely to put them out of business.

I think they believe if they wait long enough and we stall this issue off far enough, that it is going to put enough farmers out of business that we will no longer have to deal with the problem.

□ 1400

I think it is time Congress gets out of the way. I think it is time we return to a competitive atmosphere, so that dairy farmers in this country can compete not only with each other, but can compete in the world markets.

The government cannot step into these pictures and control the price of these products around the country, giving unfair advantages to certain parts of this country, if we wish to restore this.

I just conclude my remarks by saying the concept of pricing a product based on how far you happen to have your herd of cows located from Eau Claire, Wisconsin, is a situation that I have yet to hear anyone in this city reasonably explain to me why we would come up with that kind of a solution in the first place, much less why we would let it stay in place for this large number of years.

Mr. Chairman, I strongly support the Obey amendment. It is time we make a decision and create a level playing field in this country for our dairy farmers, and it is something that should be done sooner rather than later. The right idea is not to stall off the decision.

Mr. OLVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to my friend, the gentleman from Pennsylvania (Mr. HOLDEN).

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

Mr. HOLDEN. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Wisconsin.

Mr. OLVER. Mr. Chairman, I just want to say here that there is no one in this room, whether they are on one side or the other side of this issue, who can claim that the family dairy farmers in dairy farms in their part of the country are somehow prospering under the present system of milk marketing orders that we are using, not if they happen to live in upper New York State, where the gentleman who chairs the Committee on Rules comes from; not if they happen to live in Wisconsin, where the ranking member comes from; not if they happen to be the

chairman of the Committee on Appropriations, coming from Louisiana; or the gentleman from Vermont, in an exporter State; or myself, in an importer State, in Massachusetts.

Mr. Chairman, in the agriculture authorization bill in 1997, we authorized a limited set of changes. After looking at a number of different options, the Secretary of Agriculture has come up with two favorite options, two options, really, 1(a) and 1(b); under 1(a), which is the more moderate of these, a small number of changes, nearly the status quo; and 1(b), which is a pretty radical change, at least as viewed by farmers, as viewed by farmer cooperatives all over the country.

More than a majority of Members of both the House and Senate, more than a majority of both parties in both branches have written to the Secretary of Agriculture asking him to choose option 1(a), there is no question, from all parts of this country, except, by the way, from the area within a couple of hundred miles from Eau Claire, Wisconsin, which somehow is the center of the universe as far as milk is concerned.

From other parts of this country, that is where that majority comes from, from States all over this country. They do that because they believe that it will slow, at least slow if not prevent, because I do not think it will be prevented, the move to milk monopolies. They believe that it protects the capacity to have consumers have access to a fresh and local supply of milk. They believe that option 1(b) would accelerate the loss of family dairy farms in places all over the country except for those within a short distance from Eau Claire. It is no wonder the Members from Wisconsin are getting up, given that option 1(b) clearly changes the playing field.

Who is to know in this arcane system whether we have a level playing field or not, if it may be slightly tilted; but this amendment, as it has been offered by the gentleman from Wisconsin, would tilt that whole system very heavily in the direction of accelerating the loss of family dairy farms in other parts of this country; also because the majority believes it is unfair to then impose a system which clearly then has relative beneficial effects for one portion of this country at the expense of every other portion of this country.

So this is a carefully crafted proposal to extend by 6 months, so that the appropriators and the authorizers can see exactly what it is that is put forward as a milk marketing system by the Secretary of Agriculture, and so they can respond within the fiscal year that that goes into effect. That is what this extension is about.

I think the chairman of the Committee on Agriculture, the gentleman from Oregon (Mr. SMITH) said it quite well, that that is what this is about, making certain that the appropriators and authorizers for all of these issues can look at it within that fiscal year that we would be in.

I certainly hope that the amendment will not be adopted.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. OLVER. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would just like to point out one thing. The gentleman indicated that what we were trying to do is to tilt the system in favor of our region of this country.

I would point out that right now the law requires farmers in the gentleman's region of the country to be paid several dollars per hundred pounds of milk more than ours. The option favored by the Secretary simply eliminates 25 percent or less of that unfair advantage.

Mr. GILCHREST. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there has been a great deal of talk this afternoon about free markets. There has been a great deal of talk about one region over another region having a benefit. That certainly is a discussion that we need to have.

I think the House floor at this point is not the place to discuss whether the Northeast Dairy Compact has an advantage over the Wisconsin or Midwest dairy farmers. We are going to disagree on it. I strongly urge a no vote on this amendment. This can be taken up. We can extend it for 6 months. This is a discussion we need to have.

Mr. Chairman, we should not be discussing ending a program that is unfair to one part of this country and then transfer that problem to another part of this country. That is going to be the result of this vote if it passes.

I would like to take this to a slightly different perspective. This country was founded on four things, and that is why we are very successful: democracy, which is what we see here; character, which for the most part is what we see here; an abundance of natural resources; and an endless frontier.

Our endless frontier is virtually gone. Our open space is becoming gobbled up by a lot of things, including development. Our natural resources are diminishing quickly. So what we have left to keep this country going, to keep the prosperity and the quality of life that people want for generations to come, is our ability to discuss in an intellectual fashion how we manage what we have left for future generations.

The idea of a free market is what this country is founded upon, for the most part. General Motors prospers, Westinghouse prospers, industry prospers, but agriculture is different in some ways. General Motors can still work if it rains. Westinghouse can still work if there is a drought. If there is a severe drought in certain parts of this country, they prosper, and agriculture suffers and sometimes becomes eliminated.

So unless we understand the mechanism of agriculture, and I know the gentleman from Massachusetts may not be here, but he talked about a free market system. A free market system is fine if we had an endless frontier, because we would have thousands and thousands and thousands and thousands of acres in excess. But what we have is thousands and thousands and thousands of acres being developed every single year. Millions of acres are lost from agriculture to development in one form or another.

So the idea that this country must continue to manage, yes, and the Congress needs to be engaged in that process, about how we can make it fair across the board.

I think a 6-month extension is the right thing to do. I think Wisconsin and the Northeast Dairy Compact, the people in California, need to continue to debate and discuss over that period of time what they can do to ensure that the family farm, which is another issue of discussion here, and the family farm is different than the export farm by a long shot.

The corporate farm turns farmers into employees. It does not take farmers and continue to allow them to be farmers, it turns them into employees. We can see that in the poultry industry. A poultry grower, for the most part, in this country, is not a farmer. He or she is an employee. We want to reverse that, if we can. We want to make sure that that does not happen in the dairy industry.

One last comment. This is a complicated issue. People are talking about, let the prices take care of it. Let free markets take care of it. The price of a bushel of corn today is the same as it was, given the season, 40 years ago. The price of a bushel of corn that the farmer grows to feed his cow is the same as it was 40 years ago. The price of a combine that harvested that corn 40 years ago was about $25,000. Today it is well in excess of $100,000, and it is closing in on $200,000, so the small family farm is being squeezed.

The gentleman from Wisconsin was talking about that, that the Wisconsin farmers are having a difficult time, but so are the farmers in Maryland and New York and Massachusetts and all over this country.

We have to stop arguing bitterly with each other and make sure that we understand that the foundation upon the food source of this country is not corporate agriculture that will get out of it as soon as the profits are gone, but those who love the culture, those who love farming. That is the family farm.

So I would urge a no vote on the amendment, with all due respect to the people from the Midwest and Wisconsin, and let us get together as soon as we can this summer, with those who represent the small family farms from all across this country, and discuss this problem.

Mr. SANDERS. I move to strike the requisite number of words, Mr. Chairman.

I would like to pick up on some of the points the gentleman from Maryland (Mr. GILCHREST) made, because in

truth, this is a very sad debate. I will not forget several years ago when farm families from Wisconsin and Minnesota came to my office. They were here for some national meeting. They knew that I was concerned about the preservation of the family farm. I will not forget the women farmers weeping in my office as they fought desperately to keep their farms going in Wisconsin and in Minnesota.

The family farmers in Wisconsin and in Minnesota are being hurt, that is true, but I want the Members to understand that the farmers in Vermont are also being driven off the land. Some of the best people in our State who have worked year after year, they love the land, they want to produce a good, healthy product, they want their kids on the land, they are also being driven off the land.

It is a sad State of affairs that we have to fight against each other. We should be working together. We talk about the issue of preserving the family farm, as the gentleman from Maryland (Mr. GILCHREST) pointed out. This is an issue of food security. If anyone believes that it is a good thing for this country that thousands of farmers in Wisconsin, in Vermont, and all over this country who produce what we eat get driven off of the land, and that we are reduced to dependency on imports from abroad, or we are reduced to being dependent on a handful of large corporations to charge us any price they want, if people think that is a good idea, they are dead wrong. It is not a good idea.

As the gentleman from Maryland (Mr. GILCHREST) pointed out, preserving the family farm is not just about food, it is protecting our environment. Do we really want to see our open space in rural America converted into malls and parking lots? I do not think so. It is about preserving our rural economy and our way of life, in part.

The free market does some things very well, but it does not do everything very well. I think there should be a commitment to preserving the family farm all over this country.

As the gentleman from New York (Mr. SOLOMON) has pointed out and others have pointed out, there is a letter that has been circulated that has over 250 Members of the House in support of that. Let me just briefly quote some of the sections from that letter relevant to this debate.

I quote from the letter:

''Option 1(b) would further reduce the price of milk received by farmers in almost all regions of the country. It will be reducing local supplies of fresh, fluid milk, and increasing costs for consumers.''

I continue: ''According to USDA's own analysis, option 1(b) would reduce dairy farmer income. It will be accelerating the already disturbing trend of American dairy farms being forced out of business. Many of the farms affected will be small family farms.''

The point we are making here is that, as the gentleman from Maryland (Mr. GILCHREST) indicated, we need to come together to preserve dairy farms in the Northeast, in the Midwest, and in the West Coast. One of the things we have done in New England that people throughout the country are beginning to look at is the concept of the dairy compact.

If some people think we are going to be able to preserve family farms who are struggling too hard to exist through the market economy, when we can import cheap milk from Mexico or New Zealand, I beg to differ. I think it is appropriate to say that in our democratic society, for those of us who believe in dairy farming, in family farming, that it is appropriate for the government to intervene with the support of the people.

I would reiterate that in New England six States have come together, six State legislatures have come together, Democrat, Republican, Independents, in Maine; six Governors with different philosophical leanings have come together. This idea is spreading around the country.

□ 1415

I would hope that perhaps the Midwest might think of the idea of a compact. I think if it does end up costing the consumer a few cents more on the gallon, consumers all over this country know how important it is to preserve the family farm. I would love to work with my friends from Wisconsin in protecting the family farms in that region of the country as well.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I do not disagree with a single thing that the gentleman has said. I would simply make the point that despite his best intentions, and mine, we are now operating under a set of laws which in essence, as far as trade is concerned, is a pretty good deal for grain farmers but is a disaster for dairy farmers, because Canada has not been required to live under the same rules that we are required to live under. And so we have been told, ''Sorry, boys, you're on your own.''

It just seems to me that if we in fact are going to be abandoning dairy farmers to the marketplace, then that marketplace——

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(On request of Mr. OBEY, and by unanimous consent, Mr. SANDERS was allowed to proceed for 1 additional minute.)

Mr. OBEY. Mr. Chairman, then it seems to me that that market ought to at least be a real market. Despite everything that has been said here today, no one can tell me yet why it is fair, why it is in the tradition of equal treatment under the law, for the law to require farmers in one section of the country, in Florida, for instance, to pay farmers $2 more or $3 more per hundred pounds of milk than they get in our region. That is just not fair.

Mr. SANDERS. Mr. Chairman, reclaiming my time, there are 250 signers to a letter in support of 1–A. There are 60 supporters in the Senate on the same concept. I urge a ''no'' vote on the Obey amendment.

Mr. GUTKNECHT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it has been said that if one appreciates law or good sausage, he should watch neither being made. And today maybe we ought to add cheese to that description, because this is really kind of an ugly display of region against region.

Several years ago we all cheered when the Berlin Wall came down. And not too long after that the flag over the Kremlin came down for the last time. And when it did, one of the business newspapers ran an editorial. I thought it was the Wall Street Journal, but it was not. They ran an editorial and the headline said, ''Markets are more powerful than armies.''

If we look at the Soviet experiment, for 70 years what they tried to do was hold back markets. What they found was it cannot be done. It will not work. And it is true of milk. It is true of our commodities.

The gentleman from Maryland (Mr. GILCHREST), I agreed with much of what he said. But let us just examine. He said what the dairy farmers, and what the farmers in his area or the farmers around the country today, what they are paying for a combine is enormously different from what they were paying 20 years ago. And what they receive for their commodities, whether it is corn or soybeans or wheat or milk or whatever they produce, is different today than it was 20 years ago.

In many respects, farming is a tougher business today than it has ever been. If we talk to our farmers, and I have as well, they will tell us that. What they will also tell us is that the price of corn is the same whether it is grown in Iowa or Minnesota or Vermont or anywhere else. We do not have different price for corn. We do not have different prices for soybeans. It is the same, whether it is grown in one area of the country or another.

The entire milk marketing order system is Byzantine. It is antimarket. It may have made some sense back in 1935, but it makes no sense today in the day of the interstate transportation network, in the day of advanced refrigeration so that the milk can be produced on a farm in Minnesota or Wisconsin one day and literally be in a bottling plant in Washington, D.C. the next.

Mr. Chairman, the whole idea of this one region against the other is anti-American. One of the reasons that the colonists came together and organized this country was so that we would not have States setting up barriers against

other States. The idea of a dairy compact is un-American.

It really is not just about dairy; it is about if we really care about free trade. We will probably have several debates here in the next several months about free trade and opening up markets, whether it is in Asia or the European Union. Many of us want to have fast track so that we can negotiate more trade agreements with our trading partners.

Would it not be great if we had fast track between Minnesota and Vermont so that dairy products could move back and forth across State borders? This whole concept is crazy.

Let me just finish with this. For people to stand on the House floor with a straight face and say that we must defend to the end this dairy policy, which incidentally has cost us 152,000 dairy farmers over the last 10 years. Let me say that again. The system we have today that many are up on the floor of the House today defending has cost us 152,000 dairy farmers. It is an abysmal failure. It is Byzantine. It is anti-American. It is what the colonies came together to fight against and it should be stopped.

One of the reasons we are so aggressive today in fighting the extension is because we have fought it so long. This fight has been going on for 60 years and now they are saying is all we want is another 6-month extension. We fear, and I think we have reason to fear, that then there will be another 6-month extension.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. GUTKNECHT. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I appreciate the differences that we have in the Northeast Dairy Compact, but it is really not appropriate to call it un-American. In fact, it is the essence of what America is about.

Six States at the grassroots level, people came together and they went to their legislatures and they went to their governors and they came forward to do what they thought was best for the people in their own State.

So I understand the gentleman's differences, but he should not refer to it as un-American. It is democracy at work.

Mr. GUTKNECHT. Mr. Chairman, reclaiming my time, the commerce clause of the Constitution, and in fact we ought to have some debate within the Committee on the Judiciary, I think the gentleman from Illinois (Chairman HYDE) has a much different view of what this is all about. For States to come together and put up trade barriers around those States in my opinion, and I stick with my term, is un-American and it is unconstitutional in my view. But worse than that, it is bad economics. It makes no sense.

Let me close with this. Some may know that I am also an auctioneer. And this is one thing I understand about auctions. Markets are much more powerful than anything we can do. We can suspend the law of supply and demand only so long, but we cannot repeal it. Ultimately, the markets will prevail. They will prevail over the Northeast Dairy Compact and any other compacts that ultimately are created.

Mr. MCHUGH. Mr. Chairman, will the gentleman yield?

Mr. GUTKNECHT. I yield to the gentleman from New York.

Mr. MCHUGH. Mr. Chairman, I would be interested in the gentleman's description of the Northeast Dairy Compact that apparently leads him to believe——

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. GUTKNECHT) has expired.

(On request of Mr. SOLOMON, and by unanimous consent, Mr. GUTKNECHT was allowed to proceed for 2 additional minutes.)

Mr. MCHUGH. Mr. Chairman, if the gentleman would continue to yield, I think this is an important question that creates some differences in this debate and it should be resolved. But I would be interested to hear what leads the gentleman to believe that the Northeast Dairy Compact as currently construed, number one, puts trade barriers that prohibits the importation of milk, whether it comes from his State or any other, into the region; and, number two, on its face apparently leads him to believe that it is unconstitutional, assuming that unconstitutionality is consistent with being un-American.

Mr. GUTKNECHT. Mr. Chairman, reclaiming my time, first of all let me say I am not a Supreme Court Justice. I only have one opinion. But in my opinion, any time that States come together to try and create trade barriers, and I might just yield back to the gentleman to ask what is the purpose of the dairy compact if it is not to keep out other dairy products from other parts of the country?

Mr. MCHUGH. Mr. Chairman, there it is absolutely no prohibition, implied or explicit, in this or any other compact that, by the way are constitutionally authorized, that prices the importation of product. What it affects is the price of that product paid by the developers and paid by the processing plants once the milk is there. It has nothing to do with the importation of the milk from the farm gate.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. GUTKNECHT. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, the compact acts as a tariff barrier because processors have to pay the higher price to any farmer, whether that farmer lives in the New England region or not. That means if a Minnesota farmer or Wisconsin farmer can produce the product for less price, they have to add to their price before they can sell in that region. That is why it serves as a trade barrier.

Mr. MCHUGH. Mr. Chairman, if the gentleman would again yield, what the gentleman just said by his very words proves the points. He said it treats all producers equally. That is absolutely correct, and I appreciate the gentleman clarifying that for me, because I think there is a lot of misunderstanding here.

Mr. OBEY. Mr. Chairman, it requires one to ignore price.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. LIVINGSTON. Mr. Chairman, a lot has been said about this ''Byzantine'' procedure, as described by my friend who preceded me. The fact is we are dealing with an arcane set of laws that go back to the 1930's. They may have had great wisdom and sense back then in a different age, and perhaps they have lost their rationale since all of that time has gone under the bridge.

The fact is, as I understand the original intent, Wisconsin was the center of the universe. Eau Claire was the primary designated place for the production and pricing of milk. And, for whatever reason back in those days, they decided that the farther we get away from Eau Claire, pronouncing it correctly this time, the more could be added on to the price of milk for transportation.

So obviously the objective was to get fresh and clean and safe milk in the hands of the consumers all over America. If the center of production was in Wisconsin, by the time it got to Florida the price of milk was substantially higher. By the time it got to New York, it was substantially higher. By the time it got to California, perhaps it was substantially higher.

That trend is represented in this particular chart, presented according to figures of the USDA. At any rate, there is no real consensus that can be drawn from this chart except to show that at Wisconsin begins the trend, and as we get farther and farther away, the prices through 1996 when the farm bill took place went up as we got away from Wisconsin.

So the farm bill came along and they said, look, make some sense out of this program. We in the Congress told the Secretary of Agriculture come up with a plan that simplifies it, that hopefully reforms the program, that moves towards the goals of a freer market. Come up with a plan that provides some continuity for the milk farmer.

Now, bear in mind, whether the dairy farmer is in Wisconsin or Minnesota or in New York or in Maryland or in Louisiana, where I used to have 500 dairy farms and now have about 370 because they were forced to go out of business, the dairy farmer is probably one of the hardest working people on earth. He gets up early in the morning; goes out to milk his cows; goes about the rest of his chores. By the end of the day, goes

out to milk his cows and goes to bed, because there is no time left in the rest of the day. And come hell or high water, rain or storm, freezing or heat, he has got to milk those cows. His family chips in, his wife, his children. And they participate in trying to make a living, a very meager living, whether it is in Wisconsin or otherwise.

In Wisconsin and Minnesota, 80 percent of what they produce goes to hard products which is not fluid milk, butter fat or to powdered milk or cheese. But this argument is about fluid milk. Wisconsin and Minnesota only put less than 20 percent of their product in fluid milk.

But these are farmers in New York and Maryland and the Southeast and Louisiana. Most of their product goes to fluid milk. They are getting squeezed. They are getting squeezed to the point that they cannot meet the costs of production and they are getting thrown out of office, or rather thrown out of work. Excuse me. That is us that get thrown out of office. They get thrown out of work. They lose their farms. We can find another job, but they can only find one farm.

So, the Secretary of Agriculture was given the responsibility of coming up with a plan that would simplify this procedure. Well, according to the milk marketing order reform proposed rule, again the USDA's own figures, this is an analysis of the option 1–B plan that Secretary Glickman was coming up with.

□ 1430

In case Members want to find waves and continuity here, I do not think they will be able to do it. Numbers all over the lot.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. LIVINGSTON) has expired.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 2 additional minutes.)

Mr. LIVINGSTON. Mr. Chairman, that looks to me to be one of the most complex charts available known to man. That is supposed to simplify the situation. In effect, what it does is create a situation described by my friend from New York in his chart. The only people that survive under Secretary Glickman's proposal are the people in Minnesota and Wisconsin. Everybody else loses money and ultimately goes out of business.

If you have the 1–A section, it is somewhat more simple than this, but at least there is reform. What we propose here and what the gentleman from Wisconsin proposes to strike is language which does not say that this (option 1–B) is impossible, although it looks impossible to me. It does not say that 1–A is impossible. It does not say that dairy compacts in the Northeast or the Southwest or anywhere else are automatic.

It simply puts a moratorium on it from April 4 to October 1 of 1999 so that any rule that the Secretary of Agriculture comes up with can be reviewed by Congress and, yes, can be reviewed by the State legislatures in order to determine that if it is too dictatorial. And if it does not make sense like this, it can be reversed legislatively and we can go back to a plan that makes sense. Is that too much to ask?

Evidently it is, because my friend from Wisconsin has offered up a motion that would strike this provision, strike this simple one-case-serves-all moratorium, prevent an illogical plan from being put into place for 6 months, put a hold on existing law until we can study it a little bit further. I do not think that is well taken.

For that reason, I urge the rejection of the motion by the gentleman from Wisconsin, rejection of this amendment, maintenance of the status quo for 6 simple months.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. LIVINGSTON) has again expired.

(On request of Mr. OBEY , and by unanimous consent, Mr. LIVINGSTON was allowed to proceed for 1 additional minute.)

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, let me simply put that chart in context. That chart represents as far as the Secretary is allowed to go under the law in simplifying milk marketing orders. What we wanted to do in our region legislatively, and we were denied that opportunity by the House leadership, we wanted to create a situation under which, under the Gunderson amendment, the colors on that entire map would be the same because there would be only one milk marketing order. You are attacking us for the limits which you yourself have imposed on the agreement. That is the fallaciousness of the argument.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. LIVINGSTON) has again expired.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 1 additional minute.)

Mr. LIVINGSTON. Mr. Chairman, the chart depicts 1–B that Secretary Glickman intended to move us toward. This chart, which I withheld for no particular reason except that I do not understand it either, but it is a heck of a lot easier than the other one, this is 1–A. It looks better.

Mr. OBEY. Mr. Chairman, if the gentleman will continue to yield, the gentleman needs to understand that within both options there are variations within the State which neither of those charts demonstrate. The existing system is far worse than you show on either one of those charts.

Mr. LIVINGSTON. I would suggest that before we leap into the fire from the frying pan, let us maintain the existing system, keep it simple and come up with a better plan than option 1–B.

Mr. PETERSON of Minnesota. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was not going to speak, but I just think it needs to be pointed out that a lot of this debate is centered on something that really is not at the heart of the problem. Everything we are talking about here today basically has to do with fluid milk.

Fluid milk is only 40 percent of the milk that is produced and consumed in this country. So this debate really does not get at the heart of the problem that we have with dairy. I think it just needs to be pointed out.

Up in the Northeast where they have the compact, as I understand it, 60 percent of the milk up there goes into fluid and 40 percent goes into manufacturing. And I further understand that they are right now taking comments up in the Northeast Compact to talk about exporting their excess milk that has been created by this compact because it is hurting the premiums that they are getting for their manufactured milk. That points out the whole fallacy of this whole situation, where we are trying to somehow or another legislate dairy policy by impacting fluid milk.

I think the gentleman from Minnesota (Mr. GUTKNECHT) made a good point when he said that we cannot really repeal economics.

Mr. MCHUGH. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Minnesota. I yield to the gentleman from New York.

Mr. MCHUGH. Mr. Chairman, the point the gentleman just made about exporting in the Northeast, I am assuming he is speaking of the entire Northeast dairy production region. I have heard this mentioned before. I would be interested where the statistics are that show that the Northeast region is a producer of surplus. I have heard that several times and, quite honestly, as someone who has been involved in dairy policy at the State and Federal level for 20 years, I have never seen it.

Mr. PETERSON of Minnesota. I said manufacturing milk that goes into cheese and powder and manufacturing purposes. One of the reasons that we have a problem with the compact and why we are into this 1–A, 1–B debate is that in Minnesota, 86 percent of our milk goes into manufacturing. Only 14 percent goes into fluid. A compact does not help us. We do not have enough fluid milk to make any difference in material effect for our farmers.

The Northeast Compact, if you took Boston out of the Northeast Compact, it would not work. The only reason it works is you have jacked up the price in Boston where you have a big market, and you are shipping the money out to Vermont. And it works because you have got a way that you can artificially set this price.

The only thing that I am saying about this, what we are concerned about is, if you artificially jack up the

price of fluid milk over and above the class 1 differentials, which you are doing with these compacts, what you are going to do is you are going to invariably create more milk that is going to have to go into manufacturing. What that does in the end is, it reduces the prices in Minnesota and in Wisconsin.

That is why we are concerned about this. If you would keep all of your milk up there in the Northeast and if you would not impact the rest of our market, we would not care what you did. The problem is that you are right now taking comments in the Northeast to figure out how to get that extra milk that would go into manufacturing, that is lowering your manufacturing prices into other parts of the country, and that is why we have a concern about it.

I just wanted Members to understand that to have a debate about fluid milk misses the whole point. The problem in this country is the way we price manufacturing milk. We have not had a debate about that up to this point.

Mr. McHUGH. Mr. Chairman, if the gentleman will continue to yield, I do not disagree with everything the gentleman said, particularly the very, I think, succinct point that this debate does not get to the heart of the challenges facing dairy policy in this country across the board. The gentleman, my friend, and I have had discussions about this. I know that his heart is in the same place mine is, and that is trying to do something that affects the benefit of every dairy farmer.

But a couple of points of clarification. First of all, I want the gentleman to understand that when he says ''you in the Northeast,'' New York State that I represent is not in the dairy compact. Darn it. I wish we were, but that is another story.

The second is, traditionally, currently New York State, and it is not just the gentleman's comments that caught my ear but others have said today, the Northeast is a deficit region, has been, is now and is likely to be. He speaks about his concerns of the future. If I could tell the future, I would be at OTB right now. The gentleman may join me.

The fact of the matter is, we can paint any kind of terrorist scenario. The reality is that the compact has not been the force that has produced excess milk. The Northeast is still a deficit region. And honestly, I do not see when you are creating a compact where you can take the largest municipality out of it and say, ''if that were not there.'' It is there. And as much as I love the Yankees over the Red Sox, I hope Boston is going to be there for a long time.

I thank the gentleman for yielding.

Ms. KAPTUR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support the Obey motion to strike this language. I came to the floor with a somewhat open mind, not having been active on this particular provision, but being concerned about it, as we moved through the appropriations process. I underline ''appropriations process.''

I think about some of the other authorizing language on this appropriations bill and how we have arrived at that language. For example, when the gentleman from Washington (Mr. NETHERCUTT) brought up the proposal that is now incorporated in the bill that dealt with lifting agriculture from the sanctions mandate in Pakistan, there was give-and-take on the committee. Members did not agree, but ultimately, by the time we got to the floor, we were able to work out our concerns on that authorizing language on this bill.

The same is true with the civil rights provisions in this bill. We technically should not have those provisions in this bill. We recognized a national need. There were differences of opinion. We had problems finding the money, shifting accounts, but we did it together on a bipartisan basis.

What is troubling to me, in a bill that is very, very broadly acceptable in this Chamber, is we now have a provision that was incorporated as authorizing language dealing with a very, very important subject where thousands and thousands and thousands of livelihoods are at stake. And a Member like myself, who comes from the State of Ohio, where many of our dairy farmers have already been wiped out, so in a sense we are more neutral than other places because we are not as impacted directly as some of the others that are still struggling in their regions, but what troubles me is, when I see charts by our chairman of the full committee, the gentleman from Louisiana (Mr. LIVINGSTON), who has some piece of the truth, and someone else has a piece of the dream over here from Wisconsin and maybe another one from Massachusetts, that we are really not doing our best legislatively to present a bill here that has accommodated the differences in bringing it to the floor.

So though I like some of what I hear in the way that the compact works to the advantage to preserve farming in the northeastern part of the country, this is really, thus far, the only part of the bill that has come before us here where there is this kind of major disagreement. It makes me concerned about the manner in which this particular provision was put into this appropriations bill. That is not how we work.

We had a couple amendments offered in the committee at the subcommittee level. But truly, we did not have the working relationship that we did on the other issues. I just wanted to put that on the record because it is too important to ignore.

Frankly, it should come through the authorizing committee, not the Committee on Appropriations, because this thing is extremely complicated and delicate. And no matter what we do, if we are not careful here, somebody, lots of somebodies are going to be hurt, whether it is directly farm families, whether it is consumers. And I guess I feel, as ranking member on this subcommittee, extremely uncomfortable that we could not have handled this particular measure in the same way as we did the other authorizing language that has been put on our bill where differences were worked out.

This is extremely controversial. And because of it, because I am sensing that a major set of interests around our country feel that they have not been properly accommodated, I will support the Obey amendment.

I would beg of the chairman of the full committee, in view of what he has said here, and the chairman of the Committee on Rules, to exercise their will in the same way as was done on some of the other issues that are in this bill, because no part of this country, no set of working people, no farmers, no consumers should be harmed by what we do here.

I have grave doubts as I have listened. And therefore, I will support the Obey amendment.

Mr. SOLOMON. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, let me say to the gentlewoman from Ohio, for whom I have the greatest respect, as she knows, she and I have worked on many issues together, this is a part of a compromise. If we go back to the grain sales that were involved with India and Pakistan, we worked out a compromise when we came to the floor.

The CHAIRMAN. The time of the gentlewoman from Ohio (Ms. KAPTUR) has expired.

(On request of Mr. SOLOMON, and by unanimous consent, Ms. KAPTUR was allowed to proceed for 1 additional minute.)

□ 1445

Mr. SOLOMON. When it came to the disadvantaged farmers, we worked with the administration. The administration wanted the monies paid for out of school lunches. We objected to that. So we worked out a compromise. We brought it to this floor. Everybody was satisfied.

On this issue, the chairman of the Committee on Agriculture stood his ground and worked with everybody to try to get a compromise that we could live with by delaying this for 6 months, giving us the ability for the authorizers to act, the appropriators next year to act. That was all a part of a compromise, I say to the gentlewoman from Ohio. That is really why we are here.

We could have gone about it the other way and been one-way about it. That was not the right way to do it. We were all trying to work together, and we did.

Ms. KAPTUR. Mr. Chairman, I thank the gentleman for that statement, but it appears by this 2 hours of debate now that certain people must not have been

talked to, and we should not have been presenting a bill like this which has such a controversial provision in it.

I would hope that, in listening to what has happened here, that perhaps some of these other interests could be accommodated and listened to down the road. But this is atypical of the rest of the bill.

Mr. KIND. Mr. Chairman, I move to strike the requisite number of words.

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

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. SOLOMON. Mr. Chairman, did the gentleman not speak?

The CHAIRMAN. The gentleman from Wisconsin has not been recognized on his own time.

The gentleman from Wisconsin (Mr. KIND) is recognized for 5 minutes.

Mr. KIND. Mr. Chairman, I want to associate myself with the remarks of the gentlewoman of Ohio. I do not think there was a meeting of the minds as far as the compromise that is being discussed right now on the House floor; otherwise, we would not be having this debate for over 2 hours.

I appreciate what the chairman of the Committee on Agriculture was attempting to do. I also appreciate the comments of the gentleman from Maryland (Mr. GILCHREST) about this is not the proper place to have the debate. If not now, when?

Of course we need to have this debate. We need to have this discussion in front of the American people because this is very serious legislation that we are talking about.

I am deeply troubled by the fact that this authorizing language is coming into the appropriations bill. This is something that, again, all the regions of the country and the representatives and the interests that are being affected by this legislation should come together at the same table and try to hammer out one coherent national dairy policy.

That is not what is being done. Instead, we are going to go back to this old antiquated Federal order system that pits region against region. We are going to perpetuate that who knows when. There is a 6-month extension right now, but who knows what is going to come when that 6 months is concluded. This is an opportunity for us really to come together.

I think we can all stipulate that farming and being a dairy family is a very noble, very honorable occupation. All of us could stand on the House floor and tell story after story of the plight of dairy farmers throughout the country. There is no question about it. But what this really comes down to is a question of fundamental fairness.

Just a little history. Sixty years ago, back in 1935 when the old order system was established, there were some supply problems in various parts of the region. In order to encourage getting the production of dairy products to those regions, this Federal order system was established.

Anyone who has had a business understands that not only do we need to produce the product, but we have to get that product to market. Perhaps 60 years ago there was difficulty in doing that, but the circumstances have changed. The market has changed.

As my friend from Minnesota (Mr. GUTKNECHT) pointed out, we have got an interstate highway system right now, refrigeration means, in order to transport fluid milk around the country. That is not the problem.

What we need to do right now is be thinking forward on this issue, thinking creatively on how we are going to be able to avert a crisis that is impending in the dairy industry, not region against region but internationally. Because other dairy industries in other countries are now starting to position themselves to start taking advantage of market opportunities as they open up overseas.

We are still having the 60-year-old debate today talking about removing the trade barriers within our own borders. What we should be talking about is how do we position the dairy farmers today in order to compete tomorrow in the international market. Until we are able to get to that issue, we are going to leave our dairy farmers at a distinct disadvantage starting early next century.

By this prop-up price differential system that we have right now, that discriminates against producers the closer they are to a city in my district, Eau Claire, Wisconsin, what we are going to end up doing is encouraging inefficient dairy operations to continue to exist, and we are going to encourage other operations outside our borders to start moving their product into the United States at an unfair competitive advantage to our dairy farmers because of this old system that we refuse to come to grips with. That is the discussion that we really should be having today.

Everyone is going to stand up and defend their interests and their regions, and good representatives, they will do that. I never thought I would be on the House floor hearing my good friend, the gentleman from New York (Mr. SOLOMON), associate himself with the liberal economic interests in the upper Northeast, but that is in fact what he did today.

We need to be thinking more creatively than what we are doing right now. This discussion should go on. This debate should go on. But so should the process that was put in place just a couple of short years ago under the Freedom to Farm bill where the Department of Agriculture was given the authority to take a look at the Federal order system and to come up with some options of where we go from here.

Mr. GILCHREST. Mr. Chairman, will the gentleman yield?

Mr. KIND. I am happy to yield to the gentleman from Maryland.

Mr. GILCHREST. Mr. Chairman, I would just like to ask a question. Can we treat an industry like agriculture or the dairy industry in the same way we treat an industry such as General Motors, Westinghouse, Wal-Mart, in the same frame of understanding as we refer to as a free market system? Can we treat both those industries the same?

Mr. KIND. Mr. Chairman, reclaiming my time, I think we can. I think we have to. I mean, really, is there any philosophical difference between the dairy family who wakes up in the morning to go milk the cows as compared to the family on Main Street with a small business trying to make that business survive and be very competitive in an international market that they are expected to be able to compete in? That is really what it comes down to. It comes down to basic economic principles.

Mr. GILCHREST. Mr. Chairman, will the gentleman continue to yield?

Mr. KIND. Sure. I am happy to yield to the gentleman from Maryland.

Mr. GILCHREST. Is it the same? Wal-Mart or General Motors can operate if they have 11 or 15 or 20 days of rain, but if you have 11 or 15 or 20 days of rain during the haying season, you lose a large crop, or you cannot plant our corn.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time because I have just spent a good part of the past weekend in dairy country in east central Minnesota in my district talking with dairy farmers who were beginning to have some hope that their lot might be improved, that the Department of Agriculture is moving along in its study, as directed by the Congress, to complete the analysis of the milk marketing orders. USDA might come up with some proposal that would establish fairness and fair treatment for these true family dairy farmers who average 50 cows, like the gentleman from Wisconsin mentioned a moment ago, a few that have 100 milking cows.

In the course of that discussion, I recalled a study completed about a year ago by the University of Minnesota Ag Extension Service which documented that there were more dairy cows and more dairy farmers 2 years before Minnesota became a State than there are today in that region of Minnesota, thanks to the whole herd buyout program and thanks in part to the Freedom to Fail at Farming Act of 1996. They are fed up with it.

There are some tragedies out there in rural America. I listened painfully to Harold Eklund, whom I consider one of the best dairy farmers I have ever known, runs the farm himself, has a few hired hands, tell the tragedy of a neighbor who had some health problems—a dairy farmer—the milk check

is not big enough to pay the bills. He came home from the hospital, went out to the shed, put some blasting caps on his body, set them off, and blew the top half of his body off.

He is a victim, too, of this policy that favors one region of the country over another, a failed policy that looked good and was good at the time that it was implemented in the 1930s, but today has gone way out of control.

That milk marketing order policy says that the farther away you farm from Eau Claire, Wisconsin, the more you get for your milk. If you really believe in freedom to farm, then let us abolish the milk marketing orders, let us remove the domestic barriers to trade as we did with foreign trade in NAFTA, as we did in trade with Canada. Let us remove the barriers among the States and let the Minnesota—Wisconsin milkshed farmers sell their milk wherever they can, as far away as they can. Let us see how well they compete with those 5,000 cow farms in the southeastern United States, in the southwestern United States, in the desert area where God never intended farming to happen or He would have made it rain there.

Let us not artificially impede the Department of Agriculture from proceeding with the rulemaking that is on track, on milk marketing orders, and which, hopefully, may provide some opportunity, some encouragement for not only the older, established farmers but also for the younger ones who are working their way into farming, who want a future in farming, who are the heart and soul and fiber and fabric of rural America and small town America. Let us vote for the Obey amendment.

Mr. SENSENBRENNER. Mr. Chairman, I rise today in opposition to the dairy provision in this bill which delays the implementation of the federal milk marketing order reforms and perpetuates the Northeast Interstate Dairy Compact.

I believe that the current federal milk marketing program is the most egregious and unfair aspect of federal dairy policy. The current federal milk marketing orders were created in the 1930s and were designed to ensure that all regions of the country were adequately supplied with fresh milk. This is obviously not the 1930s and fresh milk is available nationwide. Federal orders need to change to reflect the numerous changes that have taken place through technological advances at every level of dairying—from production to processing; distribution to transportation.

When Congress wrote the 1996 Farm Bill, we look at the rapidly changing agricultural landscape and realized that the old practices of government intervention were no longer working and mandated the USDA reform the program. With the 1996 Farm bill we set a course for greater market orientation in dairy policy, including the phaseout of the dairy price support system. The process for reform is underway. Secretary Glickman has indicated his support of steps toward a more market-oriented milk pricing system. We should not rescind our commitment to reform the federal dairy program by delaying the implementation of this much-needed reform.

Furthermore, the existence of the Northeast Interstate Dairy Compact is a completely discriminatory aspect of the current federal dairy policy. Last year I introduced legislation, H.R. 438, to rescind the consent of Congress to the Northeast Interstate Dairy Compact. To date, there are twenty-six cosponsors. I oppose such compacts because they run counter to the intent and spirit of the U.S. Constitution for free trade between the states. The legal authority for the Northeast Dairy compact was never considered by the House of Representatives but was slipped into the conference report to the 1996 Federal Agriculture Improvement Act, even after failing in the Senate. This is one of the main reasons I voted against this conference report. Nonetheless, one of the conditions of the existing law is that the Northeast Interstate Dairy Compact would terminate concurrent with the Secretary of Agriculture's implementation of the federal milk marketing order consolidation and reforms, currently set at no latter than April 4, 1999. Any simple extension of this implementation date would also prolong the existing Northeast Interstate Dairy Compact.

The Compact is detrimental to consumers because the higher milk prices paid to farmers under the compact have been passed on to milk purchasers at the retail level. The Compact is also reducing milk consumption in the region while milk production in New England is increasing, raising the specter of a return to the days of dairy purchases at taxpayer expense. Let the Northeast Interstate Dairy Compact sunset.

I will support the amendments to be offered today by my colleagues Mr. OBEY and Mr. PETRI to remove the provision which delays dairy reforms and perpetuates the anti-competitive dairy pricing cartel, known as the Northeast Interstate Dairy Compact.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY).

The amendment was rejected.

AMENDMENT NO. 8 OFFERED BY MR. PETRI

Mr. PETRI. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. PETRI:

At the end of section 736 (page 68, line 2), add the following new sentence: ''Notwithstanding section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)), congressional consent for the Northeast Interstate Dairy Compact shall terminate on April 4, 1999.

Mr. SOLOMON. Mr. Chairman, I reserve a point of order on the Petri amendment.

Mr. PETRI. Mr. Chairman, this amendment removes a provision in the bill that extends the Northeast Dairy Compact for 6 months. The amendment thus takes us back to current law and allows the compact to sunset as originally intended on April 4 of next year.

This compact, as we know from the legislative history, was inserted in the 1996 farm bill in conference and has never been reviewed by the Committee on the Judiciary or stood for a vote on the floor of the House.

This unprecedented use of the interstate compact provisions of the U.S. Constitution should not be extended, at least without careful review by the Committee on the Judiciary; but even with such review, in my opinion, should not be extended.

The compact established a cartel to raise milk prices in New England, and it has done so. Retail fluid milk prices were raised about 8 percent in Boston. Guess what? Farmers have raised production by three times the national average in Vermont, consumers have lowered their consumption, and mounting surpluses are being turned into milk powder and sold to the U.S. Department of Agriculture.

Calculated properly, the cost of these surplus purchases is actually more than the farmers gained from higher prices. If the farmers actually pay these costs as they are supposed to under the terms of the compact, even they will be net losers from this price-fixing scheme.

If, through some kind of political manipulation, they do not pay for the surplus, the taxpayers will get stuck with the bill. Meanwhile, the existence of this surplus depresses manufactured milk prices and ultimately all milk prices in the rest of the United States.

Seventy years of experience in the Soviet Union should have taught the world that this kind of central planning and market manipulation is doomed to failure. It must be allowed to sunset as intended.

This amendment is supported by over 400 organizations spanning the complete political spectrum, including the National Taxpayers Union, Public Voice for Food and Health Policy, Citizens Against Government Waste, Consumer Alert, the International Dairy Foods Association, Farmers Union Milk Marketing Cooperative, the Milk Industry Foundation, the Competitive Enterprise Institute, Foremost Farms USA Cooperative, Citizens for a Sound Economy, and many, many others.

I urge all of my colleagues to vote for sensible market-oriented policy and to remove an onerous special milk tax from poor consumers by supporting this amendment.

POINT OF ORDER

Mr. SOLOMON. Mr. Chairman, I will not bother to get into a debate. We have already debated my good friend and classmate's amendment, so I will not get into that now.

But I would make a point of order at this time against the amendment because it proposes to change existing law and constitutes legislation in an appropriation bill and, therefore, violates clause 2 of rule XXI. The rules states, in pertinent part, ''no amendment to a general appropriation bill shall be in order if changing existing law.'' This amendment does, and I press my point of order.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. PETRI) wish to be heard on the point of order?

Mr. PETRI. Mr. Chairman, I certainly do.

Mr. Chairman, the bill before us is legislating on an appropriation bill and

changes existing law. My amendment would not change existing law. It would change the bill before us to protect and maintain existing law, and, therefore, I feel that it is certainly in order. The only reason that this is necessary is that legislating on appropriations was protected by the rule of my friend and colleague, the gentleman from New York (Mr. SOLOMON), chairman of the Committee on Rules.

Mr. OBEY. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The gentleman from Wisconsin may be heard on the point of order.

Mr. OBEY. Mr. Chairman, I would simply like to make the following point. I understand the gentleman from New York is objecting to the amendment being offered by the gentleman from Wisconsin (Mr. PETRI) under clause 2 of rule XXI, which prohibits legislation on an appropriation bill.

□ 1500

I would point out that that is exactly what the bill itself does. If the Committee on Rules had not pushed through a special rule, I would have been able to lodge exactly the same point of order against the underlying bill that the gentleman is now lodging against the gentleman from Wisconsin for his amendment. It seems to me highly unfair to use the rules in one place to enforce the status quo and to use the rules in another place to attack the status quo. It would seem to me that if the chairman of the Committee on Rules, who himself reported out the rule under which I was precluded from offering my amendment, is going to support a rule like that, he would, in the interest of fairness, owe it to the gentleman from Wisconsin to allow the same principle to be applied to his amendment.

Mr. SOLOMON. I am just trying to live up to our agreements.

I press my point of order, Mr. Chairman.

The CHAIRMAN. The Chair is prepared to rule.

The amendment offered by the gentleman from Wisconsin (Mr. PETRI) explicitly supersedes a provision of the Agricultural Market Transition Act. As such, it constitutes legislation in violation of clause 2(c) of rule XXI. The amendment adds legislation to the bill, and is not merely perfecting. The waiver in House Resolution 482 only covers provisions in the bill. The point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 737. Section 102(b)(2)(D) of the Arms Export Control Act (22 U.S.C. 2799aa–1(b)(2)(D)) is amended—

(a) in clause (i) by striking ''or'' at the end;

(b) in clause (ii) by striking the period at the end and inserting '', or''; and

(c) by inserting after clause (ii) the following:

''(iii) to any credit, credit guarantee, or other financial assistance provided by the Department of Agriculture for the purchase or other provision of food or other agricultural commodities.''.

(d) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply to any credit, credit guarantee, or other financial assistance provided by the Department of Agriculture before, on, or after the date of enactment of this Act through September 30, 1999.

SEC. 738. Whenever the Secretary of Agriculture announces the basic formula price for milk for purposes of Federal milk marketing orders issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, the Secretary shall include in the announcement an estimate, stated on a per hundredweight basis, of the costs incurred by milk producers, including transportation and marketing costs, to produce milk in the different regions of the United States.

AMENDMENT NO. 1 OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. BEREUTER:

At the end of the title relating to ''GENERAL PROVISIONS'', insert the following new section:

SEC. . Section 538(f) of the Housing Act of 1949 (42 U.S.C. 1490p–2(f)) is amended by adding after and below paragraph (5) the following:

''The Secretary may not deny a guarantee under this section on the basis that the interest on the loan, or on an obligation supporting the loan, for which the guarantee is sought is exempt from inclusion in gross income for purposes of chapter 1 of the Internal Revenue Code of 1986.''.

Mr. BEREUTER. Mr. Chairman, I rise today to request approval of this floor amendment and that it be accepted by the Agriculture appropriations subcommittee. It would allow tax-exempt financing to be used in conjunction with the Section 538 housing program of the USDA. The floor amendment is necessary because of an unfortunate OMB ruling whereby tax-exempt financing could not be used in conjunction with the Section 538 housing program of the USDA Rural Housing Service. It is supported by the USDA.

I am prepared and, in fact, do give arguments for it and, in fact, arguments against the decision by OMB. But I understand that the Agriculture appropriations subcommittee chairman and ranking member have seen it.

While, this Member believes that the OMB ruling was an incorrect decision, as will be explained, without the change offered in this Member's amendment, the future success of the Section 538 program and as a result the future of rural housing will be harmed.

This Member introduced the Section 538 Multi-family Loan Guarantee Program legislation which was passed into law as a two-year demonstration project in 1996. The Section 538 legislation was introduced to ensure that the housing needs of rural families could be adequately met by the creation of additional rental units in rural areas (cities with population of 20,000 or less). Under the Section 538 program, a Federal guarantee is provided for loans made to eligible for profit or nonprofit applicants by private lenders.

The single biggest reason why the Section 538 program is such an important and needed innovation in rural housing is due to its privatization focus. In the Section 538 program, the USDA guarantees the loan for these multifamily housing projects. As a result, the U.S. Government is not directly lending the money to the borrower, instead private lenders in the free market serve borrowers with the full faith and credit of the U.S. Government standing behind the loans. Guaranteed loan programs can save the Federal Government an enormous amount of money and at the same time allow the free market to construct affordable housing for rural residents.

The Floor amendment that this Member is offering today, which would allow tax exempt bonds to be used in conjunction with the Section 538 program, is imperative for the two following reasons:

1. First, tax exempt bonds decrease the cost of borrowing money which is essential to keep the rents affordable for low and moderate income persons.

2. Second, lenders are more likely to lend money if tax exempt financing is involved. This is because lenders finance these loans in many different ways, but one very attractive means for such financing is for the lender to sell tax exempt bonds on the secondary market. Since bonds have a higher demand in the secondary market if they are tax exempt, this increased demand in turn results in more money for financial institutions to lend to individuals who want to build multifamily units.

The Section 538 program was deemed a worthy project by the U.S. Congress in 1996 when it was enacted into law as a two-year demonstration project in 1997. Since its enactment, the Section 538 program in 1997 has guaranteed $28.1 million for 16 loans in 12 states to build a total of 813 new rental units. (These statistics are provided by the USDA). The success of the Section 538 program has been recognized by the House Appropriations Committee as the bill before us today provides $125 million in funding for the Section 538 program for fiscal year 1999.

The Section 538 program has come too far to have the foundation of the rural affordable housing progam washed away through a tax exempt financing ruling by an anonymous person in the Office of Management and Budget. Tax exempt bonds are essential to the success of this program. This program deserves an opportunity to thrive and give rural residents affordable, and adquate housing, and that is what the amendment this Member is offering today will ensure—an even more successful Section 538 program that can work in conjunction with tax exempt bonds.

In closing, Mr. Chairman, according to the most recent census data, 2.7 million rural families continue to live in substandard housing. The Section 538 program, by utilizing the private market, and if used in conjunction with tax exempt bonds as allowed by this Member's amendment will do much toward reducing the number of rural families living in substandard housing. Therefore, this Member encourages his colleagues to vote for this Member's Floor amendment, which will allow the use of tax exempt bonds in conjunction with the Section 538 program.

QUESTIONS ON CBO ANALYSIS ON TAX EXEMPT BOND ISSUE:

While the Member is pleased to answer any questions from his colleagues regarding this

amendment, there is one question that this Member needs to respond to directly—that of the Congressional Budget Office (CBO) cost assessment on the issue of tax exempt financing. This Member believes that the CBO cost assessment over a five-year period (i.e., $14 million) is grossly incorrect as there should be either no cost or a very minimal cost to the use of tax exempt financing in conjunction with the Section 538 program. The four following reasons support this analysis:

1. First, when CBO conducted theire calculations, they used a questionable $150 million amount for the yearly funding for the Section 538 program as a beginning point. The $150 million amount was the amount requested by the USDA to the House and Senate Appropriations Committees for Section 538 funding. However, the House Appropriations Committee, in the bill before us today, provides $125 million in funding while the Senate Appropriations Committee provides $75 million in funding for the Section 538 program. Using the House and Senate funding amounts, a more reasonable assumption could be made that a conference compromise in the amount of $100 million in funding for the Section 538 program will result. The $100 million figure would have been more suitable to use as a basis point for a calculation as compared to the $150 million dollar figure that CBO used. It has been estimated that this flaw in the CBO calculation would reduce the CBO estimate by one-third (Note: The calcuilation correction fact of ''one-third'' is provided by the Council for Rural and Afforadable Housing.)

2. Secondly, the initial CBO assumption that this provision would leverage new investment financial by additional tax exempt debt is in question. CBO used the assumption that 50% of the bonds used in this program will be tax exempt. This Member believes that this percentage is far too high. This Member is not aware of any USDA program that has come anywhere close to this 50 percent tax exempt bond usage rate. For example, during the first pilot program under Section 538 OMB initially permitted tax exempt bonds to be used, only two out of 50 proposals involved tax exempt financing and both of these two were selected among the 10 successful applicants. Based on this information, this Member believes that 25% is a more suitable percentage for a tax exempt bond usage rate. In fact, this 25% figure was suggested by the USDA. This Member estimates that the use of the 25% estimate for tax exempt bond usage would reduce the CBO analysis by another one-third (Note: The calculation correction factor of this additional ''one-third'' is provided by the Council for Rural and Affordable Housing.)

3. Third, the full use of state volume caps by CBO in its calculation is in question as CBO refuses to reveal the volume cap model it used. Without such information from CBO, it is simply impossible for this Member to determine whether CBO in fact used these volume caps adequately.

4. Finally, CBO's calculation is questionable in that it progressively increases revenue loss by $1 million for each year of the five scored years culminating in a $5 million score for the year 2003. Due to the speculative nature of this scoring, especially with the volume cap questions, this Member believes that CBO scoring gets more and more questionable throughout the five-year scoring period.

In conclusion, Mr. Chairman, this Member believes that the above reasons will substantially reduce if not eliminate the C.B.O. scoring of this tax exempt bond usage for the Section 538 program as a revenue loss. Therefore, this Member would again encourage his colleagues to vote for the Floor amendment which would allow tax exempt bonds to be used with the Section 538 program. If anyone has any further questions, I will be more than pleased to answer them.

Mr. Chairman, I yield to the gentleman from New Mexico if he has any comments to make at this point.

Mr. SKEEN. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has been a strong supporter of rural housing programs. He deserves great credit for his work on the new Section 538 program. The USDA advises us that they would like this provision in the bill and we are prepared to accept it on our side.

Mr. BEREUTER. I thank the gentleman very much.

Mr. Chairman, I yield to the gentlewoman from Ohio (Ms. KAPTUR), the ranking member of the appropriations subcommittee.

Ms. KAPTUR. I thank the gentleman for yielding.

Mr. Chairman, we have no objections to this section and it is acceptable to us.

Mr. BEREUTER. I thank the distinguished gentlewoman from Ohio.

Mr. Chairman, I have had good support, extraordinary support, as a matter of fact, from the Agricultural appropriations subcommittee on trying to move ahead with single-family and multi-unit housing. I appreciate that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska (Mr. BEREUTER).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. DOOLEY OF CALIFORNIA

Mr. DOOLEY of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. DOOLEY of California:

Add after the final section the following new section:

SEC. ____. The amounts otherwise provided by this Act are revised by reducing the amount made available for the Department of Agriculture for special grants for agricultural research under the heading ''RESEARCH AND EDUCATION ACTIVITIES-COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE'' and providing an additional amount for the Department of Agriculture (consisting of $49,273,000 for section 401 of the Agricultural Research, Extension, and Education Act of 1998 notwithstanding section 730), both in the amount of $49,273,000.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 20 minutes, and that the time be equally divided.

The CHAIRMAN. Without objection, the gentleman from California (Mr. DOOLEY) and the gentleman from New Mexico (Mr. SKEEN) each will control 10 minutes.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. DOOLEY).

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

Mr. Chairman, this morning the President signed into law the Agricultural Research, Extension and Education Reform Act, which was passed by the House earlier this month by a vote of 364–50. This was an exciting event for myself and my colleagues on the Committee on Agriculture who have worked for over a year to develop a comprehensive agricultural research system. One of the most important provisions of this new law is the initiative for Future Agriculture and Food Systems. This new program is intended to provide Federal research dollars to be awarded on a competitive basis to address emerging issues, including agricultural genome, food safety, food technology and human nutrition, new and alternative uses and production of agricultural commodities and products, agriculture biotechnology and farm efficiency and profitability, and natural resource management.

Unfortunately, even before the President had a chance to sign this new law, the Subcommittee on Agriculture zeroed out the new program and used the savings to pay for other programs within its jurisdiction. I certainly recognize the difficulties the chairman had in providing funding to all of the important programs under his jurisdiction. However, I believe that zeroing out of all of the funding in the initiative was misguided.

I am offering an amendment today that would partially restore funding for the initiative for future agriculture and food systems. The amendment is simple. It would delete funding provided under the special grant authority for earmarked projects and use that savings to fund the initiative. In S. 1150, the Congress sent a strong message that earmarked projects should be a thing of the past and that competitive research grants were the model for the future. This philosophy was repeated throughout our bill. In section 406 of the bill, we established a generic authorization for high-priority research projects. In the past, these projects would have been earmarks, but we were able to establish a system whereby all funds would be awarded on a competitive basis and matching funds would be required. In section after section, we repeated the pattern of requiring competition for research money. Now, before the program can even get under way, the bill before us today eliminates funding for this program and resorts to business as usual.

Support for the initiative as a part of S. 1150 was overwhelming. It was supported by all the agricultural organizations, the land grant and nonland grant universities and others. Unfortunately, now they are placed in a difficult position, a position not unlike those of us

in Congress. They would be asked to choose between funding for the initiative and funding for other important agricultural programs. It is unfortunate that we are all in this position, but I believe that redirecting research funding in the form of special grants back to the new competitive program is the right approach.

I understand that many of the projects included in this section of the bill are important, but I believe that the goals of these projects could be reached through a competitive process. The interest of agriculture and the taxpayers would be better served through the competitive awarding of money. We need to ask ourselves whether we should be spending Federal dollars on research that would not be able to withstand a competitive process. We have scarce Federal dollars. No one knows that better than our colleagues who serve on the Committee on Appropriations. But I believe that it is irresponsible for this Congress to earmark funds for programs that are unauthorized.

I know that this is a difficult fight. I ask my colleagues to support my amendment that will allow us to go down the path we voted on just a few weeks ago that ended the earmarking of research projects.

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

Mr. SKEEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have had these special grants we have developed all through the years. The system has worked very well and been very productive. I do not think at this time that we want to see us to lose that system or the way that we have been handling it. Therefore, I strongly oppose the gentleman's amendment.

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

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

Mr. Chairman, in regard to the comments made by the gentleman from New Mexico, I think that what I am simply proposing is that all the programs that have been earmarked are programs that could well have merit. But I contend that in order to do the best job in meeting the priorities of agriculture and the priorities of farmers in this country and at the same time ensuring that the taxpayers are getting the greatest return on the investment of their dollars that we should be funding agricultural research programs based on a competitive basis, and that many of the programs that are earmarked in the appropriations bill will receive funding on a competitive basis. But why should they not be required to compete with other agricultural research priorities? Why should we identify a set of programs to be funded at the expense of funding other programs when they have not gone through a competitive process?

I am one of the strongest supporters of agricultural research. I think there are some great projects that are funded in the earmarks section of it. But why do we not do justice to the farmers of this country and justice to the taxpayers of this country to ensuring that the tax dollars that we invest in agricultural research will be done in a matter which ensure that they are meeting the highest priorities of the farmers of this country.

I urge my colleagues to vote in support of this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I support the gentleman in his opposition to this particular amendment. I think every single account in agriculture, whether it is research, whether it is conservation, whether it deals with emergency feeding, whether it is WIC, school lunch, we can go down the list, every single account needs more money and wants more money. I think we have been very fair. In the research accounts, I think that we accommodate various interests around the country. We just do not favor one set of perhaps powerful interests that would want to do research. On behalf of the United States of America, I think we have produced a good bill. A lot of this research is continuing research.

It is unfortunate that when additional research dollars were sought and they attempted to make them mandatory, of course, there were no funds, user fees or other sources of revenue that could help us pay for those research projects. I think it would be unfair to try to rearrange the order that we have set now within the bill. I think we have been very fair to the research accounts. Unfortunately if people want more dollars for research, they are going to have to come up with revenue sources to pay for them. I support the chairman in his opposition to this amendment.

Mr. SKEEN. Mr. Chairman, I yield myself such time as I may consume. I would like to remind the gentleman, too, that we have a tremendous amount of competition on the basis of these grants that we are granting now. Because of the lack of funding for all the programs, they are intensely, I think, interrogated as far as how valid they are and how much they will yield to the system. I do not think that this is the way to go. I am still constrained to oppose it. I do not think we need to have a competition board or something like that. We do that every session that we work these over, and we go back and review them as well.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DOOLEY).

The amendment was rejected.

AMENDMENT NO. 6 OFFERED BY MR. NEUMANN

Mr. NEUMANN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. Neumann:

Add after the final section the following new section:

SEC. —. None of the funds appropriated or otherwise made available by this Act may be used to make available or administer, or to pay the salaries of personnel of the Department of Agriculture who make available or administer, a nonrecourse loan to a producer of quota peanuts during fiscal year 1999 under section 155 of the Agricultural Market Transition Act (7 U.S.C. 7271) at a national average loan rate in excess of $550 per ton for quota peanuts.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes, and that the time be equally divided.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. The gentleman from Wisconsin (Mr. NEUMANN) is recognized for 15 minutes.

Mr. NEUMANN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to start this debate by just reading a couple of lines out of a Washington Times article of July 7, 1997. It says:

> Congress is doing something really nutty. It is making Americans pay 33 cents for every jar of peanuts we buy as part of a continuing effort to help farmers who have been dead for half a century.

Here is what is going on in the peanut program. It was developed back in the 1930s much like the dairy debate that we heard earlier here today, a program that was developed in the 1930s for specific purposes. What they did is they limited the amount of peanuts that could be sold here in the United States. They issued a quota as to how many pounds could be sold here under a certain price structure. The program was designed originally to be temporary. And as with many programs out here in this Congress, the temporary program is still going on. It was developed in 1934 and it is still going on here in 1998.

□ 1500

I have to say that in the building business when we built a company that provided 250 job opportunities, we could not get by on technology and systems that were in existence in 1986 by 1990 when I left the company, much less looking at programs that worked in 1934 and would still be in use today, and that is the case with the peanut program.

Here is how it works:

There is a limited number of quotas that are owned by individuals. Now, if we have this quota, we can market peanuts for consumption here in United States of America. Of course they get $650 per ton for the peanuts that they

market here in the United States of America. Now, if they market peanuts or grow peanuts outside the quotas, they can still sell them in the world markets. In the world markets the price of peanuts is about $350 a ton, instead of $650 that we are marketing for here in the United States.

So what does that really translate into? The consumer here in the United States of America is being asked to pay a subsidy from $350, which is the market price in the world market, to $650 a ton, so the consumers here in America are forced to pay this additional price.

What has happened over the years, of course, is that the farmers that were originally intended to benefit from this back in the Depression era, those farmers are now deceased. They are not here any more, so they do not exist. So what they did is, they passed their quota on as part of an inheritance, so it went through generation after generation after generation, and as might be expected, the person that inherited the quota no longer is doing the farming. So we are now in a situation where 68 percent of all quota owners no longer do the farming.

So what we really have, and up until very recently these quotas were owned by people in foreign countries like France and Germany and so on, and what would happen is a farmer here in the United States would buy the right to sell peanuts at this subsidized price at $650 a ton. They would buy the right to sell the peanuts here in the United States of America at this escalated price, and the quota owner would simply get a check at the end of each year.

This whole program is just plain senseless in today's markets. We should allow the peanuts to be sold at market prices here in the United States of America just like they are anywhere else in the world.

Now I should clarify just for the record that quotas are no longer owned by people in foreign countries, but they are now owned by doctors and lawyers and attorneys and wealthy people in general in the United States of America.

So what happens? A farmer goes to this person owning a quota here in the United States of America. They ask the farmer if they will sell them the right to market peanuts here in the United States of America at this subsidized or at this higher price. So the farmer then goes to work, puts in all the effort, all the time, raises the peanut crop and then sells it at the $650 a ton, but the farmer does not get to keep the $650 a ton. The person who owns the quota gets the money for it, and of course the consumer pays the additional price.

I strongly urge that we at last end this 1930's program and bring the United States of America and all the free traders in this country and all the people that say they want a fair and even playing field, let us bring the peanut program and the peanut farmers into the 1990's, just like we are trying to do with the dairy products. It is time we end this program, and that is the purpose of this amendment.

I would add one more thing under this amendment. We did not try to bring the price all the way down to $350 a ton. We simply said we are going to take it the next step and bring it to $550, with the hopes that in future years we can get to an actual free market system. So all the amendment does is bring it closer to market price. It does not even bring it all the way to market price.

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

Mr. WALSH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois (Mr. EWING) the chairman of the subcommittee of jurisdiction.

Mr. EWING. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, this is an argument that we seem to go through every year, unfortunately, and I think it is too bad that we constantly attack farmers regardless of what their crop may be. This is indeed an attack on peanut farmers and the peanut economy in this country. It is not the place that we should be reforming the peanut program, on the ag appropriation bill. No hearings, no discussions, just come in here and we will slash this program.

The sponsor of the bill, I think, is misinformed or uninformed when he talks about the world price of peanuts. The world price of peanuts is really not the value of peanuts. It is the value of peanuts that are dumped on the world market, a big difference, and the program that we have in effect, a no-cost program to the Federal Government, is there to protect the American peanut farmer from imports of cheap peanuts which are subsidized by the governments of those producers.

My colleagues, this is not a good way to make farm policy. I suggest that we do as we have in the past, that we turn back this amendment and that we live up to our contract with America's peanut farmers.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of the Neumann amendment to the farm bill which puts a price support level of $550 per ton on peanuts. This amendment represents a modest step in the direction of reform. It does not end their program or pull the rug out from under peanut farmers. However, it does send a message to the peanut, confectionery and bakery industries in districts and States like mine, Illinois, that they need not continue to pay an inflated price for peanuts as they operate in more than 50 locations, employ over 15,000 people and generate more than $600 million in annual payroll compensation to workers.

It is difficult to find anything unique or in the national interest which demands that peanuts get special preferential treatment over other commodities such as wheat, corn, grains, sorghum, barley, oats, soybeans, rice and cotton, all of which have been transitioned to the free market.

Mr. Chairman, the area that I come from, Chicago, is the hub of confectionery and peanut product manufacturing. I urge that this amendment be supported. It is good for business, it is good for America.

Mr. SKEEN. Mr. Chairman, I yield 7½ minutes to the gentlewoman from Ohio (Ms. KAPTUR) for purposes of control.

Ms. KAPTUR. Mr. Chairman, I yield that 7½ minutes to the gentlewoman from North Carolina (Mrs. CLAYTON) to control.

The CHAIRMAN. Without objection, the gentlewoman from North Carolina (Mrs. CLAYTON) will control 7½ minutes.

There was no objection.

Mrs. CLAYTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank my colleagues very much for allowing me to control this time, and I tell my colleagues that this is an old argument, an old story, but it is an unfortunate one and it is an appropriate one. Here we go again trying to really make scapegoats of farmers and the rural communities, and here we go again also trying to equate the world market to the lowest common denominator to make sure that our farmers indeed lose.

This is a regional crop. I can tell my colleagues rural communities will be devastated if indeed this amendment is passed.

Mr. Chairman, I note my ranking member from the Committee on Agriculture has come.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I thank the gentlewoman for yielding this time to me, and as someone else said a moment ago, here we go again. It seems like every year at this time the manufacturers are never satisfied until the peanut program is eliminated.

But I just did a fascinating amount of research right here in this body. I have in my hand M&M peanuts, which I like both products very well. One has peanuts, one does not. I went into the Democratic cloakroom, and I asked how much are these, and they said 60 cents each, and I said I will take two. Now my colleagues can go out in the store and buy it for 55 cents, but roughly that is the same amount that we were paying for these products last year.

What was fascinating, though, is when I went over into the Republican cloakroom and I said I would like to buy the same M&M peanuts, well, I hate to tell my colleagues on this side of the aisle, but they need to start buying their products over on this side because it costs you 75 cents for the same

two M&M peanut packages. So I think we are going to have a run on business over on our side.

But this just proves the point. With all due respect to my colleagues who are offering this amendment again, this has nothing to do with what consumers are going to pay for peanut products, even the peanut butter argument. It is fascinating. The gentleman from Wisconsin (Mr. NEUMANN) made the argument on peanut butter. The best bargain prices for peanut butter in the world are in the United States, and yet some people, and we can go anywhere in the world and we will pay more for our peanut butter. We can go to Mexico and we will pay $2.55. Here in the United States it is $2.10.

What they are trying to do with this amendment today is once again destroy peanut farmers in America. That is what they are trying to do, and they are using philosophical arguments that have no standing whatsoever with fact. When we can take these two products here and see the differences, we should not kid ourselves that we are going to do the consumer any favor by adopting this amendment. We will not.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. SMITH) the chairman of the Committee on Agriculture.

(Mr. SMITH of Oregon asked and was given permission to revise and extend his remarks.)

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

Mr. Chairman, unfortunately we have this exercise it seems every appropriation period where we attack the contract that was entered into in 1996 between Members of Congress and farmers in America. This is another attack to violate the agreement reached when we said at that time, passing legislation at that time, that we would continue the subsidy program until 2002 where it would all end.

Now farmers understand that process, the bankers that farmers do business with understand that process, and plans have been made for that purpose. Now to turn our backs, turn this Congress' back on the contract that was agreed to in 1996, is wrong. It should not happen, and it will not happen, and we will not let it happen.

Now for all the tobacco and peanut farmers in the Northwest, I am asking my colleagues, and there are not any by the way, in the name of good sense and common sense and agreement I am asking my colleagues to vote down this amendment. The point is and was made, there are shellers, there are manufacturers, there are farmers. Everybody is coming at this from another angle. This is a no net cost to taxpayers. Vote down this amendment.

Mr. NEUMANN. Mr. Chairman, I yield myself 15 seconds.

I just like to put this argument back in proper perspective. This is about the United States Government stepping into a situation and dictating that the consumer pay more than market price for a product. That is what this argument is about. It is not about whether it costs 30 cents or 60 or 75.

Mr. Chairman, I yield 3 minutes to my colleague the gentleman from Pennsylvania (Mr. KANJORSKI).

Mr. KANJORSKI. Mr. Chairman, I would like to register an objection.

I am a guy who loves peanut butter, and I have discovered, my research, it cost me 33 cents more for a 18 ounce jar, and I think that the Members on the other side of the aisle should get together and vote me a subsidy of 33 cents for every jar of peanut butter I consume a year because, after all, why should I not be entitled to be subsidized as the peanut farmer is?

This argument is really an argument. It is bipartisan in nature. There are those on both sides of the aisle that want to support the peanut farmer. If we talk about the peanut farmer, my heart goes out to him, too, except when we look at the reality of the situation, 22 percent of the peanut farmers are deriving 80 percent of the profits from these quotas.

Seventy-five percent or two-thirds of the licensees of these peanut support systems are not farmers. They are owners of land and owners of licenses. Some of them inherit them as a matter of inheritance from father and grandfather, and we are saying here that we are fighting for these poor farmers.

A lot of them live on Wall Street, the holders of these licenses, because this is a negotiated saleable item, a commodity that is sold in this country, and it is just time that, if we are talking about free markets and we are talking about competition, we are not suggesting to go straight to a free market. We are suggesting a simple 10 percent reduction in support costs.

And I just want to remind all the Members how many people would be screaming aloud here if we guaranteed the price of steel that would have to be consumed by auto manufacturers or other users of steel in this country.

□ 1530

What if we said oh, these people have made their investment and always produced steel, they have got to get a fair guaranteed price by the Congress of the United States. What happened to our Congress, our supposedly free marketeers? This is not asking for a free market; it is asking for something nearer to a fairer market. If it does not happen, the hypocrisy we will express in doing this, and when I hear our friends talk about it is going to end in 2002, well, I am not a gambler, but if anyone would want to step to the back of the Chamber, I would make a wager that in 2002 there is going to be an excuse to continue to subsidize licensee holders on Wall Street, New York, with the payment from American consumers to protect the markets of the license holders of peanuts. You will not be wrong. It is going to happen. We know it is going to happen.

All we are saying is maybe let us just give the indication to the American people that we are going to reduce this hard support system for peanut farmers by just 10 percent now. Let us see what the effect is on the marketplace. Let us see how competitive it makes our candy business. Let us not run the risk of encouraging our candy manufacturers to move to Mexico, right across the Texas line, and buy peanuts $300 cheaper from Texas than they can today.

I urge my friends to support this amendment.

Mrs. CLAYTON. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. BISHOP).

Mr. BISHOP. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, I rise in opposition to this repetitive, redundant amendment. It seems that we have got to face this every year. But 2 years ago we forged an agreement between the government and our farmers, and investment decisions have been made based on a 7-year farm bill. Now, after 2 years, we are threatening to renege on that commitment.

I think that is absolutely awful. We have made a contract with our farmers. They have relied, to their detriment, on that; and here we come now as a Congress and want to pull the rug out from under them. It is not fair, it is not right, it is un-American, and we just not ought to do it.

Mr. Chairman, I believe we ought to vote this amendment down today, just as we voted it down last year and just as we voted it down the year before that. This is a bad amendment, it does not reflect good policy.

The statistics that the gentleman from Pennsylvania (Mr. KANJORSKI) cited are based on obsolete information. We have a no-net-cost peanut program now. It does not cost the government a thing. What we are trying to do is protect American farmers and make sure they have a level playing field with producers in other parts of the world with whom they have to compete.

This is a bad amendment. It rejects and reneges on the contract we have made with our farmers and it sets bad precedent. We ought to stand up to our agreements and live out this farm bill in a way that our farmers will know that when the Congress speaks, that we can be counted on to keep our word.

Mr. Chairman, I urge the rejection of this amendment, and urge us to pass this bill and get on with the business of this House.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Chairman, the peanut program is nuts, just a shell game. It is a hidden tax. It is a hidden tax on American consumers, adding hundreds of millions of dollars to the cost of peanuts.

We have not repealed the law of economics. A jar of peanut butter costs 33

cents more because of the peanut program. These higher prices affect all consumers, but particularly low-income Americans, who often substitute peanuts for higher priced sources of protein. Even the Federal Government is feeling the pinch of higher peanut prices. It has cut its purchases of peanut butter for feeding programs such as school lunches.

In the 1996 farm bill we were promised real reform. However, in my view, this never was realized. We still have a program of fixed peanut prices, government-sponsored peanut shortages, and it is still illegal to grow peanuts without a license.

This amendment is a step in the right direction. It caps the peanut price support at $550 per ton. This is only a 10-percent reduction in the support price. I urge support for this amendment.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. CHAMBLISS).

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

Mr. CHAMBLISS. Mr. Chairman, the gentleman just got up here and said this is simply a reduction of 10 percent. You know, we reduced the support price on peanuts 10 percent in 1996. You know what happened to the price of that jar of peanut butter you just referred to? The price went up. Explain that to me. Explain that to the farmer down there who gets less than 33 cents out of that jar of peanut butter for the peanuts that go into that jar of peanut butter.

This whole thing makes absolutely no sense at all. The gentleman from Texas walked in here with M&M's that contain peanuts and M&M's that do not; M&M's bought on one side of the aisle and others bought on the other side of the aisle at different prices. Let the market control that, and that is what happens.

The cost of peanuts is so minimal in the manufacturing industry that it is absolutely ridiculous to be standing up here arguing about this. But the real point is, this is not a 1934 program, as my friend from Wisconsin said. The current peanut program is a 1996 program. Real reforms were made in the program in 1996. It became more market-oriented, it became a no-net-cost program. There was a 10 percent reduction in the support price in 1996. Most of all, as the gentleman said, it eliminated these quota holders that do not live in the United States. That simply is no longer an argument on this issue.

Most importantly, Mr. Chairman, when you step up here to vote on this particular amendment, you are voting on whether or not you want to live up to a commitment that was made to the farmers in this country in 1996. A vote for this amendment is a vote to jerk that commitment out from under them. A vote against this amendment is a vote to support what we told the peanut farmers in this country in 1996 we would do, and that is that if they would agree to making real reforms in this program, we would agree to continue this program for 7 years, at $610 not $650 a ton.

Mrs. CLAYTON. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. RODRIGUEZ).

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

Mr. RODRIGUEZ. Mr. Chairman, the peanut farmers are family farmers. The average peanut farm is 98 acres, based on the census. It is not a big farm, it is a small farm. I have the luxury of representing some of them, and they are having a great deal of difficulty.

One of the things we need to recognize is that in 1996 we had an agreement, and we brought that price down from $678 to $610. I ask you, did you see a price cut on the peanut butter and the candies out there? No, and you are not going to see it either.

The main thing is that we need to begin to support our farmers in order for them to be able to get a good price for their product. Consumers have yet to see any cost savings from those cuts that were made in the previous time. Now they want to cut again, arguing much more that the consumers deserve the savings. In fact, just like before, there are no savings.

Mr. Chairman, I ask that Members vote against this amendment.

Mr. NEUMANN. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas (Mr. HUTCHINSON), a coauthor of the amendment.

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

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

Mr. Chairman, I rise in support of this amendment. This amendment establishes a loan rate that will bring our prices closer to the world market level. This is simply a step towards preventing the government from artificially raising the price of peanuts through production quotas. In the 1996 farm bill, and Members have referred to this, the peanut subsidy was essentially left out, so we must address it now.

This policy that has been adopted is unfair to, first of all, the consumers, the consumers who are affected by the increase in price, the subsidized price of the peanuts. If it is not the consumers, it is the peanut industry. Someone has to absorb a price whenever the price is artificially increased, so it is either consumers are or the industry itself.

But it is also, and I come from an agricultural State, it is also unfair to those farmers who would like to grow for the U.S. market but do not have a license. I think we need to eliminate that.

Fourthly, it is unfair to the rest of American agriculture, who is so dependent upon exports. In Arkansas, my State, rice and soybeans, we export those worldwide. When you are trying to build an agricultural economy worldwide, we have to defend against the accusation that, well, look at your own country; you are subsidizing, engaging in unfair trade practices. So we need to eliminate those barriers across the board, so that we can increase our exports and so it is fair to all of our agricultural communities.

So I think it is very important that we start reducing this trade barrier, but we also start putting back the free market system into peanut production.

In 1934 the Great Depression led Congress to establish the Federal peanut program to protect the peanut producers and to control the domestic supply. Well, the peanut program is now 64 years old. That is 64 years of price controls, it is 64 years of higher prices for consumers and 64 years of centrally planned economics. It was not remedied in the 1996 farm bill.

Please vote for our amendment today, and end this government program.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

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

Mr. Chairman, I rise in support of the Neumann amendment. This amendment attempts to keep our promise to the American people, consumers all, to reform the peanut program, one of a number of inappropriate and outdated subsidies.

While the Farm Act gave farmers of agricultural commodities greatly expanded flexibility, removed the heavy hand of government and reduced government payments to farmers, the peanut program continues to waste taxpayer dollars.

This amendment by the gentleman from Wisconsin (Mr. NEUMANN) follows through with our commitment to reform the peanut program. It will ensure that the Secretary of Agriculture provides the small measure of reform that was promised in the farm bill. It deserves our support.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Alabama (Mr. EVERETT).

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

Mr. EVERETT. Mr. Chairman, this amendment is based on false information, it is poor from a policy standpoint, and it is unworkable from a practical standpoint. How strange it is that while the author of this amendment just a few hours ago on this floor fought for family farms in Wisconsin, he now offers an amendment that would destroy family farms that he has no interest in.

Opponents continue to claim that this peanut program costs families additional money. That simply is not true. The report that they quote identifies the consumer as corporations,

not families. Since the price farmers receive for their peanuts was slashed over 2 years ago, the price of a candy bar has gone up. Not one penny of that money taken from farmers has gone to families, not one penny.

This bill takes money from working farmers and puts it into the hands of greedy corporations.

Mr. Chairman, I yield back what common sense is left in this place.

Mr. NEUMANN. Mr. Chairman, it is my privilege to yield 1 minute to my good friend, the gentleman from Tennessee (Mr. WAMP).

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

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

Mr. Chairman, I am asked often in my fourth year here in the House, what surprises you the most? I must say what surprises me the most, without question, is that my party, the Republican Party, took a majority in this institution for the first time in 40 years, yet agriculture somehow escaped the reforms. It is unbelievable to me that we are still, in the name of reform, slow-walking reform, smiling at the American people, and saying we reformed agriculture.

My goodness, we are so deep in the agriculture business, it survives whatever winds blow through this city. They are so institutionally prominent. Whether it is peanuts, sugar, tobacco, whatever, price supports, subsidies, quotas, they make no sense in the free market. The government should not be this involved in the farm business.

Mr. Chairman, I come from a deep farm history in the Sequatchie Valley of east Tennessee and in northeast Alabama, and the farmers in my part of the world want to be left alone. They want to farm all by themselves, without figuring out what the government is doing next.

Mr. Chairman, I urge my colleagues to vote in favor of this amendment on peanuts. There are several reasons why this amendment is appropriate. Perhaps one of the most important reasons comes from a government policy perspective.

The U.S. peanut program stands out as a glaring example of inconsistency with well-established agricultural trade policy and principles supporting fair and free trade. In a new era of U.S. agriculture, where almost every food commodity is produced and exported competitively in the world market, the peanut program especially stands out as completely contrary to the objectives of the rest of agriculture.

In fact, a 1996 NAFTA case involving, dairy, poultry and eggs illustrates the problems the U.S. peanut program creates for other American commodities. In its pleadings before the domestic peanut market. The Canadians even threatened retaliation in the form of a trade case against the peanut program, had there been an adverse panel decision against Canada in the dairy, poultry and egg case.

With exports of U.S. agricultural commodities totalling approximately $60 billion annually, and many more billions of dollars of export potential, it is difficult to understand why both-makers and growers of other commodities would jeopardize this export trade in the interests of a relatively small group of peanut quota holders who refuse to compete in world markets. In fact, peanuts represent only one-half of one percent of the total value of all U.S. agriculture commodities.

Almost all U.S. commodity programs stepped up to the plate during the 1996 Farm Bill and agreed to remove restrictions on production. At the same time, peanut quota holders clung to the past and ignored market realities.

The many sectors of agriculture that compete in world markets should no longer allow the peanut program to impair their export opportunities. The future of U.S. agriculture lies in exporting commodities where we have a competitive advantage.

While this amendment does not eliminate the peanut quota program, it begins to move the U.S. peanut quota price support toward the world market price. However, if we want to begin the process of making the peanut program more market-oriented, we should support this amendment.

□ 1545

Mrs. CLAYTON. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. ETHERIDGE).

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

Mr. ETHERIDGE. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, I strongly oppose this amendment. It is amazing to me to listen to people up here who do not farm tell us how farmers make money. It is amazing to me to listen to people who do not have dirt under their fingernails to tell us how we ought to change programs. It is absurd. It is obvious to me they do not really know what it is all about. They have been listening to someone with a textbook. They really ought to go talk to the farmers who are out there right today, in 95-degree weather praying for rain, who have had too much rain, and the peanuts get soggy.

Three years ago this Congress decided it would have a 7-year program. If there is any integrity left in this body, we ought to live up to our commitment and keep this program in place and defeat this amendment.

Mr. SKEEN. Mr. Chairman, I yield 1½ minutes to the gentleman from Washington (Mr. NETHERCUTT).

Mr. NETHERCUTT. I thank the gentleman for yielding me the time.

Mr. Chairman, I just listened to my good friend, the gentleman from Tennessee (Mr. WAMP), speak a moment ago about subsidies for agriculture, and agriculture never changes. I want to dispel everybody of that notion. This is silly.

I do not know whether the gentleman from Tennessee voted for the farm bill or not, but if he did not, or if he did, and a majority of this House did, it made an agreement with people in wheat and peanuts and sugar and the rest to change this system gradually. There is nothing wrong with that. The commitment is to the farmer.

It is easy to say, let us cut everybody off tomorrow. That is fine. I am not one for great subsidies, either. But in the farm bill, we said we were going to gradually make an agreement to eliminate any assistance over a period of years. We did it with peanuts, we did it with wheat, we did it with sugar. We should stick with it.

My argument to anybody who wants to object and wants to change the agreement we made in the farm bill that the majority of this House voted upon, and the President signed into law, is stick with the commitment. Stick with the commitment to gradually adjust our thinking in this country relative to agriculture. That does not mean change peanuts or change sugar or change wheat overnight. It is stick with the agreement.

That is what I object to on this amendment is that we are suddenly saying, let us get more pure, and we are going to change this overnight. A commitment is a commitment with the farmers of this country. We ought to stay with it. I urge a no vote on this amendment.

Mrs. CLAYTON. Mr. Chairman, I yield the remainder of my time to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, just a couple of things to set the record straight. There are no licenses required to grow peanuts. Anyone can grow peanuts. In fact, 120,000 tons of non-quota peanuts found itself into the domestic market over each of the last 2 years.

Here is a list I will put in the record of 10 reforms that were put into the peanut program in the 1996 farm bill, just as the previous speaker was talking about, that have had the result of reducing peanut farmer income by as much as 30 percent.

But that is not enough for our colleagues today on the floor. All commodities have a loan. All commodities have a loan. That is what we are talking about for peanuts today, the loan price for peanuts.

Mr. Chairman, I include for the RECORD the list of 10 points related to the peanut program.

The material referred to is as follows:

THE PEANUT PROGRAM HAS BEEN REFORMED

As a result of changes made to the peanut program in the Federal Agriculture Improvement and Reform Act of 1996, peanut producers have experienced income reductions as much as 30%. Any efforts to further limit the marketing ability of peanut producers will have a devastating effect on peanut production in the United States.

Reforms made to the peanut program:

1. The Peanut program is a no-net-cost program. All taxpayer cost has been eliminated. This represents a 7 year savings of $378 million.

2. The support price has been reduced by 10%. Grower income has been reduced with no effect on the cost of operating the program.

3. The support price has been frozen for the life of the Bill. Producers will not be protected from increases in the cost of production.

4. Minimum legislated production floor is eliminated. Growers will plant based on marketplace demands rather than a legislated minimum.

5. Undermarketings are eliminated. Producers will no longer be able to carry-forward produced quota resulting from natural disasters.

6. Regulatory rest frictions are eliminated. Many restrictions on the lease and transfer of peanuts across county lines are eliminated.

7 The peanut program is opened to new producers. Access to the program has been made easier for producers desiring to produce peanuts.

8. More production will shift to family farms. Public entities and out-of-state non-producers will be ineligible for participation in the program.

9. Severe penalties for producers who do not market their peanuts commercially have been put in place. Growers who abuse the program and refuse to sell their peanuts on the commercial market will be barred from the peanut program for one year. No other commodity marketing loan program has such a severe penalty.

10. Safety-net provisions protecting against the production of lesser quality peanuts has been reduced. The use of this provision has led to a substantial improvement in the quality of peanuts in the edible market by ensuring that damaged peanuts and peanuts contaminated with aflatoxin are not used for domestic edible consumption.

Mr. NEUMANN. Mr. Chairman, in the interest of being a good sport, it is my privilege to yield 30 seconds to my opponent on this particular amendment, the gentleman from Georgia (Mr. NORWOOD).

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

Mr. NORWOOD. Mr. Chairman, I thank the gentleman very much for yielding time to me. I appreciate the gentleman from Wisconsin (Mr. NEUMANN) giving me this few seconds to say that I hope he has seen a peanut plant since last year, because last year he had never seen one.

Since then, since the gentleman has tried to give the children of Georgia powdered milk today, now they want us to buy Chinese peanuts. They are talking about 16,000 farmers in this country who are God-fearing, church-going, hard-working, taxpaying people and he needs to get off their backs and not be so greedy for the candy manufacturers.

Mr. Chairman, if people like strawberries from Mexico, they are going to love Chinese peanuts.

Mr. NEUMANN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, this is not quite as it was just explained. This is really about whether or not the United States government is going to interfere and mandate higher prices than the market would bear for peanuts. The price those farmers are farming and selling those peanuts, who are not under the quota, is $350 a ton. Why is it that our American people should pay $650 a ton when the going price in the world market is $350?

This program is bad. The United States government should not be in the business of forcing higher prices. We should have free trade as it relates to peanuts, as we should in many other areas in this country. I would hope all the people that consistently come to the floor of this House and support free and fair trade would come to the floor and support ending peanut subsidies in the United States of America, once and for all.

Mrs. MORELLA. Mr. Chairman, I rise today to support this amendment to ensure that we will achieve the reforms to the peanut program promised in the 1996 Farm Bill. The Neumann amendment would push the peanut industry toward free market policies, and help taxpayers and consumers save millions of dollars. This amendment simply requires the Department of Agriculture to be fair to consumers in establishing the loan level for quota peanuts. The USDA will be required to administer the floor price for quota peanuts at no more than $550 per ton.

The Federal Agricultural and Improvement Reform (FAIR) Act of 1996 provided ''freedom to farm'' for just about every agricultural commodity, such as corn, soybeans, and wheat. Peanuts are one of two exceptions. Although freedom to farm peanuts was denied by Congress, advocates of the new farm bill did promise a 10 percent reduction in the loan rate to $610 per ton.

Unfortunately, even this minor reform in the federal peanut program has been undercut by the Secretary of Agriculture's administration of the program. By setting an extremely low national production level for quota peanuts, he has effectively restricted peanut supplies so that the actual market price for quota peanuts has averaged about $650 per ton. This is hardly the support level envisioned by Congress. We have not moved the price support for peanuts toward the international market price of approximately $350 per ton.

This amendment would make sure that the Secretary of Agriculture implements the price support intended by Congress and moves the peanut program towards the world price. Although this is a modest step, it will provide some much-needed relief to American consumers and the U.S. peanut industry.

I urge by colleagues to support this amendment to help protect consumers from the government price-fixing peanut program. The exiting quota and price support program for peanuts is anti-consumer, anti-competitive, and inefficient. It needs to be changed. If you are concerned about good government, consumers, and the future of the U.S. peanut industry, I encourage you to vote for this peanut program amendment.

Mr. FAWELL. Mr. Chairman, I rise in support of the amendment offered by my colleagues MARK NEUMANN, PAUL KANJORSKI, and ASA HUTCHINSON, which would provide much needed reform for an out-dated and anachronistic peanut program.

I have long been an opponent of unnecessary agriculture subsidies such as the peanut, sugar, and honey programs. When the House of Representatives considered the 1994 Agriculture Appropriations bill, I offered an amendment to eliminate the notoriously wasteful USDA subsidy to honey producers. By the overwhelming vote of 344–60, the House adopted my amendment, which subsequently became law.

Today Mr. Chairman, we once again have the opportunity to reform an anti-consumer, anti-market program by reducing the price support level in the peanut program from $610 per ton to $550 per ton. This incremental, common sense amendment will move the peanut support price closer to the world market price, benefiting the U.S. taxpayer and consumer.

The current peanut program, which keeps domestic peanut prices artificially high, makes the growing and selling of domestically grown peanuts in the United States illegal without a federal license. That's correct, an American farmer can not grow or sell peanuts without a license, or quota, issued by the United States Department of Agriculture.

Moreover, American peanut users pay nearly double the international price for domestically-grown peanuts as a result of this antiquated depression-era policy. Why are foreign consumers of U.S. peanuts and peanut products paying less than American consumers Mr. Chairman? Because the U.S. Department of Agriculture is keeping peanut prices artificially high by limiting peanut production.

Mr. Chairman, this government subsidy program must be reformed. I see no reason why a handful of quota owners should benefit at the expense of the American consumer. Do not be fooled by the rhetoric of those who contend that the peanut program was reformed in the 1996 ''Freedom to Farm'' bill: It was not. We still experience a peanut program which is anti-market, anti-consumer, and anti-common sense.

Mr. Chairman, I urge all of my colleagues to support passage of the Neumann-Kanjorski-Hutchinson amendment which will reform this antiquated government subsidy program.

Ms. LOWEY. Mr. Chairman, I rise in support of this amendment, which implements the first step in the Shays-Lowey peanut program elimination bill.

The peanut program epitomizes wasteful, inefficient government spending. It supports peanut quota holders at the expense of 250 million American consumers and taxpayers.

This outdated program is based on a system reminiscent of feudal society. Quotas to sell peanuts are handed down from generation to generation, and two-thirds of the quota owners don't even grow peanuts themselves.

The GAO has estimated that this program passes on $500 million per year in higher peanut prices to consumers.

And what does this mean to average American families?

Well, as a mom who sent her three kids to school with peanut butter and jelly sandwiches for years, I find it unacceptable that this program forces American families to pay an average of 33 cents more for an 18 ounce jar of peanut butter. That's not peanuts!

This amendment is also good for American jobs. Because the price of peanuts in the U.S. is so high, peanut butter and candy bar manufacturers are leaving the U.S. to open up plants in Canada and Mexico. The peanuts can be purchased there at the world market price—half the U.S. price—and the finished product can be brought into the U.S. and sold here. We must lower the artificially high price of domestic peanuts to save these manufacturing jobs.

I urge my colleagues to stand up for American consumers and support this amendment. It is good fiscal and consumer policy.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Wisconsin (Mr. NEUMANN).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. NEUMANN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 482, further proceedings on the amendment offered by the gentleman from Wisconsin (Mr. NEUMANN) will be postponed.

AMENDMENT NO. 2 OFFERED BY MR. BASS

Mr. BASS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. BASS:

Insert before the short title the following new section:

SEC. (a) LIMITATION ON USE OF FUNDS.—Not more than $18,800,000 of the funds made available in this Act may be used for the Wildlife Services Program under the heading ''ANIMAL AND PLANT HEALTH INSPECTION SERVICE.''

(b) CORRESPONDING REDUCTION IN FUNDS.—The amount otherwise provided by this Act for salaries and expenses under the heading ''ANIMAL AND PLANT HEALTH INSPECTION SERVICE'' is hereby reduced by $10,000,000.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes, and that the time be equally divided.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. The gentleman from New Hampshire (Mr. BASS) is recognized for 10 minutes.

Mr. BASS. Mr. Chairman, I yield 5 minutes to my colleague, the gentleman from Oregon (Mr. DEFAZIO), for purposes of control, pending which I yield myself such time as I may consume.

Mr. Chairman, this amendment would reduce the Wildlife Service's western livestock protection budget from $28.8 million to $18.8 million, a $10 million reduction.

Basically, this is a program that has been funded for the last 4 or 5 years at approximately $26 to $28 million, always a little bit higher than that requested by the administration. It is a program that benefits a relatively few number of cattle and sheep ranchers in the West, and it gives them matching funds, half of which are put up by the State, essentially to shoot animals that may be considered predatory to livestock.

Between 1983 and 1993, quite a bit longer period of time, wildlife services increased by 71 percent. That is adjusted for inflation. The number of coyotes killed was increased by 30 percent. They also succeeded in killing black bears, mountain lions, badgers, and others. Let me just describe, Mr. Chairman, how this goes about.

In 1996, there were 28,575 coyotes killed. The preferred method of killing was the so-called aerial method. The aerial method is basically a means by which you get up in an airplane and you scatter shot on these poor, innocent animals. The other method was cyanide, poisoning these animals with cyanide.

Yet, over the same period of time, there has been no decrease in livestock lost to these predators. Livestock Services report livestock losses in 1996 were 5.8 million, while spending on the program was $9.6 million, not exactly a great rate of return.

Mr. Chairman, we ask ourselves, traditionally in the United States, wildlife protection has been designated to the States. Yet, we have this very strange Federal program that gives approximately $10 million to ranchers to shoot coyotes and other animals that is matched by the State, but goes beyond the way wildlife has traditionally been managed.

Is this really the right level of government to have this program controlled by? Is this really, Mr. Chairman, the best use for Federal tax dollars, to subsidize a few sheep and cattle ranchers? I think not. Does this program work, when we spend almost $10 million to save $6 million in livestock losses?

Let me suggest that the losses among cattle and sheep and other livestock are far greater from other diseases, respiratory and so forth. Perhaps the money would be better spent in other areas.

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

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. SMITH), the chairman of the Committee on Agriculture.

Mr. SMITH of Oregon. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in opposition to this amendment. Mr. Chairman, what we have heard is an exaggeration of the issue, exactly. All these predation problems are controlled either by the Oregon Fish and Wildlife Service or the National Fish and Wildlife, and they are only implemented when absolutely essential.

Let me suggest it is far beyond just protecting livestock. Timber resources are sometimes protected against bear and beaver damage; crops such as grass seed production, which is huge in the Willamette Valley in the State of Oregon, from Canada goose damage, and, of course, predation from livestock; protecting the public safety of the Portland International Airport. All of these are issues that this money goes to protect.

Mr. Chairman, to say that a horrible thing is to kill coyotes is from somebody who has never been in coyote country. Let me tell the Members that if they want to make the choice, they either take coyotes or deer and antelope. Which do Members like?

The management of predators is about protecting wildlife, as well, so we cannot say that we are here in the great name of the coyote, while at the same time saying, but we have to protect deer and antelope. Wrong. Therefore, let the professionals determine how this money is to be spent, as they do today. Let them use it in Oregon and around the country when the predators are too numerous for the other animals that are there.

Mr. Chairman, I urge Members not to support this amendment, and to vote against this amendment.

Mr. DEFAZIO. Mr. Chairman, I yield myself 2 minutes and 30 seconds.

Mr. Chairman, in disagreeing with my colleague, the gentleman from Oregon, first, public health and safety is fully protected under this amendment. Crop protection could go forward. What we are targeting is ineffective, lethal, indiscriminate predator control by what is now called the Wildlife Service, and it used to be called Animal Damage Control.

After 50 years, more than 50 years of their activity, there are more coyotes now than there were 50 years ago, because they are doing the wrong thing with their indiscriminate attack. We also have problems with rodents and ground squirrels and mice and all the other things that coyotes would predate upon, preferably to the larger livestock.

We should follow the example of Kansas. Kansas is not sucking up $1 million of Federal money, like a lot of our other Midwestern and western States. They have instituted a State program which uses non-lethal methods, education, uses guard dogs, uses a whole bunch of other methods, much more effectively than their neighboring State of Oklahoma, which has a big coyote problem, or Wyoming, which has only half the density of coyotes, but again, much more predation. Kansas is leading the Nation in this, and they are doing it without a large Federal subsidy. This is a subsidy. It is welfare.

In my own State of Oregon, $403,000 comes from the Federal Government, $270,00 from the State, and not a penny from the beneficiaries. Not one cent is spent on this predator control program by the beneficiaries. Who should be paying? Should the general fund taxpayers of the United States, should the general fund taxpayers of Oregon, or should those who benefit from the activities?

We are not saying they cannot conduct these activities when they have a problem at their own expense, on their own property. We are saying it should not be indiscriminate, it should not be broadcast all across the West, and it should not be done by Federal agents with a subsidy.

This has become a codependent welfare subsidy where Animal Damage Control, by the Wildlife Service, is forwarding their own jobs and their own prospects by inefficiently controlling the problem and not following the path which has been laid out by the Congress, which is in the past to say, look

at nonlethal alternatives, look at more effective alternatives, because you are losing your so-called war on predators here.

This is a taxpayer issue, it is an environmental issue. I urge my colleagues to support the amendment.

Mr. SKEEN. Mr. Chairman, I yield 5 minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I thank the chairman for yielding time to me.

Mr. Chairman, I wish to rise in opposition to this amendment, though I think it has some very good intentions, and it will no doubt cause discussion inside the Wildlife Service offices across this country.

Nonetheless, it is the only Federal program that we have to control damage by wild animals, not just to farm property but to individuals.

□ 1600

I can think in my own State of Ohio, for example, this program, in cooperation with our State and local agencies, has been involved in establishing a rabies-free barrier to stop the western migration of raccoons infected with rabies.

We have seen this program operate hand in hand with the Centers for Disease Control and State health departments in control of other disease such as Lyme disease and other wildlife-borne disease. I know I am amazed myself sometimes, I live in a city, to watch city dwellers try to encourage deer to come up to their back doors, wild animals. Lyme disease all through our part of the country, and yet they do not see a connection between their behavior and the feeding that they are doing of wild animals.

Mr. Chairman, I think this is a very important program. According to Utah State University, their Institute for Wildlife Biology, overall in our country losses from wildlife damage approach $3 billion annually and fully one-third of that is estimated by the Federal Aviation Administration to be lost by the airline industry from birds.

Today, this particular amendment I think, though it is well-intentioned, would have the net effect of cutting by almost one-quarter the amount of funds we have to spend on animal damage control of our crops and of our populations.

If we take a look at the impact of this program, more than two-thirds of our Nation's farms receive some type of wildlife damage each year. Commodity crops absorb staggering losses from wildlife. These include corn, rice, sunflower, carrots, wheat, sorghum and other seed grain crops.

If we look at ducks and geese who trample, eat, and soil seed and grain crops, young growing crops such as carrots, rice and corn. Deer and smaller mammals eat corn, wheat, decorative shrubbery, sorghum, and garden vegetables.

Black bears damage timber resources by clawing the bark of young trees and disrupting the flow of nutrients necessary for proper growth. And fish-eating birds such as the great blue heron, cormorants, pelicans, and the black-crowned night heron cause aquaculturists, especially catfish and trout farmers, heavy losses each year.

There is not pure right on either side of this equation. But there is a balance which we are trying to strike here. I think that wildlife services very often provides the only viable assistance in minimizing these losses both to plant life, to other animal life, and to human life.

Mr. Chairman, I think that the gentleman from Oregon (Mr. DEFAZIO) and the gentleman from New Hampshire (Mr. BASS) are very wise in trying to encourage modern practices at the Wildlife Service. If there are better ways to deal with these wildlife populations, we certainly should be taking the best research and information into account.

I think the message has been heard loud and clear and we hope that that message will continue. But I do think that these predator control programs are very, very important. Especially living in an area that is both urban and rural, we see this all the time.

So I would object to this particular amendment and would share the view of the gentleman from New Mexico (Mr. SKEEN) that it is important that we keep the funding in the base bill and that we act responsibly to try to maintain levels for a balanced wildlife services program in our country.

Mr. BASS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I appreciate the points that have been brought forward by the gentlewoman from Ohio (Ms. KAPTUR). I would only point out that all of the good points that she makes are portions of the program that would be totally unaffected by this amendment.

She is talking about the human health issue, about the property issue, about crop issue, about natural resources, forest range, and aquaculture. Those are all portions of the program that are separate from the livestock protection program.

What the gentleman from Oregon (Mr. DEFAZIO) and I are trying to do is cut the part that has to do with predator control on western ranches for cattle and sheep farmers. It is a $10 million subsidy to this part of the country for this handful of individuals, matched by the State. It is a large program.

Mr. Chairman, I would point out that I live on a farm in New Hampshire. We have coyotes all over the place. I lost two or three chickens last year to coyotes and nobody gave me a dime to try to get rid of them. These problems happen all over the country and we do not need a Federal subsidy to help bail us out.

Mr. Chairman, I urge support for this amendment.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. NETHERCUTT).

Mr. NETHERCUTT. Mr. Chairman, I thank the gentleman from New Mexico (Mr. SKEEN) for yielding me this time.

Mr. Chairman, I rise to object to this amendment because it is going to have a negative impact on the Wildlife Services Research Center and the mission of the wildlife services in my State and other Western States.

Let me just explain to my colleagues that reading from a story that appeared on June 22, Monday, in USA Today, it headlines, ''Arson Fires Ruin Two Agriculture Department Research Stations.'' The fires occurred in my State over on the west side of the State near Olympia, Washington. They were reported to cause $400,000 worth of damage to these two research facilities that are used for animal damage control. They are in the animal damage control buildings.

The buildings were gutted. This are clearly arson and the investigators are looking into the possibility that animal rights or other protest groups were involved.

So my suggestion is that this amendment sort of feeds into that idea that any research that is conducted at the Federal level that looks at animal pest control or animal predatory control is bad money expended. I reject that argument.

About a dozen State and Federal employees out of these two wildlife research centers develop repellents to keep animals such as deer, elk and beaver away from timber in the early stages of growth. So this whole idea that somehow wildlife services are bad or somehow a subsidy for the control of these kinds of problems is just wrong. I urge the rejection of this amendment.

Mr. DEFAZIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in response to the gentleman, I support the nonlethal research that was going on at that facility. That is good research. The gentleman's State does not draw hardly any funds from the lethal predator control program. In fact, out of the $10 million spent in the western United States, his State only took $106,000. So Washington is being progressive.

Mr. Chairman, I support the nonlethal, but that is not what this debate is about. The gentleman is off the point. This debate is about $10 million for ineffective, subsidized, indiscriminate lethal predator control, first response by Federal employees on private ranches for private profit. I do not know how to say it any more plainly than that.

It is not about developing alternatives. There is plenty of money left in the budget to develop alternatives. There is plenty of money left to develop the programs that the gentlewoman from Ohio (Ms. KAPTUR) reported. What we cut is $10 million, the subsidized funds, used for lethal predator control.

Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. Brown).

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

Mr. BROWN of California. Mr. Chairman, I have historically supported this kind of amendment because I feel that the program is not effective, that it is a subsidy, that it does not do the kinds of adequate research that are necessary, and that it uses nonhumane methods. I have said this over and over again.

I am a taxpayer. I contribute to the funding of this program. I will tell my colleagues that I have coyotes, raccoons, badgers in my backyard. To say nothing of the gophers and the squirrels. And I also have raids from egrets and herons that eat up my fish and I do not like it.

Mr. Chairman, I do not get any Federal aid to control that, so it is not fair right there. If it was fair, I would be getting my full share of the funds available for the control of these animals, but it is not.

I think this $10 million cut proposed by the Bass-DeFazio amendment would be a salutary message to the program that they should begin to think in terms of being more fair or equitable, more humane, more scientific in what they were doing and they would end up being more effective.

I rise in strong support of the Bass-DeFazio amendment that cuts $10 million from the FY 99 budget for Animal Damage Control program operations. This $10 million is the amount that would be spent on direct predator control.

The amendment would not require the reduction of any ADC operations affecting human health and safety, nor will it reduce the budget for research toward more effective animal damage prevention and management.

Furthermore, this amendment doesn't even take away the authority of ADC to carry out predator control, but rather it shifts the burden from the taxpayer to the private ranchers who are reaping the benefits of this program.

This amendment even allows other agencies such as Wildlife Services, the Bureau of Land Management, and the Forest Service to cover the costs of ADC's predator control work on problems under the jurisdiction of those agencies.

The Animal Damage Control program was established in 1931 and has never had to undergo the scrutiny of reauthorization. It is obsolete, ineffective, and a perfect example of wasteful government spending.

Besides being economically wasteful, ADC is also contradicting the will of Congress in the way in which it carries out its operations. To this I am referring to ADC's extensive use of lethal controls, such as traps, snares, poisons, and aerial hunting. In 1994, several members of Congress, including myself, requested a GAO study of the ADC program. The GAO report found that ADC used lethal methods in essentially all instances despite the Department's written policies and procedures which call for preference to be given to non-lethal methods.

In addition, ADC's lethal controls are nonselective, killing thousands of non-target animals annually, including rare, threatened, and endangered species.

Even when ADC controls are successful in reducing local levels of coyotes and other large predators, the resulting rise in prey species such as mice and rabbits causes millions of dollars of damage to crops and rangelands, and the increase in mid-sized predator species (earlier held in check by large predator species) harms waterfowl and migratory bird populations.

Some of ADC's activities are valuable, such as controlling bird populations near airports to reduce the risk of collision damage with air planes, and working with the U.S. Fish and Wildlife Service to minimize landowner conflicts in states with recovering wolf populations. These activities would not be affected by this amendment.

However, most of ADC's operations amount to nothing more than federal subsidies for the western livestock industry. We spend millions of dollars every year to indiscriminately kill predators for western ranchers. This subsidy is received by livestock producers who are already receiving other substantial federal subsidies, such as reduced grazing fees on public lands.

Since ADC's costs are borne primarily by taxpayers, not the recipients of these services, there is little incentive for ranchers to improve their husbandry techniques or deter predation.

ADC official policy is to seek cost-sharing whenever possible. ADC also has the authority to levy fees for services. However, these options have not been exercised as they should be and the federal funds are always fully exhausted.

This amendment will demand that there be a more equitable distribution of costs and that these costs be covered by the users, not the American taxpayer.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, looking at this amendment, I know that the drafters of the amendment have been arguing against lethal control. But if we carefully examine their amendment, we will see that they are going to cut 53 percent, or a total of $21 million from the Animal, Plant, and Health Inspection Service for the wildlife services program.

All of this talk about the lethal methods is really immaterial to what this amendment will do. They are going to destroy the opportunity of the Fish and Wildlife Service to control predatory animal problems in almost each of our 50 States if we allow this amendment to pass. We can make arguments about the different amount of control all day. But the fact is that there are various damages to the tune of estimated up to $3 billion annually that occur and this is going to continue to grow.

We as a society will continue to encroach on wildlife. We as a society will continue to have to promote and support wildlife conservation and we will continue to have to learn to allow the wildlife to live with humans and vice versa. That costs money and it costs money from the Fish and Wildlife Service.

Mr. DEFAZIO. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, in conclusion, what we are talking about here is plain and simple. A $10 million subsidy to private western ranching interests, some in my own district, so I am not cutting something in someone else's district. And to the gentleman from Texas, this is a 30 percent cut in the overall budget and it is only the funds identified by Animal Damage Control Wildlife Services as being used for the ineffective, subsidized, government-agent-run lethal predator control program in the western United States which has given us more coyotes today than when they started spending the money 60 years ago.

Mr. SKEEN. Mr. Chairman, I yield the balance of my time to the gentleman from Texas (Mr. BONILLA), to close debate.

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

Mr. BONILLA. Mr. Chairman, I rise in strong opposition to this amendment. If we support this amendment we are not supporting the safety of children in this country. This would limit our ability to use the wildlife services to protect Americans, specifically children, from predators, to lessen the risk to aviation and lessen the livestock losses sustained by American ranchers.

But more specifically, let us look at some cases where children would be hurt if this money was cut. There have been eight fatal alligator attacks in the last 50 years and three of them have occurred in the last 4 years, including the killing of a 3-year-old. A short while ago, an 18-year-old high school senior was killed by a cougar while out jogging.

Recently in Montana, the Department of Fish and Wildlife captured a cougar on a campus stroll at the University of Montana. And last year, a 4-year-old was mauled by a mountain lion in Colorado.

We have countless cases. Children traveling on aircraft, for example, would be put at risk if animal damage control were not allowed to deal with wildlife that puts aviation at risk near many of the airports in this country.

Mr. Chairman, I urge my colleagues to think seriously about what they are voting for here. A vote for this amendment is voting against the safety of children in this country.

Mr. MILLER of California. Mr. Chairman, I rise in strong support of this amendment. It cuts funding for the animal damage control portion of USDA's "Wildlife Services" Program. These are nice names for an ugly business that needlessly and painfully slaughters wildlife, excusing ranchers and farmers from the responsibility to seek more humane and creative ways to limit damage to crops and livestock from wildlife.

Today, there are a variety of low-cost, humane approaches to controlling wildlife. The trend all across the country is to try to find ways to live with wildlife, on both public and private lands. Yet USDA continues to use leghold traps, poison, and aerial gunning to kill bears, mountain lions, coyotes, and other wildlife. In addition, leghold traps and poisons are

indiscriminate methods that end up killing non-target species, including threatened and endangered species.

It is high time for Congress to stop forcing taxpayers to subsidize this senseless slaughter. This program is a throwback to a happily bygone era when we ''managed'' bison, wolves, grizzly bears, and other species by nearly extirpating them from the landscape. Shouldn't we clean house before the beginning of the 21st century and repeal this program? I urge the House to support the amendment.

Ms. FURSE. Mr. Chairman, I rise today in strong support of the Bass-DeFazio amendment. In past Agriculture Appropriations bills I myself have led the fight to curtail funds for this wasteful and abusive program. Wildlife Services, formerly known as Animal Damage Control, is an anachronism. It was created in 1931 and except for a cosmetic name change the law hasn't been changed or reformed since. This program is based on poor science, and has virtually no accountability to Congress or the general public. The program focuses excessively on lethal control, despite numerous Congressional attempts and GAO investigations to curb this practice. This program wastes taxpayer dollars and is an unnecessary and ineffective government subsidy.

Consider these facts: In every western state in FY 95, ADC spent more money controlling predators than the value of the livestock allegedly lost to predators by ADC beneficiaries.

Western livestock ranchers and ranching associations contribute less than 14 percent annually to the costs of the program. This subsidy puts livestock producers in other areas of the country at a competitive disadvantage.

Between 1983 and 1993, Federal appropriations to ADC increased 71 percent while the number of coyotes killed increased 30 percent but the number of livestock losses to predators did not decline.

From 1990–1994, ADC killed at least 7.8 million animals. This includes non-target species such as bald eagles and ferrets killed by non-selective ADC methods like poisoning, leghold traps and snares.

This amendment will not touch ADC funding to protect human health and safety or endangered species. What it will do is free taxpayers from having to foot the bill for predator control activities that benefit private ranching operations in the West—these interests are free to contract with ADC and pay for those services themselves.

This amendment is supported by taxpayer, conservation, and humane groups which object to public land subsidies that undercut the competitiveness of livestock producers in other regions of the country. Please join us in ending this inappropriate and inhumane taxpayer subsidy. Vote in favor of the Bass-DeFazio amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire (Mr. BASS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BASS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from New Hampshire (Mr. BASS) will be postponed.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that during the further consideration of H.R. 4101 in the Committee of the Whole, that debate on the Miller amendment related to sugar, if offered, and all amendments thereto, be limited to 60 minutes allocated as follows: 30 minutes to the gentleman from Florida (Mr. MILLER), 15 minutes to the gentleman from New Mexico, (Mr. SKEEN), and 15 minutes to the gentlewoman from Ohio (Ms. KAPTUR), or her designee.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

AMENDMENT NO. 6 OFFERED BY MR. NEUMANN

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin (Mr. NEUMANN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate this amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This vote will be followed by a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 181, noes 244, not voting 8, as follows:

[Roll No. 258]

AYES—181

Allen
Andrews
Archer
Armey
Barr
Barrett (WI)
Bartlett
Bass
Berman
Bilbray
Blagojevich
Blumenauer
Boehlert
Borski
Brady (PA)
Brown (CA)
Brown (OH)
Burton
Campbell
Capps
Cardin
Castle
Chabot
Christensen
Collins
Cook
Cox
Coyne
Crane
Danner
Davis (IL)
DeGette
Deutsch
Dickey
Doggett
Dooley
Doyle
Duncan
Dunn
Ehlers
Ehrlich
Engel
English
Ensign
Fattah
Fawell
Forbes
Fossella
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goodling
Gordon
Goss
Greenwood
Gutierrez
Hall (OH)
Harman
Hayworth
Hefley
Hobson
Hoekstra
Hooley
Horn
Hostettler
Hulshof
Hutchinson
Hyde
Inglis
Jackson (IL)
Johnson (CT)
Johnson (WI)
Kanjorski
Kasich
Kennedy (MA)
Kennelly
Kind (WI)
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
Lantos
LaTourette
Lazio
Lee
Levin
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
McCarthy (MO)
McCarthy (NY)
McGovern
McHale
McHugh
McInnis
McIntosh
McNulty
Meehan
Menendez
Miller (CA)
Miller (FL)
Moran (VA)
Morella
Nadler
Neal
Neumann
Ney
Northup
Obey
Olver
Pallone
Pappas
Pascrell
Paul
Peterson (PA)
Petri
Pitts
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Riggs
Rivers
Roemer
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Salmon
Sanford
Sawyer
Scarborough
Schumer
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Skaggs
Smith (NJ)
Smith, Adam
Smith, Linda
Snowbarger
Souder
Stark
Strickland
Sununu
Tauscher
Tiahrt
Tierney
Upton
Vento
Visclosky
Wamp
Waxman
Weldon (PA)
Weygand
White
Wolf
Yates

NOES—244

Abercrombie
Ackerman
Aderholt
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Barton
Bateman
Becerra
Bentsen
Bereuter
Berry
Bilirakis
Bishop
Bliley
Blunt
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Canady
Carson
Chambliss
Chenoweth
Clay
Clayton
Clement
Coble
Coburn
Combest
Condit
Conyers
Cooksey
Costello
Cramer
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (VA)
Deal
DeFazio
Delahunt
DeLauro
DeLay
Diaz-Balart
Dicks
Dingell
Dixon
Doolittle
Dreier
Edwards
Emerson
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fazio
Filner
Foley
Ford
Fowler
Frost
Furse
Gejdenson
Gephardt
Gilchrest
Gilman
Goode
Goodlatte
Graham
Granger
Green
Gutknecht
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hefner
Herger
Hill
Hilleary
Hinchey
Hinojosa
Holden
Houghton
Hoyer
Hunter
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E. B.
Johnson, Sam
Jones
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kim
King (NY)
Kingston
Kleczka
Klink
LaHood
Lampson
Largent
Latham
Leach
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Livingston
Lucas
Manton
Martinez
Matsui
McCollum
McCrery
McDade
McDermott
McIntyre
McKeon
McKinney
Meek (FL)
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Minge
Mink
Moakley
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Norwood
Nussle
Oberstar
Ortiz
Owens
Oxley
Packard
Parker
Pastor
Paxon
Pease
Pelosi
Peterson (MN)
Pickering
Pickett
Pombo
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Redmond
Reyes
Riley
Rodriguez
Rogers
Roybal-Allard
Sabo
Sanchez
Sanders
Sandlin
Saxton
Schaffer, Bob
Scott
Serrano
Sessions
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (OR)
Smith (TX)
Snyder
Solomon
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Stump
Stupak
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Towns
Traficant
Turner
Velazquez
Walsh
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wise
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—8

Cannon
Clyburn
Gonzalez
Hilliard
Payne
Schaefer, Dan
Thompson
Torres

□ 1635

Mr. JOHN and Mr. DAVIS of Virginia changed their vote from ''aye'' to ''no.''

Mrs. LINDA SMITH of Washington and Messrs. KLUG, JACKSON of Illinois, MORAN of Virginia, STARK, NEY, DICKEY, DEUTSCH, SMITH of New Jersey, HYDE, GEKAS, COYNE, and COOK changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. KELLY. Mr. Chairman, on rollcall vote No. 258 I accidentally pressed the wrong button and voted ''nay.'' My intent was to vote ''aye.'' I fully support Mr. NEUMANN's amendment, and believe that the peanut program is well overdue for real reform. I request that the RECORD show that on rollcall vote No. 258, my intent was to vote ''aye.''

AMENDMENT NO. 2 OFFERED BY MR. BASS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New Hampshire (Mr. BASS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 229, noes 193, not voting 11, as follows:

[Roll No. 259]

AYES—229

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barcia
Barr
Barrett (WI)
Barton
Bass
Becerra
Bereuter
Berman
Bilirakis
Blagojevich
Bliley
Blumenauer
Boehlert
Bonior
Borski
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Buyer
Campbell
Capps
Cardin
Carson
Castle
Chabot
Clay
Clayton
Collins
Conyers
Costello
Cox
Coyne
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dixon
Doggett
Doyle
Duncan
Ehlers
Ehrlich
Engel
English
Eshoo
Evans
Farr
Fattah
Fawell
Filner
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gejdenson
Gephardt
Gilchrest
Gilman
Goodling
Gordon
Goss
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hinchey
Hinojosa
Holden
Hooley
Horn
Houghton
Hoyer
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Kucinich
Lampson
Lantos
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHale
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Neumann
Northup
Obey
Olver
Owens
Pallone
Pappas
Pascrell
Paul
Pease
Pelosi
Petri
Porter
Poshard
Price (NC)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schumer
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Skaggs
Smith (NJ)
Smith, Adam
Snyder
Stabenow
Stark
Stokes
Strickland
Sununu
Tauscher
Taylor (MS)
Thurman
Tierney
Towns
Upton
Velazquez
Vento
Visclosky
Wamp
Waters
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wolf
Woolsey
Wynn
Yates

NOES—193

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barrett (NE)
Bartlett
Bateman
Bentsen
Berry
Bilbray
Bishop
Blunt
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Bryant
Bunning
Burr
Burton
Callahan
Calvert
Camp
Canady
Chambliss
Chenoweth
Christensen
Clement
Coble
Coburn
Combest
Condit
Cook
Cooksey
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeLay
Dickey
Dingell
Dooley
Doolittle
Dreier
Dunn
Edwards
Emerson
Ensign
Etheridge
Everett
Ewing
Fazio
Foley
Frost
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Graham
Granger
Green
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Istook
Jenkins
John
Kaptur
Kasich
Kim
Kingston
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lucas
Martinez
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Parker
Pastor
Paxon
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Redmond
Regula
Riggs
Riley
Rogers
Ryun
Salmon
Sandlin
Schaffer, Bob
Scott
Sessions
Shadegg
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stump
Stupak
Talent
Tanner
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Walsh
Watts (OK)
White
Wicker
Wise
Young (AK)
Young (FL)

NOT VOTING—11

Cannon
Clyburn
Gonzalez
Hilliard
Payne
Schaefer, Dan
Slaughter
Tauzin
Thompson
Torres
Watkins

□ 1644

Mrs. CUBIN and Messrs. STEARNS, MCINTOSH and ARCHER changed their vote from ''aye'' to ''no.''

Mrs. CLAYTON changed her vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WATKINS. Mr. Chairman, I missed rollcall No. 259. Had I been present, I would have voted ''no.''

Mr. SKEEN. 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. EVERETT) having assumed the chair, Mr. LAHOOD, 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. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes, had come to no resolution thereon.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3605

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from Texas (Mr. BRADY) be removed as a cosponsor of H.R. 3605. His name was mistakenly added to the list of cosponsors. I regret the error, and I express my apologies to him.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on the motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall vote, if postponed, will be taken tomorrow.

INTERNET TAX FREEDOM ACT

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill

(H.R. 4105) to establish a national policy against State and local interference with interstate commerce on the Internet, to exercise congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet, to establish a national policy against Federal and State regulation of Internet access and online services, and for other purposes.

The Clerk read as follows:

H.R. 4105

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 ''Internet Tax Freedom Act''.

SEC. 2. MORATORIUM ON CERTAIN TAXES.

(a) AMENDMENT.—Title 4 of the United States Code is amended by adding at the end the following:

''CHAPTER 6—MORATORIUM ON CERTAIN TAXES

''Sec.
''151. Moratorium.
''152. Advisory commission on electronic commerce.
''153. Legislative recommendations.
''154. Expedited consideration of legislative recommendations.
''155. Definitions.

''§ 151. Moratorium

''(a) MORATORIUM.—For a period of 3 years following the date of the enactment of this chapter, neither any State, nor any political subdivision thereof, shall impose, assess, collect, or attempt to collect—

''(1) taxes on Internet access;

''(2) bit taxes; or

''(3) multiple or discriminatory taxes on electronic commerce.

''(b) EXCEPTION TO MORATORIUM.—(1) Subject to paragraph (2), the moratorium in subsection (a)(1) shall not apply to the following taxes (as applicable), as in effect on the date of the enactment of this chapter, on Internet access:

''(A) STATE OF CONNECTICUT.—Section 12–407(2)(i)(A) of the General Statutes of Connecticut.

''(B) STATE OF WISCONSIN.—Section 77.52(2)(a)5 of the Wisconsin Statutes (1995–96).

''(C) STATE OF IOWA.—Section 422.43(1) of the Code of Iowa (1997).

''(D) STATE OF NORTH DAKOTA.—North Dakota Century Code 57–39.2 and 57–34.

''(E) STATE OF SOUTH DAKOTA.—South Dakota Codified Law Annotated 10–45–5.

''(F) STATE OF NEW MEXICO.—New Mexico Statutes Annotated 7–9–3.

''(G) STATE OF TENNESSEE.—Tennessee Code Annotated 67–6–221, 67–6–102(23)(iii), and 67–6–702(g).

''(H) STATE OF OHIO.—Chapter 5739 of the Ohio Revised Code.

''(2)(A) Paragraph (1) shall apply with respect to a tax referred to in such paragraph only if the referenced State enacts, during the 1–year period beginning on the date of the enactment of this chapter, a law to expressly affirm that such tax is imposed on Internet access.

''(B) A State that satisfies the requirement specified in subparagraph (A) shall be deemed to have satisfied such requirement immediately after the enactment of this chapter, except that such State may not impute penalties or interest on any tax accrued during the period beginning on the date of the enactment of this Act and ending on the date such State satisfies such requirement.

''(c) APPLICATION OF MORATORIUM.—Subsection (a) shall not apply with respect to the provision of Internet access that is offered for sale as part of a package of services that includes services other than Internet access, unless the service provider separately states that portion of the billing that applies to such services on the user's bill.

''§ 152. Advisory Commission on Electronic Commerce

''(a) ESTABLISHMENT OF COMMISSION.—There is established a temporary commission to be known as the Advisory Commission on Electronic Commerce (in this chapter referred to as the 'Commission'). The Commission shall—

''(1) be composed of 31 members appointed in accordance with subsection (b), including the chairperson who shall be selected by the members of the Commission from among individuals specified in subsection (b); and

''(2) conduct its business in accordance with the provisions of this chapter.

''(b) MEMBERSHIP.—

''(1) IN GENERAL.—The Commissioners shall serve for the life of the Commission. The membership of the Commission shall be as follows:

''(A) Three representatives from the Federal Government comprised of the Attorney General, the Secretary of Commerce, and the Secretary of the Treasury, or their respective representatives.

''(B) Fourteen representatives from State, local, and county governments comprised of 2 representatives each from the National Governors' Association, the National Conference of State Legislatures, the Council of State Governments, the National Association of Counties, the National League of Cities, and the United States Conferences of Mayors; and 1 representative each from the International City/County Management Association and the American Legislative Exchange Council.

''(C) Fourteen representatives of taxpayers and business—

''(i) 7 of whom shall be appointed jointly by the Speaker of the House of Representatives and the majority leader of the Senate, of whom 3 shall be individuals employed by or affiliated with persons engaged in providing Internet access or communications or transactions that use the Internet, 3 shall be individuals employed by or affiliated with persons engaged in electronic commerce (including at least 1 who is employed by or affiliated with a person also engaged in mail order commerce), and 1 shall be an individual employed by or affiliated with a person engaged in software publishing; and

''(ii) 7 of whom shall be appointed jointly by the minority leader of the House of Representatives and the minority leader of the Senate, of whom 3 shall be individuals employed by or affiliated with persons engaged in providing Internet access or communications or transactions that use the Internet, 3 shall be individuals employed by or affiliated with persons engaged in electronic commerce (including at least 1 who is employed by or affiliated with a person also engaged in mail order commerce), and 1 shall be an individual employed by or affiliated with a person engaged in software publishing.

''(2) APPOINTMENTS.—Appointments to the Commission shall be made not later than 45 days after the date of enactment of this chapter. The chairperson shall be selected not later than 60 days after the date of the enactment of this chapter.

''(c) ACCEPTANCE OF GIFTS AND GRANTS.—The Commission may accept, use, and dispose of gifts or grants of services or property, both real and personal, for purposes of aiding or facilitating the work of the Commission. Gifts or grants not used at the expiration of the Commission shall be returned to the donor or grantor.

''(d) OTHER RESOURCES.—The Commission shall have reasonable access to materials, resources, data, and other information from the Department of Justice, the Department of Commerce, and the Department of the Treasury. The Commission shall also have reasonable access to use the facilities of the Department of Justice, the Department of Commerce, and the Department of the Treasury for purposes of conducting meetings.

''(e) SUNSET.—The existence of the Commission shall terminate—

''(1) when the last of the committees of jurisdiction referred to in section 154 concludes consideration of the legislation proposed under section 153; or

''(2) 3 years after the date of the enactment of this chapter;

whichever occurs first.

''(f) RULES OF THE COMMISSION.—

''(1) Sixteen members of the Commission shall constitute a quorum for conducting the business of the Commission.

''(2) Any meetings held by the Commission shall be duly noticed at least 14 days in advance and shall be open to the public.

''(3) The Commission may adopt other rules as needed.

''(g) DUTIES OF THE COMMISSION.—The duties of the Commission, to be carried out in consultation with the National Tax Association Communications and Electronic Commerce Tax Project, and other interested persons, may include—

''(1) conducting a thorough study of State and local taxation of transactions using the Internet and Internet access;

''(2) examining the collection and administration of consumption taxes on remote commerce in other countries and the United States, and the impact of such collection on the global economy;

''(3) examining the advantages and disadvantages of authorizing States and local governments to require remote sellers to collect and remit sales and use taxes;

''(4) proposing a uniform system of definitions of remote and electronic commerce that may be subject to sales and use tax within each State;

''(5) examining model State legislation relating to taxation of transactions using the Internet and Internet access, including uniform terminology, definitions of the transactions, services, and other activities that may be subject to State and local taxation, procedural structures and mechanisms applicable to such taxation, and a mechanism for the resolution of disputes between States regarding matters involving multiple taxation;

''(6) examining a simplified system for administration and collection of sales and use tax for remote commerce, that incorporates all manner of making consumer payments, that would provide for a single statewide sales or use tax rate (which rate may be zero), and would establish a method of distributing to political subdivisions within each State their proportionate share of such taxes, including an examination of collection of sales or use tax by small volume remote sellers only in the State of origin;

''(7) examining ways to simplify the interstate administration of sales and use tax on remote commerce, including a review of the need for a single or uniform tax registration, single or uniform tax returns, simplified remittance requirements, and simplified administrative procedures;

''(8) examining the need for an independent third party collection system that would utilize the Internet to further simplify sales and use tax administration and collection;

''(9) reviewing the efforts of States to collect sales and use taxes owed on purchases

from remote sellers, as well as review the appropriateness of increased activities by States to collect sales and use taxes directly from customers of remote sellers;

''(10) examining the level of contacts sufficient to permit a State to impose a sales or use tax on remote commerce that would subject a remote seller to collection obligations imposed by the State, including—

''(A) the definition of a level of contacts below which a State may not impose collection obligations on a remote seller;

''(B) whether or not such obligations are applied in a nondiscriminatory manner with respect to nonremote transactions; and

''(C) the impact of such obligation on small business remote sellers;

''(11) examining making permanent the temporary moratorium described in section 151 with respect to Internet access as well as such other taxes that the Commission deems appropriate;

''(12) examining ways to simplify State and local taxes imposed on the provision of telecommunications services;

''(13) requiring the Commission to hold a public hearing to provide an opportunity for representatives of the general public, taxpayer groups, consumer groups, State and local government officials, and tax-supported institutions to testify; and

''(14) examining other State and local tax issues that are relevant to the duties of the Commission.

''(h) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act shall not apply with respect to the Commission.

''§ 153. Legislative recommendations

''(a) TRANSMISSION OF PROPOSED LEGISLATION.—Not later than 2 years after the date of the enactment of this chapter, the Commission shall transmit to the President and the Congress proposed legislation reflecting any findings concerning the matters described in such section.

''(b) CONTENTS OF PROPOSED LEGISLATION.—The proposed legislation submitted under subsection (a) by the Commission shall have been agreed to by at least 19 members of the Commission and may—

''(1) define with particularity the level of contacts between a State and remote seller that the Commission considers sufficient to permit a State to impose collection obligations on the remote seller and the level of contacts which is not sufficient to impose collection obligations on remote sellers;

''(2) provide that if, and only if, a State has adopted a single sales and use tax rate for remote commerce and established a method of distributing to its political subdivisions their proportionate share of such taxes, and adopted simplified procedures for the administration of its sales and use taxes, including uniform registration, tax returns, remittance requirements, and filing procedures, then such State should be authorized to impose on remote sellers a duty to collect sales or use tax on remote commerce;

''(3) provide that, effective upon the expiration of a 4-year period beginning on the date of the enactment of such legislation, a State that does not have in effect a single sales and use tax rate and simplified administrative procedures shall be deemed to have in effect a sales and use tax rate on remote commerce equal to zero, until such time as such State does adopt a single sales and use tax rate and simplified administrative procedures;

''(4) include uniform definitions of categories of property, goods, services, or information subject to, or exempt from, sales and use taxes;

''(5) make permanent the temporary moratorium described in section 151 with respect to Internet access, as well as such other taxes (including those described in section 151) that the Commission deems appropriate;

''(6) provide a mechanism for the resolution of disputes between States regarding matters involving multiple taxation; and

''(7) include other provisions that the Commission deems necessary.

''(c) RECOMMENDATIONS OF THE PRESIDENT.—Not later than 45 days after the receipt of the Commission's legislative proposals, the President shall review such proposals and submit to the Congress such policy recommendations as the President deems necessary or expedient.

''§ 154. Expedited consideration of legislative recommendations

''(a) Not later than 90 legislative days after the transmission to the Congress by the Commission of the proposed legislation described in section 153, such legislation shall be considered by the respective committees of jurisdiction within the House of Representatives and the Senate, and, if reported, shall be referred to the proper calendar on the floor of each House for final action.

''(b) For purposes of this section, the 90-day period shall be computed by excluding—

''(1) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

''(2) any Saturday and Sunday, not excluded under paragraph (1), when either House is not in session.

''§ 155. Definitions

''For the purposes of this chapter:

''(1) BIT TAX.—The term 'bit tax' means any tax on electronic commerce expressly imposed on or measured by the volume of digital information transmitted electronically, or the volume of digital information per unit of time transmitted electronically, but does not include taxes imposed on the provision of telecommunications services.

''(2) COMPUTER SERVER.—The term 'computer server' means a computer that functions as a centralized provider of information and services to multiple recipients.

''(3) DISCRIMINATORY TAX.—The term 'discriminatory tax' means—

''(A) any tax imposed by a State or political subdivision thereof on electronic commerce that—

''(i) is not generally imposed and legally collectible by such State or such political subdivision on transactions involving similar property, goods, services, or information accomplished through other means;

''(ii) is not generally imposed and legally collectible at the same rate by such State or such political subdivision on transactions involving similar property, goods, services, or information accomplished through other means, unless the rate is lower as part of a phase-out of the tax over not more than a 5-year period;

''(iii) imposes an obligation to collect or pay the tax on a different person or entity than in the case of transactions involving similar property, goods, services, or information accomplished through other means; or

''(iv) establishes a classification of Internet access provider for purposes of establishing a higher tax rate to be imposed on such providers than the tax rate generally applied to providers of similar information services delivered through other means; or

''(B) any tax imposed by a State or political subdivision thereof, if—

''(i) the use of a computer server by a remote seller to create or maintain a site on the Internet is considered a factor in determining a remote seller's tax collection obligation; or

''(ii) a provider of Internet access is deemed to be the agent of a remote seller for determining tax collection obligations as a result of—

''(I) the display of a remote seller's information or content on the computer server of a provider of Internet access; or

''(II) the processing of orders through the computer server of a provider of Internet access;

''(4) ELECTRONIC COMMERCE.—The term 'electronic commerce' means any transaction conducted over the Internet or through Internet access, comprising the sale, lease, license, offer, or delivery of property, goods, services, or information, whether or not for consideration, and includes the provision of Internet access.

''(5) INFORMATION SERVICES.—The term 'information services' has the meaning given such term in section 3(20) of the Communications Act of 1934 as amended from time to time.

''(6) INTERNET.—The term 'Internet' means the combination of computer facilities and electromagnetic transmission media, and related equipment and software, comprising the interconnected worldwide network of computer networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocol, to transmit information.

''(7) INTERNET ACCESS.—The term 'Internet access' means a service that enables users to access content, information, electronic mail, or other services offered over the Internet, and may also include access to proprietary content, information, and other services as part of a package of services offered to consumers. Such term does not include telecommunications services.

''(8) MULTIPLE TAX.—The term 'multiple tax' means:

''(A) Any tax that is imposed by one State or political subdivision thereof on the same or essentially the same electronic commerce that is also subject to another tax imposed by another State or political subdivision thereof (whether or not at the same rate or on the same basis), without a credit (for example, a resale exemption certificate) for taxes paid in other jurisdictions. The term 'multiple tax' shall not include a sales or use tax imposed by a State and 1 or more political subdivisions thereof pursuant to a law referred to in section 151(b)(1) on the same electronic commerce or a tax on persons engaged in electronic commerce which also may have been subject to a sales or use tax thereon. For purposes of this subparagraph, the term 'sales or use tax' means a tax that is imposed on or incident to the sale, purchase, storage, consumption, distribution, or other use of tangible personal property or services as may be defined by laws imposing such tax and which is measured by the amount of the sales price or other charge for such property or service); or

''(B) Any tax on Internet access if the State or political subdivision thereof classifies such Internet access as telecommunications or communications services under State law and such State or political subdivision thereof has also imposed a tax on the purchase or use of the underlying telecommunications services that are used to provide such Internet access without allowing a credit for other taxes paid, a sale for resale exemption, or other mechanism for eliminating duplicate taxation.

''(9) REMOTE COMMERCE.—The term 'remote commerce' means the sale, lease, license, offer, or delivery of property, goods, services, or information by a seller in 1 State to a purchaser in another State.

''(10) REMOTE SELLER.—The term 'remote seller' means a person who sells, leases, licenses, offers, or delivers property, goods, services, or information from one State to a purchaser in another State.

''(11) STATE.—The term 'State' means any of the several States, the District of Columbia, or any territory or possession of the United States.

''(12) TAX.—The term 'tax' means—

''(A) any levy, fee, or charge imposed under governmental authority by any governmental entity; or

''(B) the imposition of or obligation to collect and to remit to a governmental entity any such levy, fee, or charge imposed by a governmental entity.

Such term does not include any franchise fees or similar fees imposed by a State or local franchising authority, pursuant to section 622 or 653 of the Communications Act of 1934.

''(13) TELECOMMUNICATIONS SERVICES.—The term 'telecommunications services' has the meaning given such term in section 3(46) of the Communications Act of 1934, as amended from time to time.''.

(b) CONFORMING AMENDMENT.—Title 4 of the United States Code is amended in the table of chapters by adding at the end the following:

''6. Moratorium on Certain Taxes ..... 151''.

SEC. 3. PROVISION OF INTERNET ACCESS AND ONLINE SERVICES.

Title II of the Communications Act of 1934 is amended by inserting after section 230 (47 U.S.C. 230) the following new section:

''SEC. 231. PROHIBITION ON REGULATION OF INTERNET ACCESS AND ONLINE SERVICES.

''(a) PROHIBITION.—The Commission shall have no authority or jurisdiction under this title or section 4(i), nor shall any State commission have any authority or jurisdiction, to regulate the prices or charges paid by subscribers for Internet access or online services.

''(b) PRESERVATION OF AUTHORITY.—Nothing in this subsection shall limit or otherwise affect—

''(1) the Commission's or State commissions' implementation of the Telecommunications Act of 1996 (Public Law 104–104) or the amendments made by such Act; and

''(2) the Commission's or State commissions' authority to regulate telecommunications carriers that offer Internet access or online services in conjunction with the provision of any telephone toll, telephone exchange, or exchange access services as such terms are defined in title I.

''(c) DEFINITIONS.—As used in this section:

''(1) INTERNET.—The term 'Internet' means the combination of computer facilities and electromagnetic transmission media, and related equipment and software, comprising the interconnected world-wide network of computer networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocol, to transmit information.

''(2) INTERNET ACCESS.—The term 'Internet access' means a service that enables users to access content, information, and other services offered over the Internet, but does not mean a telecommunications service.

''(3) ONLINE SERVICE.—The term 'online service' means the offering or provision of Internet access with the provision of other information services.''.

SEC. 4. FEDERAL REGULATORY FEES.

(a) NO REGULATORY FEES.—Section 9(h) of the Communications Act of 1934 (47 U.S.C. 159(h)) is amended by inserting ''; or (3) providers of Internet access or online service'' after ''(47 C.F.R. Part 97)'' .

(b) CONFORMING AMENDMENT.—Section 9(h) of the Communications Act of 1934 (47 U.S.C. 159(h)) is amended by striking ''or'' that appears before ''(2)''.

(c) DETERMINATION.—Not later than 1 year after the date of the enactment of this Act, the National Telecommunications and Information Administration shall determine whether any direct or indirect Federal regulatory fees, other than the fees identified in subsection (a), are imposed on providers of Internet access or online services, and if so, make recommendations to the Congress regarding whether such fees should be modified or eliminated.

SEC. 5. REPORT ON FOREIGN COMMERCE.

(a) CONTENTS OF REPORT.—In order to promote electronic commerce, the Secretary of Commerce, in consultation with appropriate committees of the Congress, shall undertake an examination of—

(1) barriers imposed in foreign markets on United States providers of property, goods, services, or information engaged in electronic commerce and on United States providers of telecommunications services;

(2) how the imposition of such barriers will affect United States consumers, the competitiveness of United States citizens providing property, goods, service, or information in foreign markets, and the growth and maturing of the Internet; and

(3) what measures the Government should pursue to foster, promote, and develop electronic commerce in the United States and in foreign markets.

(b) PUBLIC COMMENT.—For purposes of this section, the Secretary of Commerce shall give all interested persons an opportunity to comment on the matters identified in subsection (a) through written or oral presentations of data, views, or arguments.

(c) TRANSMITTAL TO THE PRESIDENT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Commerce shall transmit to the President a report containing the results of the examination undertaken in accordance with subsection (a).

(d) RECOMMENDATIONS OF THE PRESIDENT.—Not later than 2 years and 45 days after the date of the enactment of this Act, the President shall review the report described in subsection (c) and submit to the appropriate committees of Congress such policy recommendations as the President deems necessary or expedient.

SEC. 6. DECLARATION THAT THE INTERNET SHOULD BE FREE OF FOREIGN TARIFFS, TRADE BARRIERS, AND OTHER RESTRICTIONS.

It is the sense of the Congress that the President should seek bilateral and multilateral agreements to remove barriers to global electronic commerce, through the World Trade Organization, the Organization for Economic Cooperation and Development, the International Telecommunications Union, the Asia Pacific Economic Cooperation Council, the Free Trade Area of the Americas, and other appropriate international fora. Such agreements should require, inter alia, that the provision of Internet access or online services be free from undue and discriminatory regulation by foreign governments and that electronic commercial transactions between United States and foreign providers of property, goods, services, and information be free from undue and discriminatory regulation, international tariffs, and discriminatory taxation.

SEC. 7. NO EXPANSION OF TAX AUTHORITY.

Nothing in this Act shall be construed to expand the duty of any person to collect or pay taxes beyond that which existed immediately before the date of the enactment of this Act.

SEC. 8. PRESERVATION OF AUTHORITY.

Nothing in this Act shall limit or otherwise affect the implementation of the Telecommunications Act of 1996 (Public Law 104–104) or the amendments made by such Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GEKAS).

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

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

There was no objection.

Mr. GEKAS. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia (Mr. BLILEY) and ask unanimous consent that he may be permitted to yield blocks of time therefrom.

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

There was no objection.

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

Mr. Speaker, I urge support for this piece of legislation. Everyone in the world knows that the Internet is a magic system that impacts upon every life on the planet in one way or another. The simple transfer of information in so many different ways and in every field of human endeavor gives great promise for the future. Indeed, the real problem is how long government and its influence can be properly visited upon this Internet system, and therein lies the problem. What if anything should be done to allow taxes or taxation or a series of taxes on the access to the Internet? That is a central problem.

We have grappled with that for quite some time, and the central issue has become whether or not we should take our time and really study the issue before we look into that dark realm of taxation as it pertains to the Internet. So the parties have agreed, to a great extent, for the extension of a moratorium on any further action before we really search out the facts in this.

Mr. Speaker, I am certain that the gentleman from Virginia (Mr. BLILEY) will be telling us more about how the moratorium is to be framed and what benefit that will be to the Congress. In the meantime, I want to thank everyone who had something to do with this legislation, including those who testified at the hearing that we held on this matter, representing the several States, the private sector, the executive branch and Members of Congress like the gentleman from California (Mr. COX) who have had a searching inquiry into this piece of legislation.

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

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RULES,
Washington, DC, June 23, 1998.

HON. NEWT GINGRICH,
House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I ask that the Committee on Rules be discharged from further consideration of H.R. 4105, the Internet Tax

Freedom Act. As you know, the bill was sequentially referred to the Rules Committee on June 22, 1998.

Specifically, the provisions of Section 154, Expedited Consideration of Legislative Recommendations, fall solely within the jurisdiction of the Committee on Rules. Although the Rules Committee has not exercised its original jurisdiction prerogatives on this legislation, the Committee has discussed these provisions with the other committees of jurisdiction, namely the Commerce and Judiciary Committees. Also, it is the understanding of the Rules Committee that the Leadership intends to schedule this bill for floor consideration in the near future. In recognition of these facts, I request that the Rules Committee be discharged from further consideration of this bill.

Nevertheles, I reserve the jurisdiction of the Committee on Rules over all bills relating to the rules, joint rules and the order of business of the House, including any bills containing expedited procedures. However, it would also be my intention to have the Rules Committee represented on any conference committee on this bill.

Thank you for consideration.

Sincerely,

GERALD B.H. SOLOMON,
Chairman.

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

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

Mr. Speaker, I strongly support the Internet Tax Freedom Act. Electronic commerce over the Internet is one of today's most dynamic and important business segments. By approving this bill, the Congress will be taking yet another strong action to protect and foster the so-called information superhighway. The Committee on the Judiciary has already approved on a bipartisan basis bills protecting copyright in cyberspace and eliminating burdensome encryption controls. This bill will help ensure that State taxes do not impede the vibrancy or growth of the Internet.

The Internet Tax Freedom Act ensures that States do not enact discriminatory or double taxes which discourage the use of the Internet. At the same time, the substitute protects the States' legitimate rights to tax Internet sales transactions in the same manner they tax the sale of ordinary goods.

We also create a moratorium on new taxes on access to the Internet. Currently a complex patchwork of State and local laws creates an impossible situation for online service providers in determining who to tax and to whom to remit. There is also a grandfather clause that will allow current taxes to stay in place if States reaffirm within the 1-year period.

We also set up a balanced commission of representatives from the Federal Government, the States and industry to help develop a coherent blueprint for interstate taxation of Internet transactions and mail order goods in the future. The bill grandfathers those States which currently tax Internet access.

The legislation we are considering today is almost identical to the version approved by the Committee on the Judiciary on a bipartisan basis and reflects substantial negotiation between the interested parties. I thank all of the participants in this important measure.

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

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. WHITE), a member of the committee who has worked very hard on this legislation.

Mr. WHITE. Mr. Speaker, I thank the gentleman from Virginia for yielding me this time and especially for taking me out of order. I appreciate that very much.

Mr. Speaker, we have a short window of opportunity on almost all the issues associated with the Internet to do the right thing. The Internet is so new. It is not yet subject to all the special interests who want to twist our policy one way or another. And so we have a short period of time to establish some good, clear, fundamental principles that will help us guide the development of the Internet for a long period of time. We have got a short period because it is not too long, even in the case of the Internet, until the special interests take over.

I would have to say, Mr. Speaker, that in this particular case, we almost missed that window, because if we let this process go on too much longer, our bill would be watered down more, there will be more exceptions, and the next thing we know, the 30,000 local taxing jurisdictions around this country will be able to do whatever they want to with the Internet. We want them to get tax revenue from the Internet but we want them to do it in the right way. That is why it is high time for us to pass this legislation.

Mr. Speaker, this is a good bill. We should pass it. But it is not a perfect bill. I certainly have some reservations about parts of it. We started off with a 6 or 7-year moratorium. We have shortened that substantially. We now have a commission that in addition to looking at just Internet specific issues is going to be looking at all the remote commerce issues. I frankly think that is a little bit of a troubling concept. But by and large it is high time for us to get this done. If we do not take advantage of this window, the window will close and we will never be able to do anything. I urge my colleagues to support this bill.

Mr. CONYERS. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. NADLER) the ranking member on the Judiciary subcommittee for our efforts here today.

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

Mr. NADLER. Mr. Speaker, I rise in support of the Internet Tax Freedom Act. This legislation is the product of long and careful negotiations between the States and the emerging Internet businesses. It strikes a careful balance between the right of States and local jurisdictions to tax commerce within their borders and the need to protect new and developing businesses from discriminatory and multiple overlapping taxes.

□ 1700

It contains a moratorium of limited duration and provides for a balanced commission to study the very complicated questions involved in taxing these new types of transactions. That commission will report back to Congress, and we will then have the benefit of their work to consider how best to proceed in this new arena.

Congress should tread very carefully when it intrudes into areas involving State power to tax, but it is also the responsibility of the Federal Government to ensure that interstate commerce is not overwhelmed by local taxes which cumulatively could have a disastrous national impact. This legislation strikes an appropriate balance between these important concerns and sets the stage for more thoughtful and careful look at this question. Most importantly, it ensures that the Internet will be free to develop and to continue as a vital new force in the economy, and I congratulate those on the committee and on the Committee on Commerce who have worked on it, and I urge its adoption.

Mr. GEKAS. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. CHABOT) one of the members of the committee who has been one of the leaders in creating the momentum that brought us to this floor.

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

Mr. CHABOT. Mr. Speaker, I rise in strong support of this bipartisan legislation, and I would like to thank the gentleman from California (Mr. Cox) and the gentleman from Illinois (Mr. HYDE) and the gentleman from Pennsylvania (Mr. GEKAS) and many others who have worked diligently on this particular legislation. I believe that it is important that we move this legislation forward quickly and enact some type of Internet tax moratorium as soon as possible. Many of us are concerned that many of the 30,000 State and local governments who are beginning to explore the possibility of imposing significant taxes and regulations on the Internet might do so, thus severely hampering the ability of this exciting medium to expand in the future.

Mr. Speaker, the Internet is a rapidly growing high-tech industry that many feel represents the future of commerce. In fact, with sales through the Internet expected to reach as high as $600 billion by the year 2002, the Internet provides American companies, consumers and taxpayers opportunities that were inconceivable just a few years ago.

I would again like to emphasize that this legislation represents a compromise. There are still some issues of

contention that remain. For example, I am not completely comfortable with the grandfather clause. I am concerned because if this provision remains, it will reward a handful of State tax administrators who rushed to tax the Internet access, placing the cost of Internet access out of reach of many American families.

We took a step in the right direction in the Committee on the Judiciary by stripping out the grandfather exception for cities, but more work needs to be done. I hope that our colleagues in the other body act to further restrict the ability of States to re-enact these taxes. Mr. Speaker, hard-working Ohioans currently pay roughly $30 million in taxes annually for the privilege of signing on to the Internet, and I would like to see those taxes cut, not codified.

Again, I urge my colleagues to support this bipartisan, pro-Internet, pro-taxpayer legislation, and I again thank the gentleman from California (Mr. COX), the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from Illinois (Mr. HYDE) and many others.

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the ranking member, the gentleman from New York (Mr. NADLER) be permitted to manage the bill from this point on and control the time.

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

There was no objection.

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

Mr. BLILEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I rise in support of H.R. 4105, the Internet Tax Freedom Act. The Committee on Commerce is engaged in an extensive review of all electronic commerce issues. We have been gathering information from Federal and State agencies, holding hearings and moving legislative proposals that stimulate the development of an electronic market place for the next century. Consideration of H.R. 4105 today is consistent with our overall electronic commerce agenda, and the legislation will set an invaluable precedent on how Internet-related activities should be addressed in the future.

At a recent hearing we were told that electronic commerce is predicted to grow at an incredible pace in the near future, doubling every year. Estimates of the total value of economic activity conducted electronically for the year 2002 ranged from $200 billion to more than $500 billion. Compare these figures with a mere $2.6 billion of economic activity in 1996. Clearly this level of economic activity will have significant impact on job growth in the United States.

As the Committee on Commerce explores ways to promote electronic commerce, we must also identify potential burdens. H.R. 4105 addresses two of them, unnecessary regulations and excessive taxation.

As a result of the Federal Government largely staying out of the way, we are seeing the development and growth of new markets for Internet access and on-line services. These markets are fully competitive today, and consumers have more choice than ever in selecting access providers and in selecting providers of general or proprietary information. The last thing we need right now is for Federal and State governments to interfere with the development of these markets. H.R. 4105 makes a preemptive strike against such government interference with the Internet.

The other potentially burdensome situation for electronic commerce is State and local taxation. Many States have found ways to tax Internet-related activities, and they do so in an inconsistent manner. For example, some States tax Internet access as computer and data processing services. Other States tax it as either a telecommunications service or information service.

These classification differences are only part of the problem. Given the way data is transmitted over the Internet, some States have challenged fundamental constitutional doctrines in order to assert substantial nexus over out-of-state vendors. Because of these problems, many executives have argued that the taxation of Internet-related activities is the single most significant impediment to the development of electronic commerce in the United States.

H.R. 4105 presents a balanced approach between regulation and taxation of Internet access, on-line services and electronic commerce. It prohibits the FCC and States from regulating the prices of Internet access and on-line services. It also calls for a time out on taxing the Internet and asks for a group of experts to be assembled to study long-term solutions on Internet taxation issues.

I would like to thank the chairman, the gentleman from Illinois (Mr. HYDE), for his leadership on this matter and for sustaining the bill's momentum. I would also like to thank the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from California (Mr. COX) and the gentleman from Washington (Mr. WHITE) for their dedication, and I look forward to working with the other Members as we continue to move the bill through the legislative process.

Mr. NADLER. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of this legislation. I want to commend the gentleman from Virginia (Mr. BLILEY), the gentleman from Michigan (Mr. DINGELL), and the gentleman from Louisiana (Mr. TAUZIN) of the Subcommittee on Telecommunications for their work on this issue, and to single out the gentleman from California (Mr. COX) for his leadership on this issue, along with the gentleman from Michigan (Mr. CONYERS) and others, including the gentleman from New York (Mr. NADLER), because we really have put something together here that I think really moves along the discussion on this issue. And I would like to single out Senator WYDEN over on the Senate side, as well, who introduced legislation to this effect with the gentleman from California (Mr. COX) last year.

During the Committee on Commerce consideration of this legislation I expressed support for a moratorium on new Internet-specific taxes, but at the time I believed that the bill needed to be clearer in its scope and its definitions to ensure that no unintended harm was done in the process to any Federal or State regulatory authority to fully implement the provisions of the Telecommunications Act of 1996. All the regulatory fees, tax provisions and, in particular, the universal service provisions of the Telecommunications Act that were painstakingly deliberated upon and subsequently enacted are fully protected by this savings clause contained in the pending bill before us today.

In addition we have attempted to ensure that this tax bill does not do unintended harm to telecommunications policy. I think that this goal is also achieved in the current version of the bill.

This legislation before us this afternoon has been extensively changed since it was introduced and since our initial markup in the Subcommittee on Telecommunications, Trade, and Consumer Protection. The new legislation correctly limits the tax moratorium to Internet access, and the language in the bill more carefully defines such terms so that it is clear for the purposes of this legislation that it does not encompass other activities or services such as telecommunications or telecommunication services.

Moreover, the legislation merely limits FCC and State authority to regulate prices charged directly to subscribers for Internet access or on-line services, but preserves FCC and State authority over any telecommunications carrier which bundles Internet access or on-line services in combination with telephone service.

The legislation offered this evening also fully protects universal service support mechanisms by adding the savings clause that nothing in this legislation shall limit or otherwise affect the implementation of the Telecommunications Act. The legislation makes clear that Section 254 of the Telecommunications Act, which was added by the act of 1996, is fully protected. The Telecommunications Act for the first time specifically codified the principle of universal service and delineated Federal and State responsibilities, rights and obligations for universal service support.

On the tax front the legislation now has a 3-year moratorium on taxes and Internet access.

I think we now begin the dialogue with States and municipalities and governors as this process moves forward. I want to congratulate everyone here as we move this hurry-up offense right before the Fourth of July break, but I think we have tremendous potential if the Senate acts.

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to insert statements in the RECORD.

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

There was no objection.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. TAUZIN) the chairman of the subcommittee.

Mr. TAUZIN. I thank the gentleman for yielding this time to me.

Mr. Speaker, let me first of all thank the gentleman from Virginia (Mr. Bliley) and the chairman, the gentleman from Illinois (Mr. HYDE) for coming together on this very important piece of legislation, bringing our two committees into focus here, and to thank the gentleman from Michigan (Mr. DINGELL) and the gentleman from Massachusetts (Mr. MARKEY) for working so closely at subcommittee and full committee level with us on the Committee on Commerce to make this happen.

The first bill, as my colleagues know, was heard by the committee and reported last October, and I think in that regard historically we need to credit the gentleman from California (Mr. COX) and the gentleman from Washington (Mr. WHITE) for the 2-year effort they put into bringing this issue to the House floor today, in trying to resolve what could be a sticky problem of how to make the Internet work with E-commerce in a world of 30,000 different taxing jurisdictions.

As my colleagues know, when the computer married up with the telephone, a whole new world opened up to Americans and to the world community. All of a sudden, when computers married up to telephones, cellular telephone service and PCS service became available, and all of a sudden the whole world became a much smaller place.

Now we are beginning to see the marriage of computers and this incredible telephone industry and the television itself in a world of computers and Internet services that will increasingly bring America and the world closer in the world of commerce. We have gone from the industrial age indeed to the communications or information age, and now we are beginning to see the fruits of it in E-commerce, as electronic commerce becomes the means by which more and more Americans and citizens of this world will do business.

It is critical at this juncture just for us to call a time out to make sure that policy works, that this wonderful world of computers which has delivered so much value to Americans, which has been generally an unregulated world, which has increased in value and dimension and service not only to our citizens but to citizens of the world as it marries up to this highly-regulated world of telephones and television, that we do not make a lot of mistakes that would kill the goose that laid the golden egg.

This moratorium is critical to the progress of electronic customers. I urge the passage of this bill.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Speaker, I rise in support of the Internet Tax Freedom Act and urge my colleagues to support the measure.

As my colleagues know, a friend of mine in Silicon Valley that I have the privilege of representing here along with the gentlewoman from California (Ms. ESHOO), my colleague, analogized the Internet to the ''big bang'' and said that after the ''big bang'' the planets formed and we are about at that time now. The planets are just forming up after the explosion of the Internet. We do know that the Internet will change everything. It will change the way we do business, it will change the way we learn, it will change the way grandparents communicate with grandchildren.

□ 1715

It will change everything in our ordinary life, and it is absolutely essential that we do nothing to impair or hinder the growth of this wonderful technology.

I am actually very proud that we have been able to work together on a bipartisan basis in the Committee on the Judiciary as well as in the Committee on Commerce to achieve this moratorium on taxes. Like my colleague, the gentleman from Ohio (Mr. CHABOT), I do not think this measure is absolutely perfect, but it is not bad. It is certainly worthy of our support. I would hope that we can pass it promptly, and that the Senate will join with us and send it on to the President, who I know will support it as well.

I would say also just this: Having been in local government for 14 years before my service here in Congress, I do understand the bind that local governments find themselves in. So often they are scrambling for revenue to meet the tremendous service needs that they face. I am sympathetic with those needs, but I understand that really it is in no one's interest that we do anything to impair the growth of the Internet, not in the interests of cities, counties, states, the United States or any of us.

So I commend this bill. I thank my colleagues for bringing it forward.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Speaker, I rise in strong support of the Internet Tax Freedom Act, and I especially want to compliment my colleague, the gentleman from California (Mr. COX), for his tremendous efforts to get this bill to the House floor. It has not really been an easy process, even though we are all singing the praises of the bill tonight. I salute our committee chairman, the gentleman from Virginia (Mr. BLILEY), the subcommittee chairman, the gentleman from Louisiana (Mr. TAUZIN), and the ranking members.

Mr. Speaker, the legislation tackles two very complicated subjects, the Internet and taxes. To explain legislation about either one in the brief period of time is difficult enough; put them together, and the complexity increases exponentially. That is why this bill, which calls for a time-out on Internet taxation, is so important.

It is clear that precedents are already being set as taxing authorities around the country search for creative ways to define and tax the Internet. States and localities have targeted the Internet as a new resource for funds, given the tremendous growth in electronic commerce over the past few years, but it is time for the activity really to come to a stop, at least until we all have a better understanding of the ramifications that taxation will have on the future of the global information infrastructure.

Representing Silicone Valley, I can tell you that it is rare that high technology companies, particularly Internet companies, come and ask the Federal Government to become more involved in their business. When they do, it is a good indication that a problem exists that could damage the future viability of their industry, and this is an industry that represents the fastest growing segment of our economy.

So this legislation that we are considering today is a sound approach to dealing with the development of inconsistent and, in many cases, unworkable taxation of the Internet. It gives us a chance to study the issue, moving forward only when we fully understand what effects taxation will have on the development of what is becoming a global resource that must be protected.

Mr. Speaker, I urge all of my colleagues to support it.

Mr. BLILEY. Mr. Speaker, I yield the balance of my time, 3½ minutes, to the gentleman from California (Mr. COX), who has put 2 years of hard work on this to bring us to this point.

Mr. GEKAS. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. COX).

Mr. COX of California. Mr. Speaker, I thank the gentlemen for yielding me time.

Mr. Speaker, I asked for about 45 minutes so I could read the names of all the people that it is important to thank. Because I have a limited period of time, I want to thank certainly those that are here that were the leaders in the effort to bring it to the floor, in particular my chairman, the gentleman from Virginia (Mr. BLILEY), my ranking member, the gentleman from

Michigan (Mr. DINGELL), as well as the chairman of the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE), who has shown so much leadership on this, and the gentleman from Michigan (Mr. CONYERS), for their diligent efforts.

We have the subcommittee chairmen, the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from Louisiana (Mr. TAUZIN), to thank for this as well, and governors, both early on, and, eventually, almost all of them later. But early on, Governor Wilson of California, my Governor, Pete Wilson, was a leader, as were many of our statewide elected officials in this effort to prevent the Internet from being taxed; the Governor of New York, Governor Pataki; Governor Cellucci in Massachusetts, and Governor Weld before him; Governor Gilmore in Virginia, Governor Allen before him; Governor Bush in Texas; and my partner in all of these negotiations, the Governor of Utah, who also negotiated on behalf of the National Governors Association, Mike Leavitt.

This is now a consensus bill. It is a balanced approach between our national interest in preventing parochial taxation of the Internet and Federal regulation of the Internet, and the concern of State and local governments who want to make sure that they retain their prerogatives.

As we enter the Information Age, the digital age, we are establishing in law a very important principle; that information should be made available as freely and widely as possible throughout the world; it should not be taxed and it should not be regulated. This bill addresses itself to both problems.

It says not only that we will not have new special discriminatory and multiple taxes on the Internet, but also that the FCC, now the Federal Communications Commission, shall not become the ''Federal Computer Commission.'' We will not give the FCC, and we expressly state this in the legislation, the power to regulate the Internet.

Some long time ago, Michael Faraday, the very, very famous inventor, a century-and-a-half ago, had become sufficiently well-known in his own day that he won an audience with the king, King William IV. He had invented the dynamo, the first electric motor, by rotating a current-bearing wire around a magnet, and the king wanted to see him. The king was fascinated with his invention, the dynamo, but he addressed himself to Michael Faraday and said, ''But, after all, of what use is it?'' Faraday replied, ''Sir, I do not know, but of this I am certain: One day you will tax it.''

We are a long way further down the road in the revolution wrought by that wonderful revolution of electricity that Faraday helped to perfect, but, without question, the 30,000 State and local tax jurisdictions that could tax the Internet are just as anxious to, so as was the tax collector back in the days of King William IV. We are preventing that today. We might just say tonight, ''Read our e-mail; no new taxes.''

Mr. Speaker, may I just say that there is one other person that deserves thanks, who is an alumnus of this body. He is now a Senator, RON WYDEN. This is my legislation in the House, but he and I teamed up together to do this, and it is as much his idea as it is my own. I am anxious that the other body move this bill after we give it strong bipartisan if not overwhelming support here tonight and tomorrow, and I think he should be recognized for his efforts as well; an alumnus not only of the House, but of our Committee on Commerce.

Mr. NADLER. Mr. Speaker, to advance the bipartisan support for this bill, in addition to the support given by King William, I yield 2 minutes to the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. Mr. Speaker, I should note that my first name is also WILLIAM, and I do support this bill that puts a moratorium on taxes.

Mr. Speaker, I also want to acknowledge the leadership of the gentleman from California (Mr. COX), who has clearly played a key role in bringing forth this particular proposal. As others have indicated, we are certainly witnessing today the emergence of a vast new global electronic marketplace, which is profoundly transforming the way in which both goods and information are exchanged. Government can either foster this development through wise policies, or impede it through foolish policies. I believe, as others, that it would be very foolish for us to allow the Internet to become encumbered with a patchwork of duplicative and overlapping taxes.

The moratorium provided under the bill before us would ensure instead that policymakers have the opportunity to develop a coherent and uniform policy for the taxation of electronic commerce in the years to come.

As I noted earlier in a hearing of the subcommittee chaired by the gentleman from Pennsylvania (Mr. GEKAS) this past July, the matter is of immense importance to Massachusetts, a world leader in advanced technology, that is second only to Silicone Valley as a home to software producers and other high-tech companies. Last year, some 2,200 Massachusetts-based software companies had 130,000 employees and combined revenues of $7.8 billion. This is a large slice of our State economy and a boon to our Nation's balance of trade.

Massachusetts was among the first States to adopt legislation exempting Internet access services from State sales tax. However, until more States follow Massachusetts' lead, Internet users in the Commonwealth remain vulnerable to discriminatory taxes from jurisdictions outside our borders. That is why this particular proposal is so desperately needed, and I urge our colleagues to give it their support.

Mr. NADLER. Mr. Speaker, I yield 2½ minutes to the distinguished gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, the power to tax is indeed the power to destroy. The Internet not only offers us an amazing way of communication, but it offers a tremendous potential, a revolutionary potential for electronic commerce.

With the Internet still in its rather fragile youth, hasty or excessive use of taxation could easily destroy this wonderful new wellspring of free speech and economic enterprise.

Suppose a Texan finds on the Internet a new software package that could double her business potential and decides to buy it over the Internet. She is sitting at a computer in Texas. The company which produces the product is headquartered in Washington State, and she uses an Internet server that is located in Illinois. Washington, Illinois and Texas and all of their subdivisions that are relevant have a claim to somehow tax this transaction. In a way, the transaction has taken place in each of these three States. Will my neighbor in Austin get a tax bill from all three, plus their subdivisions, or will the States somehow have to fight it out over who gets to tax the most-and-the-first test?

Well, I believe that the current situation is really a mess. We have the potential of over 30,000 jurisdictions that could be doing the taxing. If we do not enact this moratorium, it will mean up to 30,000 hands in the cookie jar, and when all these governments have taken out all the taxes they want, the consumers and the businesses who want to rely on the Internet will have only a few crumbs.

Last year, our bipartisan Information Technology Working Group that I founded with the gentleman from Virginia (Mr. DAVIS) focused attention on this problem and had experts from around the country come in and discuss it.

□ 1730

That is both in my work there and as a representative of central Texas, which is at the forefront of the high-tech economy. I have seen firsthand the tremendous economic potential of the Internet. I believe that the Internet is at its best when government interference is at its least.

The Internet is at its best only when government is at its least. We call for a time out from taxes and a time on for perfecting electronic commerce. I urge my colleagues to support this legislation, which will allow us a 3-year period in which to work together and devise a bipartisan and equitable solution to the future of electronic commerce in this country.

Mr. NADLER. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, let me rise in support of this legislation, for if we pass this very important Internet Tax Freedom Act, the Congress will be taking yet another strong action to protect the important highway that we have all been trying to get on, and that is the information superhighway.

I am delighted for the leadership of the gentleman from California (Mr. COX) and others who have worked so very diligently on this legislation. The Committee on the Judiciary has already approved on a bipartisan basis bills protecting copyright in cyperspace and eliminating burdensome encryption controls. This bill will help ensure that State taxes do not impede the vibrancy of growth of the Internet.

However, Mr. Speaker, having come from local government, I am fully aware of the needs for local income. But it is important that States do not enact discriminatory or double taxes which discourage the use of the Internet. It is also important that we give some time, some breathing room. This bill creates a moratorium on new taxes on access to the Internet.

Currently, a complex patchwork of State and local laws create an impossible situation for online service providers in determining who to tax and whom to not tax. Let me also say, Mr. Speaker, that the grandfather clause will allow current taxes to stay in place, and if States reaffirm within one year. This is an important aspect of this legislation.

I have come from local government, being a member of the Houston City Council, and I realize how important income-enhancing activities are to our local governments. I think it is very important that this bill has in it a balanced commission which represents the Federal government, the States, and the industry, to help develop a coherent blueprint for interstate taxation of Internet transactions, mail order goods, in the future.

I am interested particularly, however, in our local city governments and our local county governments. I would like to enter into a colloquy with the gentleman from California (Mr. COX) on this very issue.

I would say to the gentleman from California, I would like to raise the question, as the gentleman well knows, in addition to States within their county and city boundaries, I have worked as a member of the National League of Cities and also with the National Conference of Mayors.

I would like to know that in the setting up of the balanced commission, we would have the opportunity to have the involvement of those organizations.

Mr. COX of California. Mr. Speaker, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from California.

Mr. COX of California. Mr. Speaker, I thank the gentlewoman for yielding to me.

The gentlewoman is exactly correct, that is the way the commission is set up. There will be 14 representatives from State, local, and county governments, including representatives from the National League of Cities, also the National Governors' Association, the National Conference of State Legislatures, the Council of State Governments, the National League of Cities, the National Association of Counties, the United States Conference of Mayors, the International City/County Management Association, and the American Legislative Exchange Council.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman.

Reclaiming my time, let me add my applause for this compromise, and the fact that we are moving into the 21st century in promoting the Internet.

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

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

Mr. NADLER. Mr. Speaker, I want to take this opportunity to say, having talked about the merits of the bill and why it is necessary, and that it is in fact a good compromise between the undoubted necessity of the States and local governments to have the ability to tax the Internet once, and the necessity on the Federal level of having a moratorium now to make sure that we do not have overlapping and commercially destructive rival taxation, this is a good bill.

I want to say a word about the process. First of all, I want to thank and congratulate the chairman of the committee, the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE), and the gentleman Pennsylvania (Mr. GEKAS) from the subcommittee, for the cooperative and bipartisan manner which this bill was moved, and the cooperation they have afforded to the gentleman from Michigan (Mr. CONYERS) as ranking member of the Committee on the Judiciary, and myself as ranking member of the subcommittee.

I also want to point out for the RECORD that this bill is entirely and completely within the jurisdiction of the Committee on the Judiciary, and that interstate taxation is within the core jurisdiction of the Committee on the Judiciary, and that the Committee on the Judiciary reported the bill to the floor, and the bill that we have before us now is virtually identical to that bill, and that the bill that the Committee on Commerce reported was stripped of all interstate taxation matters and Internet taxation matters by the Committee on the Judiciary because they have no jurisdiction, and we do not want any precedent set for the future on this bill.

So it is a good bill. I am glad some members of the Committee on Commerce cooperated on this, but the record should reflect that this bill came through the Committee on the Judiciary, and we will have a full record of the history and the extension in the RECORD, because we should not permit a further diminution or attempted diminution of the jurisdiction of the Committee on the Judiciary on this worthy bill.

I urge my colleagues to vote for this bill.

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

Mr. Speaker, the gentleman from New York is quite correct, that the process that was engaged in in order to bring us to this point was emblematic of some of the cooperation that we can determine from both sides of the aisle, and to help the public understand more of a very complex issue.

I was impressed by the witnesses that we had in our particular hearing, because they brought every single perspective possible on the whole world of Internet. That helped us to build the momentum to which I referred earlier which finally led to the compromises and the moratorium that will now be in place when we finally vote on this measure.

Mr. DAVIS of Virginia. Mr. Speaker, I rise today in strong support of H.R. 4105, the Internet Tax Freedom Act. I am proud to have been an original co-sponsor of the pre-cursor to this legislation and believe that it is crucial to the continued development of the Internet.

In the last 5 years, the growth of the Internet has created an entirely new method of communicating: electronic commerce. With this rapid growth we have seen tremendous benefits and revolutionary technology, presenting unprecedented social and economic issues. These changes are forcing national and State legislators to quickly catch up with this growth from a policy-making perspective. The taxation of everyday sales transactions presents many complex economic and constitutional issues that should be resolved in a deliberate and holistic process, rather than a patchwork of rules and court decisions that would likely accompany future efforts by State and local governments to tax Internet transactions and services.

The Internet Tax Freedom Act will give Congress and the technology industry the opportunity to examine Internet taxation issues thoroughly during a 3-year moratorium on State and local Internet taxation. It reflects the truly admirable spirit of cooperation between its chief sponsor, Representative CHRIS COX, and State and local policymakers who were able to come together and work hard on a matter which has multi-faceted consequences on retail businesses, State and local treasuries, continued technological development, and our judicial system, to name a few.

The Internet is a revolutionary technology that has become an integral part of our nation's economic growth. And it promises to expand beyond anything we could imagine. It would be detrimental, I believe, to our nation's leadership in this industry if we were to allow taxation issues to stunt the growth of the Internet. For this reason, I am very pleased that we have been able to bring the Internet Tax Freedom Act to the floor today. And I particularly want to commend Mr. COX for his foresight in introducing this legislation that we will be voting on today.

Mr. THOMAS. Mr. Speaker, I rise to address an issue which will have a dramatic impact on our children, small businesses, and

the global economy—the taxation of the Internet. The Internet has not reached its full potential, but electronic commerce has already generated $1 billion. Congress should support H.R. 4105, the Internet Tax Freedom Act, because unwarranted taxation of the Internet would only stifle the growth of this young and dynamic communications system.

This bill is crucial to communications in the 21st Century. Taxation leads to a lack of competition, with the telephone industry as a perfect example. The Internet is a valuable resource to which as many people as possible should have access. If competition is hindered, less people will be able to utilize this important communications tool.

There are many problems with Internet taxation. Several States tax Internet access under existing statutes, including Iowa, Connecticut, Illinois, and the District of Columbia. We need this legislation now because the number of States taxing this industry could expand very quickly as States search for new means to expand their tax base. This bill needs to be passed as a proactive measure, and not a reactive measure after every State has adopted different taxation laws. There are more than 4,000 Internet Service Providers in this country, and most of them are small businesses. How can these small businesses survive when individual States are playing with different tax codes?

The Internet has no specific boundaries and its transmissions are therefore vulnerable to multiple taxation from States and localities. If everyone takes a cut from different points of creation, then State and local taxes will kill the goose that laid the golden egg. Multiple taxation would cause confusion and would provide a disincentive for free dissemination of information and ideas. Because of the Internet's easy accessibility from anywhere in the world, home-bound, disabled, and elderly people have access to information and resources that they would not otherwise have.

American providers of this service need a level playing field in order to remain competitive with other global providers. The growth of Internet and online services will increase the productivity of many different businesses, making them more competitive globally and therefore expanding U.S. sales of new products and services. As we are move toward international agreements on Internet taxation, we must first move to come to a consensus on how we tax the Interet within our own country. Finally, the Internet has shown great possibilities in the future for commercial users. It allows people to create their ''own'' market.

Our goal is not to permanently make Internet transactions tax-free. We simply want to provide safeguards against multiple or special taxation. We are not trying to make Internet transactions tax-free. Rather, we want to stop multiple or special taxation. For example, a business selling goods in a retail store operates under a single set of tax rules, but a business selling goods over the Internet is subject to much more uncertainty. It is also potentially subject to thousands of State and local taxing jurisdictions.

H.R. 4105 would establish a moratorium on State and local taxes which specifically target the Internet, such as taxes on Internet access or online services. It would also commission a 2-year study of sub-national and foreign taxation of Internet commerce. This study would ensure that lawmakers do not enact new taxes without proper data. Last, the bill calls on the Clinton administration to be as aggressive as possible in keeping the Internet free from anti-competitive taxes and tariffs.

I urge Congress to support H.R. 4105, the Internet Tax Freedom Act. If we allow the Internet to be taxed at different points along the way, we are ultimately restricting access to it. Americans already pay enough taxes. Why should we expose them to multiple taxes on the Internet when it will only restrict the access to, growth of, and competition in this essential resource?

With that, Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and pass the bill, H.R. 4105.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

UNFAIRNESS IN TAX CODE: MARRIAGE TAX PENALTY

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

Mr. WELLER. Mr. Speaker, let me explain why enactment of the Marriage Tax Elimination Act is so important for working families, with a series of questions.

Do Americans feel that it is fair that our Tax Code imposes a higher tax on working married couples just because they are married?

Do Americans feel that it is fair that 21 million married working couples pay on the average $1,400 more in higher taxes than an identical couple with an identical income who live together outside of marriage?

Do Americans feel it is right that our Tax Code actually provides an incentive to get divorced?

Twenty-one million couples pay on the average $1,400 more just because they are married. Back in the south suburbs of Chicago where I have the privilege of representing, $1,400 is one year's tuition at Joliet Junior College, our local community college. It is three months of day care at a local day care center. That is real money.

This summer this House made a commitment to address and eliminate the marriage tax penalty with the passage of the House budget resolution just a short 2 weeks ago, a budget that spends less and taxes less. Let us honor that commitment, let us eliminate the marriage tax penalty. Let us eliminate it now.

UNFAIRNESS IN TAX CODE: MARRIAGE TAX PENALTY

Mr. WELLER. Mr. Speaker, I rise today to highlight what is arguably the most unfair provision in the U.S. Tax Code: the marriage tax penalty. I want to thank you for your long term interest in bringing parity to the tax burden imposed on working married couples compared to a couple living together outside of marriage.

I would also like to commend the leadership of House budget Chairman KASICH for including elimination of the marriage tax penalty as a top priority in this budget resolution. The Republican House Budget Resolution will save a penny on every dollar and use those savings to relieve families of the marriage penalty and restore a sense of justice to every man and women who decides to get married.

Many may recall in January, President Clinton gave his State of the Union Address outlining many of the things he wants to do with the budget surplus.

A surplus provided by the bipartisan budget agreement which: cut waste, put America's fiscal house in order, and held Washington's feet to the fire to balance the budget.

While President Clinton paraded a long list of new spending totaling at least $46–$48 billion in new programs—we believe that a top priority should be returning the budget surplus to America's families as additional middle-class tax relief.

This Congress has given more tax relief to the middle class and working poor than any Congress of the last half century.

I think the issue of the marriage penalty can best be framed by asking these questions: Do Americans feel its fair that our tax code imposes a higher tax penalty on marriage? Do Americans feel its fair that the average married working couple pays almost $1,400 more in taxes than a couple with almost identical income living together outside of marriage? Is it right that our tax code provides an incentive to get divorced?

In fact, today the only form one can file to avoid the marriage tax penalty is paperwork for divorce. And that is just wrong!

Since 1969, our tax laws have punished married couples when both spouses work. For no other reason than the decision to be joined in holy matrimony, more than 21 million couples a year are penalized. They pay more in taxes than they would if they were single. Not only is the marriage penalty unfair, it's wrong that our tax code punishes society's most basic institution. The marriage tax penalty exacts a disproportionate toll on working women and lower income couples with children. In many cases it is a working women's issue.

Let me give you an example of how the marriage tax penalty unfairly affects middle class married working couples.

For example, a machinist, at a Caterpillar manufacturing plant in my home district of Joliet, makes $30,500 a year in salary. His wife is a tenured elementary school teacher, also bringing home $30,500 a year in salary. If they would both file their taxes as singles, as individuals, they would pay 15%.

MARRIAGE PENALTY EXAMPLE IN THE SOUTH SUBURBS

	Machinist	School teacher	Couple	Weller/McIntosh II
Adjusted Gross Income	$30,500	$30,500	$61,000	$61,000
Less Personal Exemption and Standard Deduction	$6,550	$6,550	$11,800	$13,100 (Singles x2)
Taxable Income	$23,950	$23,950	$49,200	$47,900
	(x .15)	(x .15)	(Partial x .28)	(x .15)
Tax Liability	$3,592.5	$3,592.5	$8,563	$7,185
Marriage Penalty			$1,378	Relief $1,378

Weller-McIntosh II Eliminates the Marriage Tax Penalty

But if they chose to live their lives in holy matrimony, and now file jointly, their combined income of $61,000 pushes them into a higher tax bracket of 28 percent, producing a tax penalty of $1400 in higher taxes.

On average, America's married working couples pay $1,400 more a year in taxes than individuals with the same incomes. That's serious money. Millions of married couples are still stinging from April 15th's tax bite and more married couples are realizing that they are suffering the marriage tax penalty.

Particularly if you think of it in terms of: a down payment on a house or a car, one year's tuition at a local community college, or several months worth of quality child care at a local day care center.

To that end, Congressman DAVID MCINTOSH and I have authored the Marriage Tax Penalty Elimination Act.

The Marriage Tax Penalty Elimination Act will increase the tax brackets (currently at 15% for the first $24,650 for singles, whereas married couples filing jointly pay 15% on the first $41,200 of their taxable income) to twice that enjoyed by singles; the Weller-McIntosh proposal would extend a married couple's 15% tax bracket to $49,300. Thus, married couples would enjoy an additional $8,100 in taxable income subject to the low 15% tax rate as opposed to the current 28% tax rate and would result in up to $1,053 in tax relief.

Additionally the bill will increase the standard deduction for married couples (currently $6,900) to twice that of singles (currently at $4,150). Under the Weller-McIntosh legislation the standard deduction for married couples filing jointly would be increased to $8,300.

Our new legislation builds on the momentum of their popular H.R. 2456 which enjoyed the support of 238 cosponsors and numerous family, women and tax advocacy organizations. Current law punishes many married couples who file jointly by pushing them into higher tax brackets. It taxes the income of the families' second wage earner—often the woman's salary—at a much higher rate than if that salary was taxed only as an individual. Our bill already has broad bipartisan cosponsorship by Members of the House and a similar bill in the Senate also enjoys widespread support.

It isn't enough for President Clinton to suggest tax breaks for child care. The President's child care proposal would help a working couple afford, on average, three weeks of day care. Elimination of the marriage tax penalty would give the same couple the choice of paying for three months of child care—or addressing other family priorities. After all, parents know better than Washington what their family needs.

We fondly remember the 1996 State of the Union address when the President declared emphatically that, quote ''the era of big government is over.''

We must stick to our guns, and stay the course.

There never was an American appetite for big government.

But there certainly is for reforming the existing way government does business.

And what better way to show the American people that our government will continue along the path to reform and prosperity than by eliminating the marriage tax penalty.

Ladies and Gentlemen, we are on the verge of running a surplus. It's basic math.

It means Americans are already paying more than is needed for government to do the job we expect of it.

What better way to give back than to begin with mom and dad and the American family—the backbone of our society.

We ask that President Clinton join with Congress and make elimination of the marriage tax penalty * * * a bipartisan priority.

Of all the challenges married couples face in providing home and hearth to America's children, the U.S. Tax Code should not be one of them.

Lets eliminate The Marriage Tax Penalty and do it now!

WHICH IS BETTER?

Note: The President's Proposal to expand the child care tax credit will pay for only 2 to 3 weeks of child care. The Weller-McIntosh Marriage Tax Elimination Act HR 2456, will allow married couples to pay for 3 months of child care.

WHICH IS BETTER, 3 WEEKS OR 3 MONTHS?

[Child Care Options Under the Marriage Tax Elimination Act]

	Average tax relief	Average weekly day care cost	Weeks day care
Marriage tax elimination act	$1,400	$127	11
President's child care tax credit	$358	$127	2.8

SPECIAL ORDERS

The SPEAKER pro tempore. 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.

EXCHANGE OF SPECIAL ORDER TIME

Mr. MILLER of Florida. Mr. Speaker, I ask unanimous consent to take the 5 minutes of the gentleman from California (Mr. HORN).

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

There was no objection.

A CRITICAL MOMENT FOR THE 2000 DECENNIAL CENSUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, I rise tonight at a critical moment for the 2000 decennial census. Today the President nominated Dr. Ken Prewitt for director of the Census Bureau.

As everyone involved with the 2000 Census knows, the operation is at a high risk for failure. The Government Accounting Office has warned we are headed towards failure, and the Commerce Department's own Inspector General has warned we are headed towards failure.

When I became chairman of the new Subcommittee on the Census, I made a controversial statement. I said I did not have any litmus test for the new census director. I said what we needed was a competent manager who was committed to working cooperatively with Congress.

Unfortunately, I think the President had a litmus test. Dr. Prewitt's background does not have anything to suggest he can lead a huge organization at a time of crisis. He has admitted that he has never run anything of the magnitude of the Census Bureau. Basically, for a short time he ran a think tank, and that is it.

The decennial census is the largest peacetime mobilization in American history. The Census Bureau needs a General Schwarzkopf, not a professor Sherman Klunk, to save the census. So why would the President nominate an academic? Because of politics. Dr. Prewitt supports the President's sampling scheme, so he received the nomination.

Basically, while I had no litmus test, the President certainly did. In recent weeks I have noticed an increasing politicizing of the 2000 census. The President tried to divide America in his most recent speech by promising some areas more money if they followed his plan, without telling the American people which communities he plans to take money from. It is a zero sum game. If you promise one area more, it comes from another part of America.

I have noticed increasingly inflammatory rhetoric from my friends on the other side of the aisle. They have been far too quick to impugn motives and to try and inject divisive politics into the debate over the census.

Mr. Speaker, my job as the chairman of the Subcommittee on the Census is to reflect the interests of the entire House in an honest, reliable, and trusted 2000 census. We are a long way from achieving that type of census.

As soon as we start talking about the substance of how the census will be conducted, someone else wants to talk about politics. When I point that the sampling failed its only test, the response is, the gentleman from Florida (Mr. DAN MILLER) only cares about politics.

When I point out that real Americans who took the time to participate in the census and filled out their forms would have been deleted under a sampling scheme, someone accuses the President of not wanting to count all Americans.

When I point out that Pennsylvania would have lost a congressional seat because of a mistake in the statistical computer model, someone accuses Republicans of trying to deny Federal funds to urban areas.

When I point out the serious policy implications of telling the American people they do not have to participate in the census anymore, the government will figure it out on their own, someone accuses Republicans of only caring about protecting House seats.

Most recently, someone attempted to divide America along racial and ethnic lines. I find this very sad and very disappointing. Earlier this week one staff member with an impeccable record of defending the Voting Rights Act and working to increase minority representation in Congress, State legislatures, and city councils had one comment taken out of context, and one Member on the other side of the aisle sends out a letter entitled, ''GOP plays racial politics with the 2000 census.''

Mr. Speaker, if the Congress and the administration are going to save the 2000 census from failure, we all need to start talking about substance, not politics. We need to debate the flaws in each other's plans for the census, not publicly guess about each other's motives. My objections to the President's plan are well known. I oppose the use of statistical sampling in the census because it has proved to be less accurate and less reliable.

In 1990, the sample census was found to be less accurate for populations under 100,000, and would have incorrectly taken a seat away from Pennsylvania. Americans who filled out their census forms would have been deleted from the count.

Now the Clinton administration wants to take that failed experiment and increase its size by 5 times, complete it in half the time and with a less trained work force. A less accurate, less fair method is not the proper way to address the serious and difficult issue of minority undercounts. It takes hard work, innovative thinking, and frankly, more resources. That is the issue that should be debated, and not the political motivations of some individuals on both sides of this debate. I hope this House quickly gets back on the track of saving the 2000 census, and leaves the political sideshows to others.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

(Mr. CONYERS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

□ 1745

STATUTE IN SERIOUS NEED OF FIXING

The SPEAKER pro tempore (Mr. DIAZ-BALART). Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, I come to the floor to put the Congress on fair warning that there is a statute in serious need of fixing. Women Members of Congress will hold a press conference tomorrow at 11 a.m. to call the attention of the Congress to this predicament. The Supreme Court handed down a decision, the Gebser decision, involving a ninth grade student who was assaulted by her teacher in as much as he had sexual intercourse with her over a period of time.

She sued under title 9 for sexual assault and harassment and the Court found that this Congress had not, in fact, given the Court sufficient guidance so that damages could be awarded under title 9.

This affair with a student began when she was in the eighth grade and joined a high school book discussion group. The teacher often made sexually suggestive remarks to her. Later on, when she went to the ninth grade and was assigned to his class, he lured her into sexual intercourse and apparently had sexual intercourse many times, including during class times.

This youngster did not report this relationship to school officials. She said she was uncertain how to act. I am sure she was utterly confused that this disproportionate power relationship had evolved in this direction. When her parents found out, of course they looked for remedies and among them was a remedy under title 7.

The Court found that she did not report the relationship to school officials. Surprise, surprise. But the Court also found that the school system had not distributed an official grievance procedure for how to lodge complaints with school officials, even though that is required under title 9.

So the Court found that one could not sue under title 9 for teacher-student sexual harassment unless the following four circumstances were met:

First, that the employee had supervisory power over the offending employee; actually knew of the abuse; had the power to end it; and failed to do so. Of course, the school system at top levels could not meet those standards.

Mr. Speaker, if in fact this were a title 7 matter involving a teacher and a principal, and the principal had sexually harassed the teacher in any way, then the teacher would have a cause of action against the school system under title 7. But here we have a minor child who has no cause of action under the only statute available to her.

Mr. Speaker, I can understand the Court's predicament. The Court had implied a cause of action for damages rather than gotten it from the wording of title 9. And so the Court simply does not know how far we in the Congress want the Court to go in allowing damages.

I do not think there is a Member of this body that would not regard damages lying against the school system as the way to deter this kind of harassment, this kind of affair, this kind of assault by a teacher on a student. But the court said, and I quote, absent further direction from Congress, the Court could not go further.

Mr. Speaker, I know I will be joined by other Members of this body, quite apart from the women Members, who will appear with me tomorrow at a press conference to suggest to this body that the only reason the damage element is not laid out is when title 9 was passed 25 years ago, who would have thought that we would be dealing with teacher affairs with an eighth and ninth great student? No, we did not have it in our mind then.

We must have it in our minds now, because it has occurred and we are all embarrassed that there is no remedy. I do not believe we seek this remedy simply because the remedy would be deserved in regard to this case. And if ever there was a damage remedy deserved in this case, it is this case.

The reason this remedy is important here is that we want to deter this kind of conduct and we want to say to school systems that they must pass out a grievance system guidance manual that puts people on notice as to how to file a complaint. And if they do not, then they, themselves, will be liable under the statute.

I am sure that that is what we mean. We must move to do so as soon after the school year for 1999–2000 begins. I regret that this occurred. It is time though for the Congress to move forward and meet its obligations to correct the statute.

PRIVATIZATION EQUALS ''SOCIAL INSECURITY''

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

Mr. FILNER. Mr. Speaker, I rise today in support of preserving our Social Security system. Social Security

has worked for 160 million people for nearly 60 years. Study after study concludes that Social Security will be fully funded throughout year 2032, and in need of only minor modifications to make up a relatively small shortfall after that date.

Mr. Speaker, yes, a careful study should be done, but not a rush to privatize this system. Privatization proponents promise huge profits, but ignore the risks and inequity inherent in their plans. High returns do not come without big risks. And why should we rush to turn over our precious retirement system, which provides a guaranteed benefit, to the whims of a very fickle stock market?

Privatization depends on individuals putting their money into retirement accounts, something difficult for low-wage workers, mothers working part-time while raising children, and those who experience family emergencies. Even under a best-case scenario, those who are able to diligently add to their retirement accounts may receive poor investment advice or, worse yet, the entire market could crash. We saw that in our history earlier this century. That is why our Social Security system was established. To provide a fair but guaranteed basic retirement income.

Wall Street wants to take a massive amount of American capital, a portion of every single working American's paycheck, and gamble with it. Yes, Mr. Speaker, gamble with it. The problem of a shortfall after the year 2032, not bankruptcy as slick public relations operatives would have us believe, could be solved without dismantling our entire system. The current successful system keeps half of our elderly citizens out of poverty.

Earlier today, I joined with several of my colleagues in cosponsoring legislation in support of strengthening Social Security to meet the challenges of the next century. In that bill, 57 of us expressed our support for continuing to guarantee a basic retirement for American citizens. We pledged to fight for adopting solutions to restore full funding of the system after the year 2032 that are nondiscriminatory and equitable to Americans of all ages.

Privatization cannot offer that promise, nor any guarantee. The stock market, even with its latest continual rises, is so volatile, so full of risk, that an entire industry has been built around tracking its daily rise and fall by a few or even more percentage points.

Social Security, on the other hand, administers its basic retirement, which everyone has been encouraged to supplement with their own savings and investments, in an equitable way. We as a society then do not have to worry about impoverished mothers, fathers, grandfathers, or worse yet, those who have no living relatives.

Privatization proposals also fail to offer another guarantee to workers that is one cornerstone of Social Security: A monthly check for workers should they become disabled, or for their school-aged children if the worker dies.

Social Security does have enough money to pay all benefits until the year 2032. Sure, adjustments must be made to ensure retirement security for those retiring after that date. Yet even doing nothing, Social Security will pay 75 percent of the benefits then. We must continue to discuss the minor modifications that will continue this reliable program for all future generations.

But Social Security, with its guaranteed and fair benefits, does not need to be scrapped, particularly for a privatized gambling program that would guarantee lifetime ''social insecurity'' for most and short-term security for the few on Wall Street.

Mr. Speaker, let us keep the Social Security system.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

(Mr. SMITH of Michigan 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 gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

(Ms. WATERS addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

(Mr. MORAN of Kansas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

RACIAL OVERTONES TO CENSUS COUNT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. SANCHEZ) is recognized for 5 minutes.

Ms. SANCHEZ. Mr. Speaker, there they go again. The Republican leadership of the House fails to match their rhetoric in favor of a color-blind America with deeds.

Last year, Members of this House criticized the investigation of the Dornan election contest because it unfairly questioned the loyalty and the legality of Hispanic and Asian American voters. The process the House employed produced race-based outcomes.

The Republican response was to ignore these facts and to attack their critics for ''inciting racism'' and ''playing the race card.'' Republican amendments this year to campaign finance reform would discriminate against people of color and would ban the bilingual ballot. Yet Republican candidates mail campaign brochures in Spanish and other languages. And when we point out the hypocrisy, they will attack us once again for ''playing the race card.''

Yesterday, I was offended to learn of remarks made by the senior Republican staff member working on the new census as reported by the respected journalist David Broder. This staff member, who works for this House, unmistakably revealed that race is a factor in the Republican effort to block an accurate and less expensive census.

As Broder reported, ''. . . it is about raw political power, as I was reminded on a recent visit to the GOP command post on Capitol Hill.''

When two of my colleagues wrote to the gentleman from Florida (Chairman MILLER) yesterday to express their concern, he fired back a response within hours accusing them of ''injecting racial politics into the debate.'' Once again, when racial bias, prejudice, and base-based outcomes are exposed, the Republican response is to attack the messenger for ''playing the race card.''

Mr. Speaker, we who oppose government sanctioned racism will not be silenced by these attacks. We will stand in this well as long as it takes to shed light and bring honest debate about the merits of an accurate census.

Race was injected into this process not by those who object to prejudice. Race became an issue by those who have turned this process into a fight over raw political power.

It was the Republican leader who launched this agenda when he said that meeting our constitutional obligation to provide an accurate census of all Americans was ''a dagger aimed at the heart of the Republican majority.''

Mr. Speaker, if truth is a dagger, if accuracy is aimed at the heart of the Republican majority, then the only thing the leadership of this House should fear is judgment.

THE DEATH OF ANDREW KASSAPIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 5 minutes.

Mr. BILIRAKIS. Mr. Speaker, I rise today to remember a young man, an American citizen, who was murdered during a brutal Turkish invasion of Cyprus during the summer of 1974.

Since the 1974 Cyprus invasion, 1,619 people have been missing, including five American citizens. The administration recently submitted the ''President's Report to Congress on the Investigation of the Whereabouts of the U.S. Citizens Missing from Cyprus Since 1974.'' It concludes that four of the missing Americans were probably killed during the violent events of 1974.

It also confirms the belief that one American, Andrew Kassapis, was killed by Turkish-Cypriot militiamen and was buried in a field in Northern Cyprus. The report states that Andrew

''died from physical hardship stemming from captivity.'' His remains are being laid to rest tomorrow, Wednesday, June 24, in Detroit, Michigan.

Twenty-four years after Andrew's death, Cyprus still remains illegally occupied and tensions continue to escalate in a region that is more often marked by strife than accord.

□ 1800

The United States has signaled its commitment to work for a fair solution to the illegal occupation of Cyprus. Unfortunately, our efforts have produced few results due to the reluctance of Turkish leaders to resolve the illegal occupation of Cyprus.

Rauf Denktash, the Turkish-Cypriot leader of the illegally occupied area of Northern Cyprus, has set two preconditions for a Cyprus solution. First, he has demanded that his entity be recognized. The international community only recognizes the legitimate Republic of Cyprus and its leader, President Glafcos Clerides. Second, he said Cyprus's European Union accession talks must be halted before negotiations on Cyprus can resume.

The United States and the international community have emphasized that both demands are unacceptable.

Mr. Speaker, as we lay Andrew Kassapis to rest, it is disheartening that a Cyprus solution is as remote as ever. If we can broker peace in Northern Ireland, we can surely promote a solution in Cyprus. The consequences of our failure and of continued hostilities between Greece and Turkey over Cyprus could result in a weakening of the NATO alliance and the outbreak of military conflict between these two American allies.

We owe it to Andrew and the other missing Americans to support the Cypriot Republic and demand that Turkey respect international law. His death should not be in vain and the solution of Cyprus must be forthcoming.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING H.R. 477

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. KASICH) is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, Pursuant to Sec. 314 of the Congressional Budget Act, I hereby submit for printing in the Congressional Record revisions to the allocation for the House Committee on Appropriations pursuant to section 2 of House Resolution 477 to reflect $143,000,000 in additional new budget authority and $134,000,000 in additional outlays for the Earned Income Tax Credit. This will increase the allocation to the Appropriations Committee to $532,104,000,000 in budget authority and $562,411,000,000 in outlays for fiscal year 1999.

As reported by the House Committee on Appropriations, H.R. 4104, a bill making appropriations for Treasury-Postal Service-General Government Appropriations Bill for Fiscal Year 1999, includes $143,000,000 in budget authority and $134,000,000 in outlays for the Earned Income Tax Credit.

These adjustments shall apply while the legislation is under consideration and shall take effect upon final enactment of the legislation.

Questions may be directed to Art Sauer or Jim Bates at x6–7270.

The SPEAKER pro tempore (Mr. DIAZ-BALART). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, in recent months there has been a lot of discussion on the House floor dealing with campaign finance reform.

I have spoken out on this issue, and once again I want to make some comments about how I see this problem and what we might do about it. Also I want to mention an amendment that I will be bringing up.

I suspect we will be talking about campaign finance reform for a couple more months. I see this somewhat differently than others. Others see that all we have to do is regulate the money and we are going to solve all our problems. But all governments are prone to be influenced by special interests. That is the nature of government.

So the smaller government that you have, the less influence you have and the less effort there is made to influence the government. But when you have a big government, there will be a lot of people and a lot of groups that will want to influence government, and that is where I see the problem.

Twenty-five years ago in the 1970s, after Watergate, the Congress wrote a lot of rules and regulations. Hundreds of candidates have filled out forms and have done all kinds of things that have been very complicated but have achieved very little. The problem is every bit as bad as it was before, and most people admit that.

I think there is a good reason for that. They were addressing the symptoms rather than the cause. And the cause is, of course, that big government is involved in every aspect of our lives, our personal lives, our economic lives, and also around the world, influencing almost every government in the world. So not only is there an incentive for business people to come here to influence our government, but there are labor groups that come to influence our government. We have international groups and other governments coming to influence us. And until that is settled, we can rest assured that we will continue to have these problems.

But there is another problem that I want to address, and that is the decreased interest in campaigns and elections. Thirty years ago we would have 30 some percent of the people would turn out in the primary elections. Today it is less than 20 percent. It is a steady decline. There is good reason for this because as government gets bigger and as money becomes more influential, and money talks, the little people who have their desires and their voices unheard and want to be heard, they feel very frustrated. So it is understandable and expected that there will be lower and lower turnout in our elections. That is exactly what is happening.

Now, why is this the case? Is it just because they are apathetic? I do not think so. I think a lot of people make wise choices and say it does not make a lot of difference; my vote does not really count because so much money is influencing what happens in Washington with legislation. And yet we have rules and laws throughout the country that make it just about impossible for anybody outside the ordinary two-party system to be represented.

Twenty percent of the people do not bother registering because of the frustration, 20 percent of the people who do register, register as Independents. So that leaves about 60 percent of the vote split between Republicans and Democrats, each getting 30 percent. They are a minority. The people who are really shortchanged are the majority, that 40 percent who feel unrepresented and very frustrated about the situation.

How does this come about? It just happens that Republicans and Democrats tend to control every legislative body in the country, every State legislative body. And, therefore, they write rules and regulations and have high fees for people getting on ballots, and you do not have any competition. And there is lack of interest, and there is a lot of frustration.

Take, for instance, some of the groups that have tried in the past to get on and become known but are frustrated by all these rules. There are Independents, Socialists, Greens, Taxpayers Party, Populists, Libertarians, Constitutionalists, Reform Party, Natural Party, American Party, Liberal Party, Conservative Party, Right to Life, Citizens Party, New Alliance Party, Prohibition Party, States Rights Party. All these people have been totally frustrated because they have so many obstacles put in their way by the requirement of huge numbers of signatures on ballots.

I would like to quote from Richard Winger, who writes a letter called the Ballot Access News. He cites one of the worst examples. He says Florida now requires 242,000 valid signatures to get a minor party or Independent candidate on the ballot of any State-wide office other than President. Only one signature is permitted on each petition sheet. He goes on. And the payment that is required is $8,250.

This is what needs to be changed. I have an amendment to the bill that will change this. I hope all my colleagues will pay attention to it.

ON THE CENSUS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MALONEY) is recognized for 5 minutes.

Mrs. MALONEY of New York. Mr. Speaker, I am pleased today that the President nominated Dr. Kenneth Prewitt to be the next director of the Bureau of the Census. Dr. Prewitt is the current president of the Social Science Research Council. He has been senior vice president of the Rockefeller Foundation, the director of the University of Chicago's National Opinion Research Corporation, chairman of the Political Science Department at the University of Chicago, and vice president of the American Academy of Arts and sciences.

He has also served on the boards of trustees of Washington University, Southern Methodist University, the Center for Advanced Study and Behavioral Sciences, National Opinion Research Corporation, and the German American Academic Council. He has a long and distinguished career as an administrator and researcher with publications too numerous to mention. He is highly regarded by his colleagues for his scholarship and professionalism.

Mr. Speaker, I was very disappointed that the chairman of the Subcommittee on the Census chose to attack Dr. Prewitt just hours after he was nominated. The chairman referred to Dr. Prewitt as, and I quote, yet another statistical shell. It is just that kind of attack that makes it so difficult to recruit highly qualified and talented individuals to public service. I hope the chairman will apologize to Dr. Prewitt. However, I do not feel that that is likely.

Last week one of the chairman's staff was reported to have made a comment infused with political and racial overtones. This was in an article written by David Broder entitled Playing Hard Ball on the Census in the Washington Post, and it was referenced earlier in the comments of my colleague the gentlewoman from California (Ms. SANCHEZ). The staff member said, and I quote: Someone should remind Bill Daley that if he counts people the way he wants to, his brother could find himself trying to run a majority-minority city.

Unfortunately, rather than repudiate that statement or even to acknowledge that it was a poor choice of words, the gentleman from Florida (Mr. MILLER) offered a feeble excuse that the quote was taken out of context. He is unwilling to apologize for the racial innuendos uttered by his staff. I do not think there is much hope that he will apologize for an abusive comment about a public servant.

Instead, the chairman keeps trying to rewrite history. He tries to call this the Clinton census plan. The truth of the matter is that the plan was created by Dr. Barbara Bryant under President Bush. President Bush signed into law legislation passed by Congress calling for the National Academy of Sciences to advise the Census on planning the 2000 census to be less expensive and more accurate than the census of 1990.

When the planning process initiated by Dr. Bryant and the recommendations of the National Academy of Sciences came together, we had a plan for a census that would be more accurate and less expensive, just as Congress directed. That plan has been endorsed by the American Statistical Association, the Council of Professional Associates on Federal Statistics, the National Association of Business Economists, the Association of University Business and Economic Research, the Association of Public Data Users and many, many others.

Only one organization seems to favor a less accurate and more expensive census in 2000, and that is the Republican National Committee.

The sad truth is that the Census Bureau has developed a plan that will count everyone who lives in America, including blacks and Latinos and the poor and Asians and whites, everyone. But some Members of Congress do not want that to happen. Why? Because they believe not counting certain minorities and the poor is to their political advantage.

The Census Bureau has developed a plan that will count everyone who lives in this country, a plan that is more accurate and less expensive, but some Members of this body do not want that to happen. Instead they want to spend more money to make sure that the census is less accurate. Why? Because they believe that a less accurate census is to their political advantage.

The opponents of a fair and accurate census try to smear the Census Bureau, claiming that the 2000 census will be manipulated for political purposes.

If the opponents have their way, the 2000 census will be manipulated for political purposes, not by the Census Bureau, but by those who want to continue the errors of the past for their own political gain.

Mr. Speaker, I am pleased that today the President nominated Dr. Kenneth Prewitt to be the next Director of the Bureau of the Census. Dr. Prewitt is the current President of the Social Science Research Council. He has been Senior Vice President of the Rockefeller Foundation, the Director of the University of Chicago's National Opinion Research Corporation, Chairman of the Political Science Department at the University of Chicago, and Vice President of the American Academy of Arts and Sciences. He has also served on the Boards of Trustees of Washington University, Southern Methodist University, the Center for Advanced Study in the Behavioral Sciences, National Opinion Research Corporation, and the German American Academic Council. He has a long and distinguished career as an administrator and researcher with publications too numerous to mention here. He is highly regarded by his colleagues for his scholarship and professionalism.

Mr. Speaker, I am disappointed that the Chairman of the Subcommittee on the Census chose to attack Dr. Prewitt just hours after he was nominated. The Chairman referred to Dr. Prewitt as ''yet another statistical shill.'' It is just that kind of scurrilous attack that makes it so difficult to recruit highly qualified and talented individuals for public service. I hope the Chairman will apologize to Dr. Prewitt. However, I don't think that is likely.

Last week one of the Chairman's staff was reported to have made a comment infused with political and racial overtones. The staff member said ''Someone should remind Bill Daley that if he counts people the way he wants to, his brother could find himself trying to run a majority-minority city.'' Unfortunately, rather than repudiate that statement, or even to acknowledge that it was a poor choice of words, Mr. Miller offered a feeble excuse that the quote was taken out of context. If he is unwilling to apologize for the racial innuendoes uttered by his staff, I don't think there is much hope that he will apologize for an abusive comment about a public servant.

Instead, the Chairman keeps trying to rewrite history. He tries to call this the Clinton census plan. The truth of the matter is that this plan was created by Dr. Barbara Bryant under President Bush. President Bush signed into law legislation passed by Congress calling for the National Academy of Sciences to advise the census on planning the 2000 census to be less expensive and more accurate than 1990.

When the planning process initiated by Dr. Bryant and the recommendations of the National Academy of Sciences came together, we had a plan for a census that would be more accurate and less expensive—just as Congress had directed. That plan has been endorsed by the American Statistical Association, The Council of Professional Associates on Federal Statistics, the National Association of Business Economists, the Association of University Business & Economic Research, the Association of Public Data Users, and many others.

Only one organization seems to favor a less accurate and more expensive census in 2000: the Republican National Committee.

The sad truth is that the Census Bureau has developed a plan that will count everyone who lives in America including Blacks and Hispanics and the poor and Asians and Whites—everyone. But some members of Congress do not want that to happen. Why? Because they believe not counting minorities and the poor is to their political advantage.

The Census Bureau has developed a plan that will count everyone who lives in this country—A plan that is more accurate and less expensive. But some members of this body do not want that to happen. Instead, they want to spend more money to make sure that the census is less accurate. Why? Because the believe that a less accurate census is to political advantage.

The opponents of a fair and accurate census try to smear the Census Bureau claiming that the 2000 census will be manipulated for political purposes. If the opponents have their way, the 2000 census will be manipulated for political purposes—not by the Census Bureau, but by those who want to continue the errors of the past for their own political gain.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BARTLETT) is recognized for 5 minutes.

(Mr. BARTLETT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CONGRATULATIONS TO J. KIRK SULLIVAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. CRAPO) is recognized for 5 minutes.

Mr. CRAPO. Mr. Speaker, I rise today to commend a good friend and an Idahoan who has spent many untold hours working for the betterment of his community, his business, our great State of Idaho and the country.

J. Kirk Sullivan has been a leader in Idaho's business community for many years, and now he is preparing to retire. It is important to note how his achievements and interests have made a difference for so many people, not only in Idaho but throughout the country. Although Kirk was not born in Idaho, and we are going to be willing to forgive him for that, much of his career has been spent working in Idaho. He will retire as a vice president of Boise Cascade Corporation.

He has been a leader in the pulp and paper industry and spent countless hours working with government officials to ensure that business operates in the best manner possible. Most recently he led a team to negotiate the resolution to a very difficult environmental issue, a proposal called the cluster rule. The original proposal would have shut down dozens of paper mills and cost hundreds of jobs.

□ 1815

The new proposal adopted with Kirk's leadership provided continued improvement in the industry's environmental performance and saved those critical jobs upon which families across this country rely.

It is this kind of effort by Kirk Sullivan finding common sense solutions that benefit both the environment as well as the economy and the jobs that our families depend on that has made him such an important leader in Idaho.

He has been honored for his service for Idaho's business and selected by the University of Idaho for various awards, including the Honorary Doctor of Science and a Presidential citation.

His community involvement is varied and reaches from the Children's Home Society of Idaho to the board of directors for the Boise Master Chorale Board, to the Idaho Congressional Awards Program.

I might note that I just came here from the Washington, D.C. National Congressional Awards Program in which the Idaho program which Kirk Sullivan so strongly supports was recognized as the strongest State program for the congressional awards system in America.

We just awarded the Gold Metal of Honor to six of Idaho's young, bright people who have come up through the ranks because of the leadership of people like Kirk Sullivan helping to make a difference for our youth. Kirk Sullivan has always sought out the best in his community and has found ways to highlight it.

I am pleased now to congratulate Kirk Sullivan for the tremendous efforts he has undertaken. We know that this is not the end of his service to Idaho and to his country, but I am pleased to count him among my many friends.

I along with many and most of the rest of Idaho, in fact, with the many friends that Kirk has in Idaho, wish him the very best in his retirement. Congratulations, Kirk.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut (Ms. DELAURO) is recognized for 5 minutes.

(Ms. DeLAURO addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

CAMPAIGN FINANCE INVESTIGATION

The SPEAKER pro tempore (Mr. DIAZ-BALART). Under a previous order of the House, the gentleman from Florida (Mr. MICA) is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, I come to the floor tonight as a Member of the House Committee on Government Reform and Oversight in an effort to shed some light on what we have been doing.

The Committee on Government Reform and Oversight is one of the most important committees of Congress. When I came to Congress in 1993, I selected that committee because it is really one of the most important responsibilities in Congress.

Our committee really dates back to 1808 when the Founding Fathers began to see the creation of more and more of a Federal bureaucracy and Federal agencies. They did not really trust the appropriators, and they did not trust the legislators who created programs or those who funded the programs. They set up a separate investigative panel. This goes back to 1808, and that is the genesis of the committee on which I serve, the Committee on Government Reform and Oversight.

It is an important committee in Congress because it is vital to our system. There are many other systems that are similar to the American system but not that have all the checks and balances that the Founding Fathers have put together.

One of our most important responsibilities is to conduct investigations. If you go out and talk to the general public, my colleagues and many people say, well, we are investigating too much, or there is too much cost to investigations; and that really is not the case in our system. That is part of our system and part of the process.

The current Committee on Government Reform and Oversight is also known as the Burton Committee. It has been very difficult to serve on that committee and do an effective job.

The gentleman from Indiana (Mr. BURTON), myself, and other members of the committee are sent here in the stead of the public and the citizens to conduct their business, to look at investigating the agencies and activities at the Federal level. We have tried to take that on with a certain responsibility and fairness; and it has been, indeed, a very difficult task, even up to today.

Since February, we have been asking for a grant of immunity for four witnesses. We go first to the Department of Justice. This is in our campaign investigation of the foreign money that came into the 1996 campaigns. But we went first to the Department of Justice and requested that we could depose and have these witnesses testify and grant immunity that, back in February, we were granted.

Ever since then, Mr. Speaker, we have seen delay. We have seen one tactic to obstruct this investigation after another. Very frustrating. Back after, again, DOJ gave us permission in February and March, the first vote was to deny granting immunity by the Democrats on April 23, a second vote on May 13.

Finally, today, on the eve of the President going to China have we obtained permission and consent to get a grant of immunity to hear these witnesses to conduct the investigation.

I am concerned about the process, the delay, and obstruction to date. It is a serious matter for the Congress because they have managed now to obstruct this investigation, our responsibility under the Constitution, and what the people sent us here for until this date.

This is the last week this House will be in session before we go on recess. We come back in mid July, and we will be here for approximately 3 weeks. So the plan to obstruct, the plan to delay, the plan to subvert the very process that our Founding Fathers has put together has, indeed, succeeded; and it is unfair, because the American people have a right to know.

The very system that has been abused in this campaign finance process, the very system that set up this investigation and review and this cleansing that takes place through a committee like the Committee on Government Reform and Oversight has, in fact, been obstructed in its responsibility.

Then we have charges that we have been too broad in our responsibilities, in our investigation. We did not create Filegate. We had to investigate it. We did not create Travelgate. We had to investigate it. We did not create this fiasco with campaign financing. We have been charged to investigate it.

We have never in the history of this republic that I am aware of had seven independent counsels. The list goes on

and on. Mr. Speaker, I am disappointed in what has taken place in an important area of congressional responsibility.

BULLETPROOF VEST ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FOX) is recognized for 5 minutes.

Mr. FOX of Pennsylania. Mr. Speaker, I rise tonight to congratulate the House in its bipartisan efforts in adopting this Bulletproof Vest Act. This legislation was recently signed by the President. It was worked on by principally the gentleman from Indiana (Mr. VISCLOSKY), the gentleman from New Jersey (Mr. LOBIONDO) and others like myself who are part of the Law Enforcement Caucus who championed this legislation.

There are over 300 cosponsors, Mr. Speaker. This is a high number for any bill in the House. And it is endorsed by every single major law enforcement organization in the country: Fraternal Orders of Police, the Sheriffs' Association, the National DA's Association, and rightfully so.

With 600,000 police officers in the United States, the men and women who represent us in municipal departments and county police departments and State Departments all across the country, as there are 600,000 of them, 150,000 or 25 percent do not have the bulletproof vests which are so important to make sure that we ensure the safety and security of all of our police officers.

So under this bill, the Bulletproof Vest Act, $25 million will be designated as part of the Federal budget in a matching program, 50/50, with Federal and local contribution, making sure that all of those 150,000 officers will now have a vest.

We want to make sure in the United States that having a bulletproof vest will be as standard as having a police shield for every one of our police officers. I know that from our own district attorney where I come from Montgomery, Pennsylvania, Mike Barino said it was the most important bill of the 105th Congress, that we pass this legislation.

So I am pleased that President Clinton has joined the House and Senate in agreeing that this bill is important and has just signed it into law.

We do not have to look to the officer of my hometown Abington township, Joe Dalton, who in 1992 was, in fact, working on a case with many other officers from other departments in apprehending a fugitive who had committed a bank robbery and then proceeded in a high-speed chase through several counties, townships, and municipalities only to keep the police at bay.

Frankly, when the case was continuing, Mr. Dalton, trying to apprehend the defendant, was shot at point-blank range. Had he not been wearing his bulletproof vest, we would have gone to a cemetery and funeral the next day. But as such, because he had the bulletproof vest, we are much richer, and the country is more safe in knowing that people like Joe Dalton can continue to serve his community and our country.

So I am very pleased to thank the House for its efforts and look forward to working on other important law enforcement and crime prevention legislation as we continue this 105th Congress.

UNITED STATES ECONOMY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin (Mr. NEUMANN) is recognized for 60 minutes as the designee of the majority leader.

Mr. NEUMANN. Mr. Speaker, I rise tonight to encourage my colleagues to take a deep breath and slow down, because things are happening very, very fast out here. When things start happening very, very fast in Washington, D.C., what happens is we lose track and we lose sight of what is going on; and the next thing you know, the taxpayers' money starts disappearing like it has done for a generation out here, and it starts disappearing very, very fast.

When this gets out of control, when spending gets out of control in this city, when we forget what had happened before 1995, we quickly get to a point where the idea of reducing taxes or paying off debt or restoring Social Security become impossibilities.

So I rise tonight, and I have not done this presentation in quite some time, but I think it is important, I think it is very important that we remember where it is we are at in this Nation; and that, even though we have come a long way, we have still got some problems facing our country.

This first chart that I brought with me tonight shows that the debt from 1960 to 1980 did not grow very much. But from 1980 forward, this debt has grown right off the wall. Although we made some good progress on it, now we need to remember that, even when we get to a balanced budget, we are here in this picture, and it is still a very, very, very serious problem facing our Nation. When we start talking about spending bills in this community, we cannot let ourselves lose sight of the fact that we are still deeply in debt.

For those that have not seen the number, we are currently $5½ trillion in debt. The number looks like this. It is 5,500, and then it has three, six, nine more zeros after that. It is a huge, huge number.

I used to teach math, and I tried to translate this number so it would mean something to an average person watching this presentation and to my colleagues. If you take that number, 5½ trillion, and you divide it by the number of people in the United States of America, if every, man, woman, and child in the United States were going to pay off just their share of this debt, it would be $20,400 for every man, woman, and child in the United States of America.

For a family of five like mine, I have got three kids, and of course my wife at home, they have literally borrowed $102,000 and again basically over the last 15 years.

Let me put that another way. In this community, they have made the decision to spend $102,000 for every family of five more than they collected in taxes basically over the last 15 years.

The kicker is this bottom number down here, because, you see, this is not just funny money in Washington, D.C. They have to pay interest on this money. The average family of five in the United States of America today is paying $580 a month every month to do absolutely nothing but pay the interest on this Federal debt.

When we think about the mess that we have been given or what has happened in this country, in this legacy that we are about to pass on to the next generation, it is this idea that we are paying this $580 a month; that money belongs out there in the families. It should be the American people's money. When somebody goes to work to earn that money, it is their money. We should not be using it to pay interest on this debt that has been run up.

A lot of people go, well, shoot, that is not me. I do not have to worry about it. I do not have to pay $580 a month in taxes, so it is not me. The reality of this is that, when you look at what you do in society, when you go in the store and buy a loaf of bread, when you buy your kids a pair of shoes, the store owner makes a profit selling the pair of shoes or selling that loaf of bread; or at least we hope they do, because if they do not, they are going out of business.

When they make a profit selling that loaf of bread or selling that pair of shoes, part of that profit gets sent out here to Washington D.C. in taxes. In fact, every group of five people in the United States of America, every family of five or every group of five is in fact paying $580 a month one way or another to allow the interest on this debt to be paid.

When I came out here in 1995, when I was first elected, I came out of the private sector. I came out to this office, the first office I ever held of public office. In the private sector, I was a home builder. I started as a math teacher, and then we started a business in the basement of our home. We wound up building 120 homes a year, providing about 250 job opportunities here in America. It is really what our country is all about.

When I came out here, I came out here with an idea. I came out here with the idea, if we could get government spending under control, we could fix this problem. That idea was very different than the people that were here before.

What I brought with me is a chart that shows the old Gramm–Rudman-

Hollings and the promises that were made. The only reason I got elected in the first place is because all of these problems that were made; 1985, Gramm–Rudman-Hollings the first time. In 1987, when they could not make it in the 1985 bill, they fixed it. In 1990, they promised the American people a balanced budget again. They promised the balanced budget, and promised it and promised it and promised it, and they did not do it.

□ 1830

This is just one picture. This is the Gramm-Rudman bill of 1987. This blue line shows what they said they were going to do. The red line shows where the deficit went. They kept making these promises and breaking these promises and the American people got more and more and more upset with what was happening in this institution. Finally they got to 1993. They realized that this problem had to be fixed. So the decision that was made out here in this community looking at this chart is that the right solution was to raise the taxes on the American people.

Just think about this. We got to 1993, they had broken the Gramm-Rudman-Hollings promise of 1985, of 1987, the budget deal of 1990, now they were going to promise a balanced budget by reaching into the pockets of the American taxpayers and getting more money out here to Washington D.C.

What did they do? Well, they raised the gasoline tax. They raised the tax on senior citizens on their Social Security benefits. They raised taxes. The American people rejected that vision. And in 1995 they sent a new group of people out here. They said, ''We don't want this done by raising taxes. We want this done by controlling spending.'' We laid a plan into place out here in 1995 to get to a balanced budget, also.

This blue line shows what we were going to do. We promised a balanced budget by the year 2002. Well, the American people looked at that and said, ''Yeah, sure, I'll believe it when I see it.'' Frankly I do not blame them a bit. If it was me, I would have had the same reaction. But the reality is that we are now 3 years into that plan. Not only are we on track but notice where the red line is in the bottom picture versus the red line in the top picture. We are not only on track to balancing the budget but in fact we are going to run a surplus for the first time since 1969 in 1998. It is the first time in a generation, nearly 30 years, that the United States Government has actually taken in more money than what it wrote out in checks in a given year.

That is good news on the surface. But I think as we go further in this, we need to understand what it is that has led us to this point and what the pressures are that are causing us to go away from it as we fight back day after day in this city the urge to spend more money.

The reason we have reached this point is shown in this picture. We have had good economies between 1969 and today. When we have had good economies, that means more money flows into Washington because people make higher profit and higher salaries, and, of course, then they pay more taxes. Every time we have had a good economy between 1969 and today, Washington simply spent the extra money. But this Congress has been different. Spending was growing at 5.2 percent per year when we got here. But in the face of this strong economy, instead of having spending grow at a faster rate, we got our arms around spending and we slowed the growth rate of Washington spending to a point where it was only going up at 3.2. In fact, we have actually done better this year. It only went up by 2.6 this year, the first year in a long time that we have actually seen spending growth in Washington under the rate of inflation.

So what is really going on out here? It is not draconian cuts that people have been told about, but what has happened is that instead of Washington spending going up at twice the rate of inflation, this Congress has got their arms around it and simply slowed the growth rate of Washington spending to the rate of inflation. It is that slowing of the growth rate of Washington spending, it is this distance between here and here, that has both got us to a balanced budget and put us in a position to cut taxes for the first time in 16 years.

Let me just go through a couple of the tax cuts so it is clear what has happened. Again it is very, very important that my colleagues slow down in this community, take a deep breath, and remember that if we just keep the lid on spending, we can keep doing the good things like balancing the budget, starting to pay down debt, restoring the Social Security system, and, of course, lowering the tax burden on the American people.

The tax cuts that have been passed, last year we reduced capital gains from 28 to 20 percent. If you are a family with children under the age of 17, for each child in that family under the age of 17, you are now able to keep $400 per child more in your own home to spend as you see fit instead of sending it here. If you have got a college student, it is up to a $1,500 tax credit. Let me slow down and translate that into what that really means.

We have some friends back home in Janesville, Wisconsin. They have two kids at home and one is a freshman in college. They are a middle-income family, about a $50,000 a year family. For the two kids at home, next year they will reduce their taxes by $400 and $400 or $800 total; and for their freshman in college they will get a college tuition credit of $1,500. That family of five literally gets to keep $2,300 in their home instead of sending it to Washington, D.C. I think that is a significant move forward for our country. That is all pretty good stuff.

I would like to talk about some of the problems that we still have really staring us in the face. I would like to bring the Social Security issue to the forefront because there has been a lot of discussion on Social Security and how it impacts the budget and is there really a surplus or are we using the Social Security money to make the surplus. There has been a lot of this discussion going on. I would like to make it as clear as possible as we look at the Social Security system.

This year if you look at your paycheck, Social Security is going to be paid to Washington, D.C. Washington is collecting about $480 billion out of the taxpayers' paychecks. They are bringing that $480 billion out here to Washington. They are writing out checks to our senior citizens of about $382 billion. If you think about this for a second, if you have $480 in your checkbook and you write out a check for $382, you would have $98 left over. That is Social Security. They have $480 billion coming in, $382 billion going out, and they have got $98 billion then left over.

The idea is this. It is not any different than it would be in virtually any home across America. This extra money coming in is supposed to go into a savings account. We all know the baby boom generation is rapidly heading toward retirement. There are a lot of us. Since there are so many people in the baby boom generation, there will not be enough money coming in to make good on the Social Security payments. Again if we look at this chart, the money in is 480, the money out is 382. When the baby boom generation gets there, those two numbers turn around and there would be more money going out and not enough money coming in. The idea is that this extra money coming in today is supposed to be in a savings account, and then when the numbers turn around, you go to the savings account, get the money and make good on Social Security.

It is funny that when I am in town hall meetings and I ask the question, ''Now, Washington has this extra $98 billion. What do you suppose Washington is doing with the $98 billion?'' Everybody in the town hall meeting says, ''They're spending it.'' In fact, that is exactly right.

Washington takes that money, if you think of this center circle as a big government checkbook, they take that $98 billion, they put it in the big government checkbook, they spend everything out of the big government checkbook, and, of course, since there is nothing left they cannot write a check out to the pension fund, to the Social Security fund, so at the end of the year they simply write an IOU so they do not have to write a check out of their checkbook. That is wrong. That practice needs to be stopped.

It is important to understand that when people in Washington are talking about a surplus, they are talking about this circle over here. The $98 billion is in the checkbook and when they write out all the checks but not a check to the Social Security trust fund, if there

is some money left they call that a surplus. The good news is that we are currently in surplus in an amount that it is actually more than enough to write the check down here to the Social Security trust fund. That is the first time in a generation.

We have introduced legislation out here, it is called the Social Security Preservation Act, it is H.R. 857. It is pretty straightforward. I think it is pretty commonsense stuff. It simply says that the money collected for Social Security, that $98 billion surplus, it goes directly into the Social Security trust fund. If that does not seem like Einstein kind of stuff to any of my colleagues or any of the folks that might be watching this tonight, it really is not, because in the private sector where I come from, if I would have bought a new car instead of putting the money in the pension fund and then wrote an IOU to the pension fund for my employees, they would have arrested me for doing it. Any executive of any company in America that is responsible for a pension fund cannot spend the money to buy a new executive car and then write an IOU to the pension fund. You have to put real money in the pension fund in any company in America, and certainly any hard-working American would expect that the pension fund actually has money in it. This legislation is called the Social Security Preservation Act. It is very straightforward. It simply says put the money down and into the Social Security trust fund.

Let us talk about tax cuts for a minute. Let us talk about the opportunity to have additional tax cuts for American people. Because there has been a lot of discussion that some people want to use this Social Security surplus for either tax cuts or new Washington spending. That is unacceptable. The Social Security trust fund money belongs in the Social Security trust fund. What if, however, in the general fund, without the Social Security money, there was some money left in the big government checkbook? If there is money left in the general fund, independent of Social Security, or if Washington could find some wasteful government spending that they could get rid of, certainly that is where the opportunity to reduce taxes further comes.

I would like to go to that issue, because what is really at the heart of this thing is if we can find wasteful Washington spending, we can eliminate the wasteful Washington spending and simply return that money to the hard-working people that earn the tax dollars before they send them out to Washington. That is how you get the tax cuts.

Could you do $100 billion of tax cuts? Yes. Could you do $200 billion of tax cuts or even more? Yes. The trick to this thing is understanding that there are two separate accounts here. One is the big government checkbook and one is the Social Security. Government ought to leave their hands off the Social Security money. But if we have got a surplus up here in the general fund, that ought to either be returned to the American people or used to pay off debt.

A lot of people say, ''Well, look, you guys, you have been out there for 3 years, all of the government waste is gone and certainly you can't still find some wasteful government spending.'' I am going to go into that by entering into a little discussion on our audit.

Mr. Speaker, I see the gentleman from Michigan (Mr. HOEKSTRA) has joined me. I would be happy to yield to him.

Mr. HOEKSTRA. I thank the gentleman for yielding. As an introduction to I think where you are headed and what you want to talk about is a GAO report.

Just to give a little bit of background, I think you know that we have been working on a project which we call the American Worker at a Crossroads. It parallels an activity that we have which is Education at a Crossroads. For the last 6 to 8 months, we have had a special group of people taking a look at what is going on in the American workplace and taking a look at the appropriateness of American labor law. Another thing that we asked the staff to do is we said, ''Take a look at our spending in the Labor Department.''

The Labor Department gets about 29 to $30 billion a year, of which about $12 billion is discretionary, meaning that you and I every year have to vote on where that money is going to be spent and approve it on an annual basis. The staff got together. They met with the different departments within the Labor Department. They had staff interviews. They went to a number of different agencies to get a handle on where this $12 billion goes.

After a period of time we were reviewing this, and they said, ''Pete, we've got a problem. We've taken a look at the $12 billion of spending, we've met with the Labor Department, we've talked to a lot of different people, and we can only account for about 75 to 80 percent. Nobody can tell us where 100 percent of this money goes.''

It is kind of like, ''Whoa.'' This is 3 to $4 billion a year that nobody really knows where it goes. This is not talking about effectiveness or efficiency or anything like that. ''They just cannot tell us, Mr. Hoekstra, this money goes to this department for this agency to do this thing, and these are the people who receive the money.''

So we said, ''Let's call the General Accounting Office.'' We called the General Accounting Office. They came over, because I thought maybe I got the wrong staff. I mean, how can you not know where 3 or $4 billion goes?

Mr. NEUMANN. How much is 3 or $4 billion? It is $300,000,000,000. This is a big number.

Mr. HOEKSTRA. The company I used to work for, it was always the fifth year of our annual plan, we would be a billion-dollar company. They finally reached it a couple of years after I left there. But a billion-dollar company makes the Fortune 500 list. There are probably about 270, 280 on the Fortune 500 list. A billion-dollar company employs, at least in the industry that I was in, employs somewhere in the neighborhood of 5 to 6, 7,000 people, not counting the people who distributed the products, not counting the people who supplied to our company. A billion dollars is a big number.

Mr. NEUMANN. Would it be fair to say when we look at the Labor Department, they are missing $3 billion, and if we could cut out that part where they cannot find any, we could apply that $3 billion to tax reductions to the American people?

Mr. HOEKSTRA. I think that is right. I think this leads to where you are going. We then called in the General Accounting Office. I had my staff there. I said, ''We've got a problem. I think we have a problem. We've taken a look at the Labor Department. We've taken a look at their discretionary spending. We have met with the Labor Department. We can't account for about 3 to $4 billion.''

The response from GAO was, ''Yeah.''

It is kind of like, ''What do you mean, yeah?''

It is kind of like, ''Well, what's the problem?''

''Well, we can't find 3 to $4 billion. They can't tell us where it went. We'd like to know who got the money, what they were going to do with it, and whether they actually accomplished the goal and the objectives that we had set here from Congress.''

They said, ''Well, we're actually completing a report, and we're not surprised that you can't find 3 to $4 billion. We can't find it, either.''

It is kind of like, ''Oh?''

They said, ''This is not just a Labor Department problem. When our report gets issued, you will find that this problem crosses all the different Cabinet posts here in Washington.''

☐ 1845

Mr. NEUMANN. Reclaiming my time, I want to show you why that is, because again I come from the private sector, and having run a business, I really thought when I got out here that I was going to find, and these are each account numbers in the government. The national defense, for example, is 050, and international affairs is 150. I really thought what I was going to find is somebody responsible for the money being spent in the national Defense Department, so I thought what we would do is go talk to the folks that were responsible for the money in the 050 category, the national defense committee, and they would actually be responsible for spending that money. So I expected a chart to look kind of like this where we had a category and then somebody actually responsible for spending the money.

Well, I took some time and I put together what it actually looks like out here. Here is what it actually looks like. There is no account that has a particular responsibility across. The lines are all crisscrossing all over the place, and since there are so many different lines for this thing to go to, nobody really knows where the money is going to, and of course that is exactly what led to the GAO report that you got in your hands.

Mr. HOEKSTRA. If the gentleman would yield, I think when we have been out here before, because we are also, we are going to be issuing a report in July that was initiated before we started the Labor Department, because I have also got oversight responsibility for the education department. And I think you may remember over the last year, you know, your spaghetti chart that shows all these lines crisscrossing.

We came up with the same thing in education because we wanted to take a look and say who really has responsibility for helping kids in Washington and helping kids get a good education. That is, I am not debating the point whether we can actually do that in Washington. I am just saying, who in Washington believes that it is their responsibility? Where is this coordinated? We asked the Executive Branch.

We said, ''How many education programs are there?'' Tabulated them up, we went to GAO, we went to the Congressional Research Service. About 760 different education programs.

Mr. NEUMANN. Just for a second, when you have got 760 different education programs run by the United States Government.

Mr. HOEKSTRA. That is right.

Mr. NEUMANN. Along with every one of those 760 is a huge bureaucracy to run the program, and what is happening is the bureaucrats are getting the money that is supposed to be in the schools helping our kids.

Mr. HOEKSTRA. That is right.

Mr. NEUMANN. And how much would you say out of every dollar?

Mr. HOEKSTRA. Well, we have calculated that because the other, you know, the train of thought is 760, and the first thing is hallelujah, that is why we got an education department, so that we can take these programs and run them through one place, because that is what I would think: Education; education programs. Put them in one place.

Thirty-nine different agencies. Many were programs that sound very, very similar.

So, as we have taken a look at it, as the gentleman has asked, as we have gone around and we have taken a look, where does the money really make a difference? The money makes a difference when it is in the hands of a teacher in a classroom directly benefiting a child. The bureaucrats do not help the child one bit.

So when a dollar comes from Wisconsin or a dollar comes from Michigan for education and goes to Washington, we are estimating that about 60 to 70 cents gets back to a child, gets back to a teacher, gets back to a classroom. Thirty to 40 cents gets eaten up in this, you know, bureaucracy maze here, and we know that the dollar has to get to the child if it is going to make a difference.

So I mean when we talk about reforming education, and we are going to talk about some other things, we can get lots more dollars to the child in the classroom without spending any more money in Washington. All we have to say is we are going to do it different, we are going to take the money, we are not going to feed a bureaucratic machine. We are going to get the money to a teacher and to a child and to a classroom, and the money is going to be there, and we are going to have some proposals, we are making them up tomorrow in committee, to start doing that. It is only $3 billion, only $3 billion.

Mr. NEUMANN. I was just going to object.

Mr. HOEKSTRA. Yes, only $3 billion out of, you know, the $40 to $50 billion that the Education Department spends every year, but, you know, we are starting, and we are going to take it and we are going to put it into opportunity grants, which says we are going to get the money to a child and we are not going to give it to a bureaucrat.

Mr. NEUMANN. Just reclaiming my time, I cannot help but point out that the great State of Wisconsin is out in front of the country again on this issue, as they were with welfare reform under Governor Tommy Thompson. They are now out in front in terms of having parents have the opportunity to choose where their children go to school, what they are taught and how it is taught.

Wisconsin just passed school choice, and of course it is going to be run much like a Pell grant system. I know even in some of the parochial schools there is a lot of concern with the school choice topic, but when we stop and think about it, the United States Government already gives college scholarships called Pell grants even to students that are attending teacher and pastor training schools in a Christian education center.

So the idea that the government could possibly give these scholarships, like Pell grants, without attaching strings is something we are already doing at the college level, and it is now just a matter of expanding that program down so it applies to secondary and eventually K–12 education.

I look forward to it. I think it is a good move forward for Wisconsin. And you know the survey that we just looked at, there were 12,000 teenagers looked at, and they found the single most important thing for crime, for teen smoking, teen pregnancy, for drug use and for education, most important for education, parental involvement with their student. Parental involvement with that teenager is the single most important thing that we can possibly do to bring our kids and bring our education level back up in this country, and I sincerely hope that we figure out how at the national level to allow some of the same things to happen that have happened in Wisconsin.

I do want to jump to a couple of these others because this audit is something the American people should hear about.

Mr. HOEKSTRA. If the gentleman could yield for just a second.

Mr. NEUMANN. Go ahead.

Mr. HOEKSTRA. And, as we go through this audit, I just want to let the gentleman from Wisconsin know that for the last year and a half we have gone through this process at the education department, we have gone through this process at the Labor Department, we have gone through this process at the Corporation for National Service where we have audited them or we, you know, found out. We have done this for the National Endowment for the Arts, and it is very, very consistent. The money does not get to the places that it is intended to go, that we are not making the difference.

So anybody who believes, even if we agreed with every mission that the Federal Government has taken on, and I think you and I probably do not necessarily agree that everything the Federal Government is doing is something that the Federal Government ought to be doing, but even if you agreed with every mission that Washington has assumed today, there is no doubt in my mind that there is a lot of waste, fraud and abuse in the system, that we could deliver better results with the money that we have today and at the same time deliver a tax cut back to the American people. We can do it in the Education Department, we can do it in the Labor Department, we can do it in the Corporation for National Service, and I think the gentleman is going to share some other examples with me.

But we have done this work here on the House side. We have got the background and the data that backs up exactly what this GAO study is going to show.

Mr. NEUMANN. And I think that is the point of this whole discussion. We can do tax cuts without touching the Social Security money. There is absolutely no reason in the world that this government should take the money coming in from Social Security and use it for tax cuts or anything else. That money belongs in the Social Security Trust Fund, but that does not mean we cannot do tax cuts. There is so much waste, fraud and abuse to go out.

I want to again slow down a little bit and just make sure everybody understands what an audit is.

Again, I come out of the private sector. We ran our company, and I will never forget the first time that we wanted to borrow money in a bank, and the bank said you have to have an audit first. And I went: ''What's an audit?''

And they said, ''Well, an accountant has got to come in, and they got to look at your books, and they got to actually make sure that the money you say you're spending to build that house is actually being spent on, the money, on the house that you say you are building. And not only that, they would like to know that the revenue that you say you're getting from the sale of that house is actually enough to cover the money that you spent on that house.''

So what happens is an accountant comes in and he looks at all your home sales over the course of the year, and he pulls out one or two, or she pulls out one or two or three of them. So if you are selling 120 homes a year, they pull out maybe a half dozen total, and they really go through them with a fine-toothed comb to actually make sure that the drywall check that went out for $3,200 actually went to the drywall company and not my rich uncle someplace or whatever.

They actually double check to see that what you say happened in your books actually happened, and that when you get to the bottom line the money in and the money out is actually what you reported on your taxes, and hopefully if the bank is going to lend you money, it made a profit, because if you do not make a profit you are going bankrupt.

Mr. HOEKSTRA. If the gentleman would yield for just a second, it is no different than what happens to an individual when they go apply for a mortgage.

Mr. NEUMANN. Exactly.

Mr. HOEKSTRA. The bank will go and they will verify, they will want to be able to verify your income, they will want to verify the balances on the other loans that you have outstanding, they will want to verify that what you want to buy is actually worth the amount that you want to borrow, and they will audit your records.

Mr. NEUMANN. The difference between a personal audit, though, and a company audit or between a personal audit and this government audit is, in a personal audit when you going to buy a house they verify virtually everything. And I just like to make the point that when they went through this government audit, they pulled out a random sampling to do these lookings. So these examples that I have got here of what they found in the audit, it is not like they audited the entire Navy and looked for every ship the Navy had. They pulled out a limited number.

As a matter of fact, this first one I got a picture of here, they pulled out 79 ships. They could not find 21 out of 79 ships that were supposed to be available. Just think about this for a minute. The Navy says these ships are there and they are waiting to be used. They are called inactive status at this point. Seventy-nine of these ships are supposed to be there. They went looking for these things. They could not find 21.

I mean we are not talking about a rubber ducky here in a bathtub. We are talking about a naval ship that they could not find. Think about what that means if there were ever a serious conflict in this Nation.

That is just one. Let me keep going a little bit.

The Air Force reported that they had this C–130 transport plane, and this is important to understand what this is, and I want to emphasize that this is a statement of concern for the well-being of our young men and women in uniform because just think about this for a minute:

If we were to enter into some sort of military conflict and this C–130 is supposed to be out there, and a C–130 is what they use to move troops around. So you now have these troops in a conflict situation, and we are supposed to take this C–130, and we are supposed to haul more troops up there so that they can be reinforced and not get overrun and literally injured, hurt or injured or killed.

Well, they went looking for this C–130, and it turns out it was destroyed back in 1994. It is almost inconceivable to me that you have a C–130, a transport plane for moving troops around, on your records as available, and you go looking for the thing and you cannot find it.

There is more. This one is really scary.

We are supposed to have a missile launcher, and if you do not recognize what this is, this is what you launch a series of missiles off of. They could not find the missile launcher.

Now since they think they have found it, but we have not verified at this point that they found the right one, and again it is so important to understand how significant this is to the safety and well-being of our men and women in uniform.

But it was not just the military, and I want to make that very clear.

This is the Department of Energy, and what you see here is a Hewitt Packard 3000 corporate business server, weighs 825 pounds, 825 pounds. The thing is 5 feet 2½ inches wide, 3 feet deep. I mean this is a huge piece of equipment. So they went looking for this $141,000 computer, and they could not find the computer either.

It did not stop there. We dug into this audit, and again coming from the private sector, I took some time to really start going through, and this caught my attention obviously. And you know this whole concept that there is no waste in the government and there is no more room for improvement in this government, that is ridiculous. We have got a long ways to go to get this place straightened out, but when I started digging into this some more, I would just like to read a few excerpts.

We had the GAO prepare a special report for my audit. This is what they said about Medicare. Now think about this number, and then think about the Medicare attacks last year. This is what they say on Medicare regarding improper payments: $23 billion, for reasons ranging from inadvertent mistakes to outright fraud and abuse, $23 billion missing out of one agency.

Let me translate into English.

Mr. HOEKSTRA. If the gentleman would yield for just a second, of course the way we calculate here in Washington, I am sure that is $23 billion over 5 years.

Mr. NEUMANN. No, sir, that is $23 billion in a single year. That is almost $100 for every man, woman and child in the whole United States of America, to put this in perspective. You know we throw these billions around like basically speaking that $1 billion is $4 per person. This is nearly $100 for every man, woman and child in the United States of America that is gone, for reasons ranging from inadvertent mistakes to outright fraud and abuse in one single agency.

But listen to this one. If anybody out there is not concerned with these pictures, listen to this. This is what the Air Force Logistics System found, and again now I am quoting word for word from the report that they sent back to my office. Three databases included in the Air Force's central logistics system contained discrepancies on the equipment, on the number of assets on hand, including ground-launched and air-launched cruise missiles, aircraft and helicopters.

Let me translate that into English. They went into the Pentagon, they looked at their central logistics system to try and figure out how many of these missiles they were supposed to have. When they went out in the field to find them, the number they found versus the number they were supposed to have was different numbers.

Let me read this one again, because of all of these things, this one scares the living daylights out of me.

Three databases included in the Air Force's central logistics system contained discrepancies on equipment, on the number of assets on hand, including ground-launched and air-launched cruise missiles.

□ 1900

When you really go looking for this stuff, they cannot even find the air-launched and ground-launched Cruise Missiles.

Let me give you one more, and I know the gentleman from Michigan would like to jump in on this. The Forest Service, and again we have talked about the Air Force, we have talked about the Navy, we have talked about the Energy Department, we have talked about Medicare and the Air Force again. Let me give you another one. Here is Forest Service. The Forest Service could not determine for what purposes it spent $215 million.

When we look at this government and we look at the tax rate on the American people, and then we go into this sort of thing and we find out what

a mixed-up state of affairs we have out here, it is very, very clear to me that if they get their act together to a point where they actually know what they have and know where the money is going to, we can clearly find enough ways to reduce the tax burden on the American worker and accomplish all three of our goals, and that is leaving the government's hands off of Social Security, reduced taxes, and start paying down the Federal debt. But the way you do that is you go after these wasteful government programs.

Mr. HOEKSTRA. I think the gentleman is exactly right. When we have taken a look at the Education Department and when we have taken a look at the Labor Department, they cannot find or tell us where all the money went, and then we come back and we ask them specifically on program-by-program, give us some indication as to whether we are achieving the kind of results, the kind of effectiveness that we would like to have, and there are no benchmarks. We cannot go in and say this is what we are trying to do and these are the kinds of results that we are getting, so that the money we are actually spending is actually making a difference.

So you are identifying, I think, some pretty scary stuff, because you are again identifying, we could not know where the money is going, so that is almost an immediate savings that you could identify that says if we do not know where the money is going, we cannot be getting a whole lot of results for it.

Then the second thing is you can overlay that even when we know where the money is being spent, we do not know the kind of results that we are getting. So if you put that in the context of the Labor Department, we do not know where 25 percent of the money goes, and for 75 percent we do not know whether we are getting the kind of results we want to have.

In education we are spending $100 billion a year. We know that a good portion of that money stays with bureaucrats and bureaucracies, so that we know that that is not helping kids. And then you take a look the money that is actually filtering down with the strings that are attached to it. And, again, it may be a barrier to a local school, a teacher doing what they feel they need to do in their classroom, because the money comes and tells them what to do. So, again, we do not have an idea as to how effective those dollars are.

Mr. NEUMANN. I think it is very important in this discussion that we point out there is something being done about this. I would just like to walk you through what has happened so far, since we found this, and where we are going next with this thing.

I have to tell you, if this was my home building company and the person responsible for building 79 homes walked in my office and said, ''Mark, I have good news for you; I found all but 21 of the 79 homes we built last year,'' I have to tell you, I would not have the patience for what we are proposing in this legislation.

But when I proposed the legislation and we had our first hearing, we start hearing people concerned that we have gone too far here.

So let me say what has already been done. We brought a resolution to the floor stating this should have consequences to each one of the 24 agencies. That was relatively easy, because when you say ''consequence,'' nobody is hurt because nobody knows what consequences are.

We have gone the next step and I have written a piece of legislation, and here is what it does. It says in each one of the 234 agencies, we are going to identify the group of people responsible for knowing where the money is coming from and knowing where the money is going to and knowing where the equipment is. So we are going to identify the people who are actually responsible for the information contained in these audits.

We are going to give them 12 months. At the end of 12 months, if they cannot pass an audit, that group of people is going to have to find something else to do with their lives other than work for the United States Government. Also the agency will at that point lose 5 percent of their funding.

Now, the idea behind this proposal is twofold. First, we would like to identify the people responsible and actually place responsibility on someone, instead of saying it is that agency over there with no face attached to it. We with like to point out specifically who it is with responsibility for it.

We would like to also empower those people to have the people at the agency work with them to solve the problem. So we want to go at this, and, understand, they have already had four years in this whole thing. The bill started four years ago. So they have had four years already to bring the thing up to speed.

So when we say 12 months, what we are really saying is, we do not want to be heartless about this and go, you are fired tomorrow, although maybe that is what I would do in my own company. You have 12 months to get your act together. You specifically have the responsibility for it, and, if you are not successful, not only are you going to have consequences, but the agency itself should expect to have 5 percent of their funding withheld.

Now, what that should do is get the employees and the agency to work with the people responsible for straightening this mess out to a point where we actually can track the money that is going through, and not only track the money going through, but also track the assets of a particular agency.

Mr. HOEKSTRA. If the gentleman will yield, we are doing some of the same types of things in the whole area of education. You start with a resolution, kind of like what you said, there will be consequences. In the education area we set a goal.

We said that as a Republican Conference, or as a House, we passed a resolution here saying we want 95 cents of every education dollar to reach the classroom.

Tomorrow in committee, we are going to be working on a dollars-to-the-classroom piece of legislation, which is going to take a number of programs and put them into opportunity grants so that the dollars now flow to the classroom, flow to the child, rather than flowing through bureaucracy.

So we are making progress in moving along, in getting at these issues. So it is not just an issue of hey, look, it is broke. It is broke. We are working at constructively going after these problems, identifying why they have come up, how we can fix them, and now we are going through the legislative process of actually making a difference and changing the way things work in Washington.

Mr. NEUMANN. I just want to keep coming back to that point. The key here is as we eliminate this waste, it provides us with the dollars necessary to reduce the tax burden on the American people, while, at the same time, leaving our hands off of Social Security, which is what the Social Security Preservation Act does, and, at the same time, starting to make some payments on the Federal debt.

This is the bright optimistic vision for the future, a debt-free America for our children, Social Security restored for our senior citizens, and a lower tax burden on the American people.

I see that my good friend Mr. KINGSTON has joined us.

Mr. KINGSTON. I thank the gentleman for yielding. I have been listening with much interest on what you two have been doing on this, and I know you have been at it for many years and making progress. One of the things we have come across on the Committee on Appropriations, as you know, is plain out inefficiency, which is what this is, and the biggest example that we hear the most complaints about is the IRS.

One of the examples that was testified is the IRS went into a restaurant in New York, asked the patrons to leave, put down their forks and knives, leave, because the restaurant was behind in their payroll taxes. A month later it was proven that it was a mistake.

So what does the IRS do? They say gee, whiz, we are sorry. Think about that in the private sector, if you had somebody in charge of enforcing a law, a rule or whatever, in your company, and they blew it, just completely blew it.

We are on the verge of passing a bill in on the IRS which is similar to the legislation you are working on for an intangible efficiency, if you will, but of saying that if you are dragged before the IRS, you are innocent until proven guilty, and it will do the same thing

that your legislation does and what you are trying to do in education. It makes the individual frontline employee a little more careful to make sure he or she knows exactly what the goal is, what the rules are, and who the victim is. They put their rights out there and makes folks think twice.

As you know, another interesting thing about the IRS is they could not be audited, because their books were in such disarray no one knew where the head of the snake was. But we are taking steps to change that.

Mr. NEUMANN. Reclaiming my time, I would just like to bring you a personal experience from the private sector, because I have had one of these IRS experiences. It is almost like an out-of-body experience when you are done with it, because it is so bad.

When I first started in business, they assigned us two separate Federal tax ID numbers. Now if you want an absolute nightmare, get two Federal tax ID numbers. Because what would happen is we would file the appropriate tax forms under the appropriate tax ID number, but since we had a second tax ID number, the IRS came after us for not filing the forms that we had just filed.

So then we would then refile the forms under the new tax ID number, and, of course, then they would immediately come back after us for the old tax ID number that they still had assigned to my company.

This went on for months. I would pay taxes and they would send me a bill, and I would pay taxes and they would send me another bill. I would look at the bill and say I know I do not owe that money, but it is easier to pay them $600 that they are asking for than to fight with the people. So you would send them another check for $600, and then they would send you another bill a few months later on the other tax ID number.

This went only for a period of I do not remember how long, until finally we got sick of paying them the double tax rate and said we are not going to pay you anymore. We, of course, would pay them the one under one number, but we would not pay under both numbers anymore. It was going to bankrupt us, for crying out loud.

So we finally said we were not going to pay it anymore, and it got within two weeks of them posting a tax notice on my door saying you had not paid your taxes.

Finally, that was back long before I ever thought of Congress, I called the Congressional person, and the Congressional person actually made the IRS people actually sit down and look at the records and how much taxes we paid, and, if my recollection is right, they did send us some of the overpayment back. But it was an absolute nightmare from start to finish.

If you are a small business owner, you cannot afford the time to go fight with the IRS. You got enough to do to keep your head above water and keep from going bankrupt in the first place. This is our early days. We were just out of our basement. We had started a business in the basement of our home and we were in our first office struggling to make it. I will never forget the hassle we went through as they gave us these two separate ID numbers. So I have some personal experience with it.

Mr. HOEKSTRA. If the gentleman will yield, what we are talking about here is putting accountability into government. I will give you an example. The gentleman from Georgia (Mr. KINGSTON) and I came here in 1993, and one of the first pieces of legislation that came out of the committee that I serve on was called Education and Labor, was the Corporation for National Service, AmeriCorp, a brand new agency.

In 1995, I got responsibility for oversight for the Corporation for National Service. A brand new agency. It filtered in a couple of smaller agencies. In 1997 we did oversight. Because the President promised us this organization would be set up like the best in the private sector, I voted for this bill.

1997, none of their books were auditable, meaning that you could not take in an outside auditor and say that the money that came in from the American people and went to the Corporation for National Service was spent the way that it was intended to be spent. They could not tell us where the money went. It also set aside money for the scholarships that these kids earn for college. That was not auditable. It did not have integrity.

What is the response you get? If you say we want to put accountability in, it is like you are against AmeriCorp. It is kind of like, no, we want to know where the American taxpayer money went. We are doing what you had to do in the private sector, what I had to do in the private sector; we had to put accountability into our organizations, and we had to put integrity into the financial structure, because if you do not have accountability and if you do not have integrity, you are out of business. And in Washington, these programs just run on forever.

Mr. NEUMANN. As we talk about this, and I mentioned it earlier in the hour, I do think it is very, very important to keep this in perspective. When we came here three years ago, when all of a sudden it was a different group of people in control the House of Representatives, we had to first stop the bleeding.

We had a deficit of $200 billion a year, plus they were stealing the money out of the Social Security trust fund. We had to stop the bleeding before we could go and look at the next step and start getting into some of these older problems that had to be dealt with.

It is only because we have stopped the bleeding that we have gotten to a balanced budget, we have slowed the growth rate of Washington spending. It is only because we have slowed that bleeding, so-to-speak, or at least dramatically slowed it down, that we are able to now go to the next level and start solving some of the internal injuries, if you like, in this thing.

You first have to get spending under control to get to a point where you can take a look at the next level here, and that is what has been accomplished in three years.

The only reservation I have in this discussion, clearly all of this is wrong, but I think it is very, very important that we keep in perspective how far we have come in three short years, and then how far we still have yet to go.

□ 1915

The gentleman will remember, when our class came here 3 years ago, one of the projects was to sell a building, and we all worked very hard on that. The gentleman from Michigan I know remembers our group who came 2 years before, we were 100 percent there. But as I recall, we were told that in this massive $1.7 trillion Federal Government, that there were no buildings that they could spare to sell.

I do not remember what actually happened to that. I remember there was a tremendous fight to try to sell one building in the name of symbolism. Did one actually transfer, does the gentleman remember?

Mr. NEUMANN. Mr. Speaker, all I know is in the appropriations process right now we have made the decision to go forward with building more buildings.

In the debate we have had here in the 3 years since I have been here about the draconian cuts imposed on America by the Republican Party, what people have failed to mention is that in fact, spending has kept going up faster than the rate of inflation.

What they actually meant by ''draconian cuts'' is that instead of letting spending go up at twice the rate of inflation, we were going to stop the growth rate and at least hold it to the rate of inflation. When the gentleman talks about selling a building or building new buildings and so on, we need to understand that government spending is still going up at the rate of inflation. That is why they are struggling to sell off a building.

If we actually got to a point where we went after this waste and fraud and abuse in this government so we actually could reduce spending in real dollars, so that it was no longer going up as fast as inflation, which is what I think all 3 of us standing here would like to see, that is when we can actually do some tax reduction for the American people that is real, and we can also start doing things like eliminating some of the government property that we no longer need.

Mr. HOEKSTRA. If the gentleman will yield, Mr. Speaker, I just want to really thank the gentleman for putting it in perspective, what our priorities are: saving Social Security, paying down the debt, and reducing the tax burden.

Then when we take a look at not discussing the role or the mission of the Federal Government, because that is another debate, but just saying if we collectively decide that we are going to do everything that the government does today, but we are committed to do it more effectively and more efficiently, we can do those three objectives. We can save Social Security, we can pay down the debt, and we can lower taxes, just by saying we are going to be more effective and more efficient.

Then if we decide that certain of these things no longer need to be done by the Federal Government, we can even go faster towards those objectives.

Mr. NEUMANN. I get excited when we get to this point, because all of a sudden we begin to understand that we are no longer in 1993, whining and crying that we cannot do anything other than raise taxes on the American people to solve government problems.

All of a sudden, we understand that if we just get spending under control, we get our arms around some of this stuff and get it stopped, we can actually have this vision for the next generation, that the best days of America can be out in front of us instead of behind us.

If we can start looking, if we think about this for a minute, at controlling spending to the point where we can start paying down the debt, when we pay down the debt, $1 out of every $6 this government spends does nothing but pay interest on the debt. As we pay down the debt, it is easier to put the money aside for Social Security that should be put away for Social Security, and all of a sudden Social Security is safe for our senior citizens.

Of course, as we pay down the debt and the interest goes down all of a sudden, and we do not need that $1 out of $6, we can reduce the tax burden. Think about this vision for the next generation. We pay off the debt and give this Nation to our children debt-free. We stop stealing the Social Security money and in fact put the money back in that has been taken out. Social Security is safe and secure for our senior citizens.

We can reduce the tax burden, so when we look at a family, we do not have to have two people working two jobs each in order to make ends meet, when all of a sudden they do not have to be at that second and third jobs in order to pay their bills because the tax burden is so high.

I get going on this, but it is so important to remember, a generation ago the government, in all the different forms, only took $25 out of every $100 a person earned. Today they take $37 out. That extra $12 they are taking forces people to get a second and a third job, and when they get a second and third job, they spend less time with their kids.

It leads me right back to the education problem the gentleman has been talking about. When parents spend less time with their kids, the outcome is a poorer education, the outcome is more crime problems, more drug problems, more teen pregnancy, more teen smoking. All of the things wrong with our society happen when the folks have to take the second and third job, instead of having at least the opportunity to spend more time with their kids.

Again, I am not naive enough to think that if we simply reduce taxes all of the problems are going to go away. That is not going to happen. If we reduce taxes, at least parents will have the opportunity to make the decision to spend more time with their kids. In education, we need to empower the parents to have a role in the process of deciding what their kids are taught, where it is taught, and how it is taught.

As with we empower parents to make those decisions, they become more involved with their kids' lives, and we should expect a reduction in crime rate, a reduction in teen pregnancy, a reduction in drug use and teen smoking. That is the vision for the next generation we are talking about here.

Mr. HOEKSTRA. If the gentleman will yield, Mr. Speaker, even with the small tax cuts we did last year, the family that the gentleman talked about earlier, it is $2,300 per year that they are going to save. It is $2,300 after taxes.

Mr. NEUMANN. Yes, sir.

Mr. HOEKSTRA. That is about $40 to $50 a week that this family is going to have in increased disposable income. Somebody can say, maybe I will work a few less hours, but it is a choice they can now make that they did not have before.

Mr. NEUMANN. Let me put this in very real terms. That family of 5 I am talking about, they are a $50,000 a year kind of family. When Christmas comes they want to buy presents for their kids, but they are living paycheck to paycheck as they go along. All of a sudden when they get to Christmastime, what happens? The mother takes a second job so they can buy Christmas presents for the kids.

If we get the tax down, they have already the $2,300, we hope to go further, the taxes are down $2,300, she may still take the job and put the money in retirement, but the bottom line is, it is now her choice. It is not done out of necessity to be able to buy the Christmas presents, it is now being done out of choice as opposed to necessity. We have empowered that mother to make the decision at Christmastime to not go out and get a second job so she can pay for the Christmas presents.

How have we done that? We have simply let them keep more of their own money that they earned anyhow, instead of government spending it.

Mr. HOEKSTRA. The gentleman has just said it, not as much for Washington.

Mr. NEUMANN. Exactly.

Mr. KINGSTON. If the gentleman will yield, let us take that a step further. That is what I find so offensive and so absurd about what to do with the surplus. Both Members have outlined, and I am in 100 percent, there is really not a surplus. We have just taken the excess collected for Social Security, mixed it in the general revenues, to hide the deficit that is in the general revenues.

Mr. NEUMANN. Reclaiming my time momentarily, I have good news. I did not bring this out as clearly as I should have. We are now in surplus in both the general fund and in the Social Security fund. There is such good news on the economic front here. We now have a surplus in both funds, both general and Social Security. It is good news.

Mr. KINGSTON. That is excellent news. Let us take the Social Security completely out and do what the gentleman is proposing in his legislation, build a wall around it.

The point I am really getting to, if you are walking down the street and you find a wallet with $100 in it, you do not immediately start thinking, how am I going to spend this? You think about, who does this belong to? How do I get it back to them? That is what we in Washington should be doing with any surplus, saying, whose money is this? How do we get it back to them?

That should be our number one question in the context of let us pay off debt, money we have borrowed; but mostly, let us figure out whose money it is, which is not a hard question to answer, and how do we get it back to them, instead of what new programs should we start and what new buildings, airplanes should we buy, particularly when we are losing objects, large objects, like the gentleman has outlined.

Mr. NEUMANN. Is this not an exciting conversation, especially when we put it in the perspective of where we were 3 or 4 short years ago, where it was the wringing of our hands, and how are we going to get more money out of the pockets of the American taxpayer to give us enough to spend out here?

Now, here we are, standing here having this debate about, well, we are going to be able to put the Social Security money aside. This will be the first year, by the way. This will be the first year that we are actually able to put the Social Security money aside the way it is supposed to be, and it now appears that there is a surplus in the general fund besides. That is the $100 the gentleman is talking about, that surplus in the general fund, not the Social Security fund. That is the money that ought to be used for both tax reduction and restoring the Social Security, paying down the debt as we move forward.

What a wonderful generational objective or goal here, if we could pay off the debt, give the kids a debt-free Nation, restore Social Security so it is safe for today's seniors and the baby boomers, and also lower the tax burden on working Americans. Is that not really—does that not make our congressional service here worth it, if we

can bring the country back in that direction, especially when put in the perspective of where we got it 3 or 4 short years ago?

Mr. HOEKSTRA. I thank the gentleman.

MISLEADING STORY BY CNN AND TIME MAGAZINE

The SPEAKER pro tempore (Mr. DIAZ-BALART). Under a previous order of the House, the gentleman from Colorado (Mr. MCINNIS) is recognized for 5 minutes.

Mr. MCINNIS. Mr. Speaker, I don't know how many can remember, but about 2 weeks ago CNN started their headline news. Their leading story on CNN was how the United States military used a poisonous gas that by international treaty is a violation and considered a war crime. CNN did not say there was speculation. CNN did not say there was an allegation. The CNN/Time article said it was used to go in and get American defectors.

What CNN/Time failed to mention to the American public was their source of information. The original source of information was a lieutenant. The lieutenant did not remember this gas. In fact, he said he forgot it for 25 years, went without this memory, until he happened to be interviewed by one of the reporters with CNN and Time.

During that interview on Easter Sunday, and by the way, the gentleman is a heavy drinker, he all of a sudden recalled that 25 years ago the United States military went and used poisonous gases on the Viet Cong. It is an international war crime.

So CNN goes to their second source. CNN does not mention to the American public that their second source has filed for a full disability, so he has every incentive to come out and agree with the first source's story.

Guess what? Thank goodness, Newsweek decided to look a little closer, to investigate the facts, not to run a story that impugns the United States government, impugns the United States military, impugns the commanding officers during that period of time, impugns the President of the United States, Richard Nixon, by alleging that this poison gas, a war crime, was used in secret.

No, Newsweek decides to do their homework. Guess what they find out? They are the ones that come out and say, wait a second, the other people involved in this say this is a bunch of nonsense. The pilots say, it could not possibly happen, we did not have masks. The general, who by the way was a third source for Time/CNN, 88 years old and in an assisted care facility, denies that he said what Time and CNN said he said.

Peter Arnett, we all know Peter Arnett, what was his response to Newsweek? ''It is one side of the story. I think it was a fair article.'' Yes, well, Mr. Arnett, you were not on the receiving end of this thing. How would you like to have your integrity, and to the executives at CNN and Time, how would you like your integrity impugned? How would you like that to happen to you before they went and verified the facts?

Not a credit to Time magazine, not as the partnership of Time/CNN, but in credit to Time, I will say, and in reverence to full disclosure, Time magazine has said that they are going back to the story, they are going to reinvestigate the story, and they will report the facts as they find them. So at least they have acknowledged that they need to look at this just a little closer.

But does this remind Members of a Richard Jewell kind of case? Remember Richard Jewell, the so-called alleged Olympic bomber, who the press could not wait, within hours, and in fact, they were there at the time the police went to Mr. Jewell's apartment? They destroyed the man. Just remember this story. All of us remember 2 weeks ago what Time and CNN did.

Mr. Speaker, I can tell the Members that Time and CNN and every other press, every other publication or every news media in this country expects the United States Congress to have integrity, expects us to check our sources. We know any time or a lot of times we do not, we get barbecued by them. That is as it should be. But it should also run in the other direction.

In my opinion, the United States of America has a military that is second to none, has a military that has lots of officers and lots of enlisted people who have very high integrity, are people of strong dedication, strong moral values.

How do Members think they felt when on the lead story out of CNN, and Time runs a big story in Time magazine, that says that the United States military committed war crimes, war crimes? The same kind of crimes, war crimes, that people were executed after World War II for committing war crimes. These national publications accused our government of committing a war crime by using, by the way, the chemical sarin, of using that chemical.

□ 1930

My gosh, these are two of the leading media institutions in this country, and they have an ethical obligation to check those sources. Thank goodness that Newsweek stepped forward and ran the kind of investigation they ran.

I beg of Time magazine, to all those executive officers, and I hope some of them are listening tonight as I speak to my colleagues here, I beg of these people, go back, check that story. And if that story is not true, give the United States military, the United States military personnel, President Nixon and everybody else that was impugned by those articles and by that press release, give them the same kind of coverage and retraction of this article as you gave in attack as a result of this article.

THOUGHTS ON EVENTS IN TIANANMEN SQUARE

The SPEAKER pro tempore (Mr. DIAZ-BALART). Under a previous order of the House, the gentleman from South Carolina (Mr. INGLIS) is recognized for 5 minutes.

Mr. INGLIS of South Carolina. Mr. Speaker, let me thank the gentleman from New Jersey for allowing me to proceed at this moment, appreciate that very much.

In May of 1989, students began a protest for democratic reforms in Beijing's Tiananmen Square. Their movement began modestly, then swelled to thousands as they occupied the square in what they saw as a people's movement. From the flat stone of the square they erected a 10-foot-tall likeness of the world's most recognizable symbol of freedom, the Statue of Liberty.

Threatened, divided, Beijing's hardline leaders invoked martial law and ordered the army to the square. Huge throngs, possibly amounting to more than 1 million Chinese, took to the streets to defy martial law and block troops from their planned crackdown on China's young freedom fighters.

The world saw gripping pictures of an unarmed man refusing to give way to an approaching tank.

''With the people behind us, we'll succeed,'' one student told a reporter. ''No government can survive by using the Army against its own citizens.''

Tragically, he was wrong.

The New York Times reported the following scene on June 4, 1989:

> Tens of thousands of Chinese troops retook the center of the capital early this morning from pro-democracy protesters, killing scores of students and workers and wounding hundreds more as they fired submachine guns at crowds of people who tried to resist.

The hard-line leaders gave personal attention to the students' Statue of Liberty. ''Push it down,'' they ordered.

We stand with the students. We do not stand with the dictators. The students of freedom look to their teachers, to the shining city on the hill. Lady Liberty searches the horizon for her fallen likeness. She listens for our voice. Let us be her voice.

Let us say for her, as Moses said to Pharaoh, ''Let my people go.''

Let them go out of your prisons of conscience. Let them go out of your slave labor camps. Let them go out of your forced abortion clinics, and let our brothers and sisters worship our God, the creator and sustainer of the universe. Yes, with Lady Liberty, let us say, ''Let my people go.''

Last week, 51 Members of this House sent a letter to the President pleading with him not to be received in Tiananmen Square. Go, if you must, to China, but do not go to Tiananmen Square, we urged. Do not let compromise and cajoling wash away the memory of those students.

They died for freedom. Let that stand. Let the dictators know that no American President will be received

there, not until the dictators are gone and the teachers of freedom have erected a new Lady Liberty, our gift to the students, the students of freedom.

I was in school when President Reagan, standing in front of the Berlin Wall said, ''Mr. Gorbachev, take down this wall.''

Many saw the scene as a reckless, silly old man standing against the night calling for the light and truth of freedom. But President Reagan was sure of what he spoke. He stood for freedom. He stood for principle, and he dared to dream of a different and better world.

How can it be that we have shifted so quickly to a place of compromise and appeasement, to a place of favoring corporate profit over foundational principles, to a place of investigating the nearly unutterable, that campaign contributions may have driven the transfer of American-made missile guidance systems to an enemy of freedom?

Last week the House voted 409 to 10 to set up a special nine-member committee with far-reaching authority to look into whether U.S. national security has been undermined in this matter. According to our intelligence agencies, at least 13 intercontinental ballistic missiles with American missile guidance systems may be pointed at the United States of America.

''Knock it down,'' the dictators ordered. God forbid that it should happen to the real Lady of Liberty. God forbid.

REPORT ON H.R. 4112, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

Mr. KINGSTON, (during the special order of Mr. NEUMANN) from the Committee on Appropriations, submitted a privileged report (Rept. No. 105–595) on the bill (H.R. 4112) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore (Mr. DIAZ-BALART). Pursuant to clause 8 of rule XXI, all points of order are reserved on the bill.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4103, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1999

Mr. MCINNIS (during the special order of Mr. PALLONE), from the Committee on Rules, submitted a privileged report (Rept. No. 105–596) on the resolution (H. Res. 484) providing for consideration of the bill (H.R. 4103) making appropriations for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4104, TREASURY, POSTAL APPROPRIATIONS ACT, 1999

Mr. MCINNIS (during the special order of Mr. PALLONE), from the Committee on Rules, submitted a privileged report (Rept. No. 105–597) on the resolution (H. Res. 485) providing for consideration of the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes, which was referred to the House Calendar and ordered to be printed.

MANAGED CARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight I would like to talk again about the issue of managed care reform, and I have said before on the floor that this issue, without question, has become one of the most important on the minds of Americans, not only in my district but I think throughout the country.

The reason that it has become so important is because patients are being abused within managed care organizations. Patients often lack basic elementary protections from abuse, and these abuses are occurring because insurance companies and not doctors are dictating which patients can get what services under what circumstances.

Within managed care organizations or HMOs, the judgment of doctors is increasingly taking a back seat to the judgment of insurance companies. Medical necessity is being shunted aside by the desire of bureaucrats to make an extra buck, and people are literally dying because they are not getting the medical attention they need and, ironically enough, are in theory paying for through their premiums.

This is not an exaggeration. Myself and the gentleman from Iowa (Dr. GANSKE), who will be joining me tonight, and other colleagues on both sides of the aisle have told numerous stories about people throughout the country who have been negatively impacted by managed care.

As I mentioned before, because of the importance of this issue, there are a number of legislative proposals that have been introduced to give patients the protections they deserve from managed care organizations. And working with the Democratic Caucus' Health Care Task Force, which I co-chair, the gentleman from Michigan (Mr. DINGELL) introduced legislation which would provide patients with a comprehensive set of protections from managed care abuses.

His bill, the Patients Bill of Rights, is not an attempt to destroy managed care. It is an attempt to make it better. To emphasize that point, supporters of managed care reform want just that, reform, not a dismantling of managed care.

The Patients Bill of Rights would help bring about that reform by putting medical decisions back where they belong, with doctors and their patients. I have to mention that this is also a bipartisan bill, with 7 Republican cosponsors, including my colleague the gentleman from Iowa (Dr. GANSKE).

Unfortunately, though, the Patients Bill of Rights does not enjoy the support of the Republican leadership. It is not clear exactly where they stand on the issue of managed care reform. There is still a task force that the Republicans have put together and has been meeting, but so far the Republican leadership has not allowed any managed care reform bill to be heard in committee or to be marked up in committee or to come to the floor, and I believe that that is because of the power of the insurance industry that that has not happened so far.

Mr. Speaker, tonight I just wanted to say that there have been some recent important developments on this issue. I am going to let my colleague, the gentleman from Iowa (Dr. GANSKE) go into some of this, but I just wanted to say that legislation was introduced today by the gentleman from Iowa (Dr. GANSKE) and the gentleman from Michigan (Mr. DINGELL), again on a bipartisan basis, to try to bring the Patients Bill of Rights and possibly other managed care reform to the floor through what we call a discharge petition. Basically a discharge petition is necessary when the House leadership will not allow a bill to come to the floor through the normal committee process.

I just wanted to say how much I appreciate the efforts of my colleague from Iowa, not only in introducing this discharge petition today with the gentleman from Michigan (Mr. DINGELL) but also because the gentleman from Iowa (Dr. GANSKE) has been an outspoken champion and leader of the movement here in the House to bring the Patients Bill of Rights to the floor, and I think he deserves a tremendous amount of credit for that reason.

The only thing I also wanted to mention today about this discharge petition is that I believe that there is a tremendous amount of support for this. As my colleague knows well, we have been working closely with over 150 groups that support the Patients Bill of Rights. I think the Patients Bill of Rights now has 192 cosponsors.

Another bill on managed care reform which the gentleman from Iowa (Dr. GANSKE) has supported, the PARCA bill, has even more cosponsors, from what I understand, so I do not think it is going to be difficult to get support for this discharge petition.

The last thing that I did want to mention though, before yielding to the

gentleman, is that we are going to push for this discharge petition over this week and during the congressional recess so that when we come back, we hopefully will get enough signatures so that we can bring the Patients Bill of Rights to the floor.

I am still very concerned that the Republican leadership is going to try to produce a watered-down managed care reform bill. As we know, the Speaker has already rejected one proposal by the GOP task force because it had too many patient protections in it. There are reports now that some patient protections have crept back into the GOP plan and that the task force will come forward with a bill this week or sometime in the future. But I think we need to watch out that it is not legislation that is substantially weaker than the Patients Bill of Rights or the PARCA bill or some of the other strong legislation that we have been pushing. Obviously, we are going to keep a careful eye on that as we proceed over the next few weeks.

With that. Mr. Speaker, I yield to the gentleman from Iowa (Dr. GANSKE).

Mr. GANSKE. Mr. Speaker, I appreciate the remarks of my colleague from New Jersey. Once again, here we are on the floor addressing our colleagues about abuses in managed care as they relate to a Federal law that was passed some 25 years ago called ERISA, Employee Retirement Income Security Act, which basically gave legal immunity to health plans that are health plans for self-insured employer plans.

I think without that prior Federal legislation, we would not need to be here tonight. But because the majority of people who get their insurance from their employer are now in HMOs versus the traditional type of indemnity insurance, and because so few of them have a true choice in terms of the health plan that they choose, many employers now will only offer an employee one plan, take it or leave it, so that if you are talking about choice in the health care marketplace, you are really talking about having to change your job before you have a choice.

I do want to address the issue of the resolution that I introduced today along with Mr. DINGELL. Nothing would please me more than to hear my Republican leadership say before August recess we are going to have a full and fair debate on the floor on managed care. After all, we have two bills, the Patients Bill of Rights, Patient Access to Responsible Care Act, with broad bipartisan support. I think it is well recognized that if there is debate on the floor, one of these bills could easily pass with much more than a majority.

□ 1945

There is significant sentiment in the Republican Conference for a patient protection legislation. So it would please me greatly if my own Republican leadership would come out and say, do you know what, we agree with 9 out of 10 Americans that we should pass Federal legislation with federally enforceable standards for quality protection.

We are going to bring this to the floor in a fair manner, not with the type of rule that we have seen with campaign finance reform, which is death by 1,000 amendments, but a fair rule giving both sides of the issue a chance to debate this issue on the floor, to talk about the abuses in the industry, how to fix them, how to provide protections for the average American similar to the type of protections that we have already passed for Medicare patients and the balanced budget act. We will go into that in a little bit more detail.

So nothing would please me more than to have the leadership not make a discharge petition a necessity. Unfortunately, we have seen over the last 3 months, one delay after another from the Republican Health Care Task Force.

We are told that tomorrow we will hear about some principles of legislation coming out of the task force, but we are also told that a bill is not available to look at. In fact, there may not be a bill available until after the Fourth of July recess.

As everybody knows, we are looking at a shortened legislative session. And I think it is fair to say from conferences I have had with my colleagues that there are some Members of the House and of the Senate that want to delay this legislation and delay it and delay it; delay it until we get into October, and then all of a sudden, gee whiz, we have to adjourn so we can go home and campaign for the fall elections. It is just too bad that we did not get to this issue.

I do not think that that is the right way to go, and so I am looking forward to the Republican leadership responding to the majority of the House bringing this forward for a full debate in a fair way with a fair rule, time-limited fashion, prior to August recess. If that is the case, there will not be any need for a discharge petition.

But I would just like to talk a little bit, before yielding back to my colleague, about why we need this legislation. We could come here to the floor every night, and we could give case after case of an abuse in the managed care in the industry. But I want to just read one story written by the patient about how he was treated by his HMO.

This is related by a fellow by the name of Edward Mycek, and these are his words:

> In November of 1997, I found out that I had prostate cancer. After discussing treatment and recovery options, my doctor advocated surgery to remove the prostate. I decided to get another opinion.
>
> After consulting with the new doctor at Loma Linda University Medical Center, I decided on proton and 3–D conformational radiation treatment. The new physician and his staff concluded that I was an excellent candidate for the treatment for a number of reasons.
>
> The doctors at Loma Linda Medical Center then contacted my insurer, which said that it would pay for the full treatments. In fact, my insurer called back to inform me that the insurance policy covered these treatments, and they would notify the medical center that the procedure had been authorized. The authorization never arrived at the medical center.

So, Mr. Mycek continues:

> Worried about the delay of my care, I called my insurer, who told me that they had reversed the decision. The company claimed that this treatment, this radiation treatment was 'experimental and investigational.' Loma Linda, then faxed factual information to my insurer which explained that the procedure was not experimental or investigational.

In fact, I as a physician have known about this treatment for a long time. It is a commonly accepted type of treatment for prostate cancer.

The medical center doctor also wrote a letter that discussed the differential recovery rates. The radiation had a recovery rate of 98 percent versus 83 percent for surgery.

Mr. Mycek continues:

> After several stressful weeks, I was still denied hope. I asked my insurer what other treatments were covered. They responded by saying they could not say. After being passed back and forth like a ping-pong ball, I could not wait any longer.
>
> On February 17, 1998, after paying up front himself, I began my first of 44 radiation treatments. This is a financial burden on our family. Today I have completed all 44 radiation treatments, and I am due for a check-up.
>
> After all is said and done, Mr. Mycek continues, I still feel that I have been denied needed care by an agent 3,000 miles away, seated at a desk and appointed by the company to decide the quality of care I receive. I have worked for this well-known company for almost 32 years, and this was the first major claim I ever made.
>
> Because my insurer is protected by ERISA, I can recover no damages from them. I do not have the resources to pressure my insurer to provide better care. Is this ERISA law a fair and just medical insurance law to employees,

Mr. Mycek continues. Not by any means.

Well, this is just one example of thousands that we could bring to the floor to discuss why we need to have legislation like this.

I keep hearing from my colleagues, my conservative Republican colleagues, and I should point out that I have one of the more conservative voting records in the House, that, gee whiz, you know, this organization could interfere with free markets.

I would just like to point out an article that appeared in the June 26 issue of Human Events. Human Events is one of the more conservative newspapers in publication. It is published by Eagle Forum. One of the more conservative columnists is a fellow by the name of M. Stanton Evans.

Mr. Evans wrote this article: HMO Rationing Threatens Patients: Why and How Conservatives Should Support PARCA Reform.

Mr. Evans says,

> Once seen as a magic cure for rising health costs, managed care has become a serious problem in its own right.

Remember, this is a very conserv-

ative columnist for one of the most conservative weeklies in the country.

He continues:

Reports of care denial, quicker and sicker release of patients, charges of wrongful death, and suffering are now familiar items. But lobbyists for business, free market think tanks, editorialists with leverage on the GOP, have charged forth defending HMOs from this type of legislation, arguing that a crackdown on managed care would be an intolerable interference with 'the market.'

Mr. Stanton continues:

However, as previously noted in this column, such arguments are totally off base. HMOs and managed care are not free market in any serious meaning of the term. It is worth repeating the neglected point that HMOs resemble in their basic structure the so-called global budgets of collectivist systems overseas in which a certain fixed amount of money is allocated to pay for everyone's free care. And doctors get the dirty job of denying treatment. They do things this way abroad because there is no market.

Then Mr. Stanton Evans continues:

The bottom line of this repressive sequence is that HMOs are rationing machines in a government-spawned nonmarket setting, which means the market plea of protecting them from PARCA or a patient bill of rights fizzles.

Finally, Mr. Stanton Evans continues, and he summarizes:

A more sensible position on the topic might look approximately as follows: First, so long as HMOs are called on to ration care in a nonmarket framework, PARCA or something like it should be adopted and amended so as to distinguish between legitimate indemnity insurance on the one hand and top-down health care denial on the other.

I would just like to point out this is a very conservative publication. There is broad bipartisan support across the ideologic spectrum for a patient bill of rights type of legislation. This is something that we ought to move forward on and pass and at least have a debate on the floor of Congress on this issue.

Mr. PALLONE. Mr. Speaker, I appreciate the gentleman's remarks, and I think that there is no question that these patient protections are needed. We will get into more of them.

Mr. Speaker, I would just like to continue along the line of what the gentleman from Iowa (Mr. GANSKE) mentioned. We said over and over again the type of patient protections that we are seeking either with the patient's bill of rights legislation or the PARCA bill is really nothing more than a commonsense approach, the type of protections that I think most Americans would think that they already have with their health plan or with their health insurance but, unfortunately, they do not.

I just wanted to get into two provisions of the patient's bill of rights and give two examples again similar to what the gentleman from Iowa (Mr. GANSKE) did. One is the important access, if you will, to specialty care. The bill, the patient's bill of rights, establishes certain standards to ensure hassle-free access to appropriate specialty care.

What it says basically is that plans must have a process for individuals to access specialty care if they need it. If the plan does not have an appropriate specialist in the network, it must provide an outside referral to such a specialist, at no additional cost to the patient.

I had an example. There is a group called Consumers for Quality Care that actually put out what they call ''Casualty of the Day.'' Every week, they put out some examples of patients who suffered casualties from abuse by HMOs.

This one I think applies very well to this issue of specialty care or lack of access provided by the HMO or the managed care organization to specialty care. If I could just use it as an example. This is Judith Packevicz from Saratoga Springs, New York. Actually, that is a different example I want to give for another one. I apologize.

The example I want to give with regard to the specialty care is Francesca Tenconi, who is an 11-year-old girl from Oakland, California. Again, this is from Consumers for Quality Care. She suffers from, and the gentleman from Iowa (Mr. GANSKE) probably will be able to help me with this better, pemphigus foliaceous.

Mr. GANSKE. Mr. Speaker, will the gentleman yield?

Mr. PALLONE. I yield to the gentleman from Iowa.

Mr. GANSKE. I believe it is pemphigus foliaceous.

Mr. PALLONE. I am not pronouncing it, but I thank the gentleman for the help. This is an autoimmune disease in which the body's immune system becomes overactive and attacks the protein which adheres to the top layer of skin to the body.

Her parents had to battle with their HMO to insist upon appropriate diagnosis and medical care. According to Donald Tenconi, Francesca's father, her medical insurance ordeal began in December 1995 when, at the age of 11, she developed what was diagnosed as a skin rash.

By March, the condition had spread and become worse. By late April, the condition was so bad she could not attend school. During this period, several requests were made for referrals to specialists outside the HMO, and these were all denied.

Finally, on May 8, 1996, almost 6 months after the first appearance of symptoms, the HMO sent biopsies to out-of-network doctors and finally obtained an accurate diagnosis. The diagnosis was the disease that I mentioned and that the gentleman from Iowa (Mr. GANSKE) translated for me.

Even after receiving the diagnosis, the Tenconis' HMO still insisted on treating the disease primarily with its own doctors, in-network doctors. It was not until February of 1997, over 1 year after the symptoms first appeared, that the HMO finally agreed to allow Francesca to receive care at Stanford Medical Center, which possessed the doctors capable of providing the best care available in the San Francisco Bay area.

Explaining the prolonged and unnecessary pain of lying down without skin on your back for over 1 year, Donald said, this is her father again, ''If you feel this pain, you will shed tears of pain, the same pain that Francesca shed night after night, week after week for many months.''

Again, I mention it because I think that it is necessary to have the patient protection that provides access to specialty care outside the network when the in-network doctors do not have the ability to take care of the individual.

□ 2000

Under the Patients' Bill of Rights, not only is that the case that they have to allow you to go outside of the network if there is not someone inside who has that specialty ability, but also patients with serious ongoing medical conditions are able to choose a specialist to coordinate their primary and specialty care. So if you have a chronic illness that requires this kind of specialty care over a long period of time, essentially your specialist becomes something like your primary care provider so you do not have to constantly go back and get these referrals.

The other example I wanted to mention, again one of the other major protections that we talk about is that decisions about provision of medical care should be based on what is medically appropriate for the patient. They should not be based on the cost considerations of an accountant or bureaucrat. The Patients' Bill of Rights prohibits health plans from arbitrarily overriding medical decisions by your physicians when these decisions are made according to generally accepted principles of medical practice. Again that refers to length of stay in the hospital, equipment, a particular type of surgery that may be required, that this is supposed to be done based on what is medically appropriate based on the decision of your doctor rather than the bureaucrats.

Again, I think the gentleman from Iowa mentioned the other day an example of somebody who needed a liver transplant. I do not know if this is exactly the same example, but I would just like to mention it again if I could. This is the case I mentioned before, Judith Packevicz from Saratoga Springs, who suffered from a rare form of cancer of the liver. The HMO refused to pay for a liver transplant which was recommended by her oncologist with the support of all her treating physicians. Again, a decision that was made based on what the doctors felt was appropriate under the circumstances to have this liver transplant, but because it cost an estimated $345,000, the HMO, of course, refused to have it done and did not really give an explanation about why. I will say here it was undoubtedly the cost of it. Again they made a decision to deny her this liver transplant

even though her son, Thomas Dwyer, was a willing and able donor. There were 13 other friends of Judith who volunteered to donate a part of their liver. So she had somebody willing, able, would not do it because of the cost undoubtedly, and she actually had to bring suit, again under ERISA. She cannot recover damages, only the cost of the procedure that was denied in the first place, and although it is possible that she ultimately would get the liver transplant, there was no way for her really to sue for any damages that would result because of the issue that you brought again which is that the HMO basically cannot be sued for damages.

Mr. GANSKE. If my colleague would yield, for the reasons that we have outlined tonight and in previous special orders, there is broad support by a number of organizations for this. I have eight pages here in fine type of endorsing organizations for both the Patients' Bill of Rights and the Patient Access for Responsible Care Act. With your indulgence, I will just read through a few of these. These are all organizations that have endorsed this type of legislation:

The Alzheimer's Association, the American Academy of Child Psychiatry, the American Academy of Emergency Medicine, the American Academy of Pediatrics, the American Association of Respiratory Care, the American Association of Nurse Anesthetists, the American Association of Pastoral Counselors. I am obviously not hitting all of these organizations on this list, just selecting a few, so for those that I do not mention, forgive me.

The American Association of Retired Persons, AARP, the American Association of Mental Retardation, the American Cancer Society, the American Dental Association, the AFL-CIO, the American Federation of Teachers, the American Heart Association, the American Lung Association, the American Medical Association, the American Nurses Associations, the American Public Health Association, Catholic Charities, Children's Defense Fund, Consumer Federation of America, Consumers Union, Families USA, even companies like Genzyme, League of Women Voters, Meals on Wheels of Lexington, National Association of Rural Mental Health, National Association of Children's Hospitals, National Association of Public Hospitals, National Consumers League, National Council of Senior Citizens, National Multiple Sclerosis Society. These are all organizations. Let me continue.

NETWORK: A National Catholic Social Justice Lobby; Service Employees International Union, United Cerebral Palsy. Mr. Speaker, I submit these lists for the CONGRESSIONAL RECORD, as follows:

ORGANIZATIONS SUPPORTING THE PATIENT'S BILL OF RIGHTS ACT OF 1998

ABC for Health, Inc.
Access Living
AIDS Action
AIDS Law Project of Pennsylvania
Alamo Breast Cancer Foundation and Coalition
Alcohol/Drug Council of North Carolina
Alliance for Rehabilitation Counseling
Alzheimer's Association Greater Richmond Chapter
Alzheimer's Association NYC Chapter
American Academy of Child and Adolescent Psychiatry
American Academy of Emergency Medicine
American Academy of Neurology
American Academy of Pediatrics
American Academy of Physical Medicine and Rehabilitation
American Association for Marriage and Family Therapy
American Association for Psychosocial Rehabilitation
American Association for Respiratory Care
American Association of Children's Residential Centers
American Association of Nurse Anesthetists
American Association of Pastoral Counselors
American Association of Private Practice Psychiatrists
American Association of Retired Persons
American Association of University Women
American Association on Mental Retardation
American Autoimmune Related Diseases Association
American Board of Examiners in Clinical Social Work
American Cancer Society
American College of Emergency Physicians
American College of Obstetricians-Gynecologists (ACOG)
American College of Physicians
American Counseling Association
American Dental Association
American Federation for Medical Research
AFL–CIO
American Federation of State, County, and Municipal Employees
American Federation of Teachers
American Gastroenterological Association
American Group Psychotherapy Association
American Heart Association
American Lung Association
American Medical Association
American Medical Rehabilitation Providers Association
American Music Therapy Association
American Network of Community Options and Resources
American Nurses Association
American Orthopsychiatric Association
American Psychiatric Association
American Psychiatric Nurses Association
American Psychoanalytic Association
American Psychological Association
American Public Health Association
American Speech-Language-Hearing Association
American Therapeutic Recreation Association
Anxiety Disorders Association of America
Arc of Washington State
Asian and Pacific Islander American Health Forum
Association for the Advancement of Psychology
Association for Ambulatory Behavioral Health Care
Association of Behavioral Health Care Management
Bazelon Center for Mental Health Law
Brain Injury Association
California Advocates for Nursing Home Reform
California Breast Cancer Organizations
Catholic Charities of the Southern Tier
Center for Patient Advocacy
Center for Women Policy Studies
Center on Disability and Health
Children and Adults with Attention Deficit Disorders
Child Welfare League of America
Children's Defense Fund
Clinical Social Work Federation
Coalition of Wisconsin Aging Groups
Colorado Ombudsman Program—The Legal Center
Communication Workers of America—Local 1039
Consortium for Citizens with Disabilities Health Task Force
Consumer Federation of America
Consumers Union
Corporation for the Advancement of Psychiatry
Crater District Area Agency on Aging
Dekald Development Disabilities Council
Delta Center for Independent Living
Disabled Rights Action Committee
Eastern Shore Area Agency on Aging/Community Action Agency, Case Management Department
Epilepsy Foundation of America
Families USA Foundation
Family Service America
Family Voices
Federation for Children With Special Needs
Florida Breast Cancer Coalition
Gay Men's Health Crisis
Gazette International Networking Institute (GINI)
General Clinical Research Center Program Directors Association
Genzyme
Glaucoma Research Foundation
Health and Medicine Policy Research Group
Human Rights Campaign
Independent Chiropractic Physicians
International Association of Psychosocial Rehabilitation Services
League of Women Voters
Mary Mahoney Memorial Health Center
Massachusetts Association of Older Americans
Massachusetts Breast Cancer Coalition
Meals on Wheels of Lexington, Inc.
Mental Health Association in Illinois
Mental Health Net
Minnesota Breast Cancer Coalition
National Abortion and Reproductive Rights Action League
National Alliance for the Mentally Ill
National Association for Rural Mental Health
National Association for the Advancement of Orthotics and Prosthetics
National Association of Children's Hospitals
National Association of Development Disabilities Councils
National Association of Homes and Services for Children
National Association of Nurse Practitioners in Reproductive Health
National Association of People with AIDS
National Association of Protection and Advocacy Systems
National Association of Psychiatric Treatment Centers for Children
National Association of Public Hospitals and Health Systems
National Association of Public Hospitals
National Association of School Psychologists
National Association of Social Workers
National Black Woman's Health Project
National Breast Cancer Coalition
National Caucus and Center on Black Aged, Inc.
National Consumers League
National Council for Community Behavioral Healthcare
National Council of Senior Citizens
National Hispanic Council on Aging
National Marfan Foundation
National Mental Health Association
National Multiple Sclerosis Society
National Parent Network on Disabilities
National Partnership for Women & Families
National Patient Advocate Foundation

National Therapeutic Recreation Society
NETWORK: A National Catholic Social Justice Lobby
Nevada Council on Developmental Disabilities
Nevada Council on Independent Living
Nevada Forum on Disability
Nevada Health Care Reform Project
New York City Coalition Against Hunger
New York Immigration Coalition
New York State Nurses Association
North Carolina State AFL–CIO
North Dakota Public Employees Association—AFT 4660
Oklahoman for Improvement of Nursing Care Homes
Older Women's League
Ombudservice
Oregon Advocacy Center
Paralyzed Veterans of America
Permanency Planning Services, Inc.
Physicians for Reproductive Choice and Health
President Clinton
Reform Organization of Welfare (ROWEL)
RESOLVE
Rhode Island Breast Cancer Coalition
Rockland County Senior Health Care Coalition
San Diego Federation of Retired Union Members (FORUM)
San Francisco Peakers Senior Citizens
Service Employees International Union
Service Employees International Union—Local 205
Service Employees International Union—Local 585, AFL–CIO CLC
South Central Connecticut Agency on Aging
Southern Neighborhoods Network
The ARC
Tourette Syndrome Association, Inc.
United Automobile, Aerospace & Agricultural Implement Workers of America (UAW)
United Cerebral Palsy Association
United Church of Christ, Office for Church in Society
Vermont Public Interest Research Group
Voluntary Action Center
Volunteer Trustees of Not-For-Profit Hospitals
West Side Chapter NCSC
Western Kansas Association on Concerns of the Disabled
Women in Touch

GROUPS ENDORSING H.R. 1415, THE PATIENT ACCESS TO RESPONSIBLE CARE ACT

Academy of General Dentistry
American Academy of Child and Adolescent Psychiatry
American Academy of Emergency Medicine
American Academy of Nurse Practitioners
American Association of Children's Residential Centers
American Association of Marriage and Family Therapy
American Association of Nurse Anesthetists
American Association of Oral and Maxillofacial Surgeons
American Association of Pastoral Counselors
American Association of Private Practice Psychiatrists
American Association of Psychiatric Services for Children
American Association of Psychosocial Rehabilitation
American Chiropractic Association
American College of Emergency Physicians
American College of Nurse-Midwives
American College of Radiology
American Counseling Association
American Dental Association
American Federation of Home Health Agencies
American Group Psychotherapy Association
American Mental Health Counselors Association
American Occupational Therapy Association
American Optometric Association
American Orthopsychiatric Association
American Physical Therapy Association
American Podiatric Medical Association
American Psychiatric Association
American Psychiatric Nurses Association
American Psychoanalytic Association
American Psychological Association
American Society of Radiologic Technologists
American Speech-Language-Hearing Association
American Student Dental Association
Anxiety Disorders Association of America
Association for Ambulatory Behavioral Healthcare
Association for the Advancement of Psychology
Association of Behavioral Healthcare Management
Center for Patient Advocacy
Children and Adults with Attention Deficit Disorder
Clinical Social Work Federation
Cooperation for the Advancement of Psychiatry
Family Service America
Home Health Services and Staffing Association
International Association of Psychosocial Rehabilitation Services
Medical Association of Georgia
National Alliance for the Mentally Ill
National Association for Home Care
National Association for Rural Mental Health
National Association of Protection and Advocacy Systems
National Association of Psychiatric Treatment Centers for Children
National Association of Social Workers
National Community Pharmacists Association
National Council for Community Behavioral Healthcare
National Federation of Societies for Clinical Social Work
National Kidney Foundation
National Mental Health Association
National Mental Health Association
Opticians Association of America
Partnership for Recovery
Betty Ford Center
Hazelden Foundation
Valley Hope Association
Research Institute for Independent Living

Mr. Speaker, people say, what is in this legislation? We have already addressed some of this. The funny thing about it when we are looking at all of the opponents to this legislation is that the majority of the Members of Congress have already voted for the majority of items that is in this legislation.

I have here, Mr. Speaker, a side-by-side comparison of the items in Medicare Plus Choice that this House passed last year as it relates to internal appeals, external appeals, access to care, information disclosure, gag rules, advance directives, provider incentives, nondiscrimination, confidentiality of medical records, provider protections, quality measurement, utilization review, health quality boards, and ERISA. I have a side-by-side comparison on this. It is an interesting thing when we talk about the liability issue. A Medicare person who chooses a Medicare Plus Choice plan has the ability to legally redress malpractice, but somebody who is not a Medicare patient cannot under ERISA. This is a side-by-side comparison. Mr. Speaker, I include this comparison for the CONGRESSIONAL RECORD, as follows:

COMPARISON OF PROTECTIONS IN MEDICARE+CHOICE V. PATIENTS' BILL OF RIGHTS

Issue	Medicare+Choice	Patients' Bill of Rights
Internal Appeals	Requires plans to have procedures for reconsideration of adverse decisions	Plans must establish procedures to allow ''appealable decisions'' to be appealed.
Time for Review	Appeal must be decided within 60 days of receipt	Normal appeals must be completed within 15 days (with extension for up to an additional 10 days).
Expedited Appeals	Generally must be decided within 72 hours	Same.
Qualifications of reviewer	Must be a physician or appropriate specialty not involved in original decision	Review by a ''clinical peer,'' who can be selected by the plan but who must not have participated in the original decision.
Notice of Decision	Patients must be sent a notice of decision and reasons for it. Also must be told of rights to a hearing if amount in controversy is greater than $100.	Patients and provider must be notified of decision and reasons for it and told of any further appeal rights.
External Appeals	External Appeals process must be available after all internal processes are exhausted	Plans must have a process for external appeals if decisions jeopardize a patient's health or exceed a ''significant threshold.''
Who conducts	The Secretary must contract with outside groups to handle these appeals	Plans must be done by independent and qualified third parties. There can be no financial incentives for these groups to affirm the plan's original denial.
Procedure and timeframe	Appeals are first sent to HCFA, which hears the appeal. If the appeal is again denied, the patient may have rights to a further hearing before an administrative law judge or a U.S. district court.	The external appeal must hear the issue de novo. Decisions must be made in 60 days, except exigent appeals (72 hours). Patients may have rights to further appeals in state court if the plan prevails on appeal.
Review body qualifications	No provision	Standards for external reviewers include: no conflict of interest, review by clinical peers, entity must have legal and medical expertise. Entity must be certified by the State or by HHS.
Costs	No provision	Plan must bear the costs of the appeal.
	ACCESS TO CARE	
General provisions	Requires plans to ensure benefits are accessible with reasonable promptness	Plan must have sufficient mix and distribution to deliver all benefits.
Point of service	Plans may offer enrollees a point of service option	Enrollees must have the option to purchase a point of service plan unless the insurance is provided through more than one issuer or two or more coverage options are offered.
Choice of specialist	Plans must have appropriate access to specialty care	Plans must allow enrollees to select the specialist of their choosing from the list of participating doctors, unless the plan clearly notifies enrollee of limitations on choice.
Ob-gyn care	No provision	Enrollee may designate ob-gyn as primary care provider. Plans may not require pre-authorization for routine ob-gyn care.
Standing referrals	No provision, but plans must make all care available with reasonable promptness	Enrolless with conditions that require on-going specialty care may get standing referrals.
Clinical trials	No provision	Plans may not discriminate against patients in approved clinical trials and must cover their routine costs.

COMPARISON OF PROTECTIONS IN MEDICARE+CHOICE V. PATIENTS' BILL OF RIGHTS—Continued

Issue	Medicare+Choice	Patients' Bill of Rights
Prescription drugs	No provision	Plans that use formularies must involve M.D.s and pharmacists in its selection; must disclose formulary to patients; and have a process for patients to get non-formulary drugs when medically necessary.
Emergency care	Prudent lay-person standard, etc	Similar provision.
	INFORMATION DISCLOSURE	
General	Secretary must mail to beneficiaries information helpful in selecting plans	Plans must provide information in a timely manner to enrollees. Should be done in a uniform way to allow people to compare different plans.
Specific information that must be disclosed.	Covered benefits, liability for non-covered services, and coverage of emergency services	Same.
Other disclosures	Beneficiary cost-sharing, caps on out of pocket spending, balance billing protections, description of appeal and grievance rights.	Same, plus availability of ombudsman assistance.
Information available upon request	Number of grievances and their aggregate disposition	Same, plus drug formulary information.
Comparative information	Plans must—to the extent possible—give enrollees comparative data on patient satisfaction and outcomes. Also give disenrollment rates.	Summary quality data on patient satisfaction, disenrollment, and the plan's loss ratio. On request, plans must provide information on how they keep information confidential.
Network characteristics	Plans must give enrollees; the number and mix of providers, out of network coverage, any point of service option, any other availability of care through out-of-network providers. Plans must also give HHS enough data to ensure they are in compliance with physician incentive (capitation) rules.	Plans must provide information on: the service area of the plan, out of area coverage, the extent to which benefits from out-of-network providers is available, how enrollees select providers, any point of service option, and the types of financial payments made to providers.
	On request, the plan also must provide a general description of physician payment arrangements.	Same.
Utilization review	Plans must inform enrollees about how utilization review procedures work Upon request, the plan must notify enrollees of their procedures to control utilization of services and expenditures.	Plans must provide information on any prior authorization or review requirements that could result in non-coverage or non-payment.
Provider credentials	No provision (focus is on plans, not providers)	Upon request, plans must make available information on provider credentials and a list of participating providers.
Gag Rules	Bans them, subject to conscience clause	Goes further, as it contains a broader definition of medical communication and protects speech to others within the plan (and also to the public in the whistleblower provision).
Advance Directives	Plans must have policies on advance directives, such as living wills and durable powers of attorney.	No provision.
Provider Incentives	Plans must follow federal law requirements on physician incentive plans and must provide HHS with data to ensure they are in compliance.	Similar provisions.
Non-Discrimination	Plans may not discriminate against individuals based on age, sex, health status (except ESRD status), genetic information, etc.	Similar provision.
Confidentiality of medical records	Plans must establish procedures to protect the privacy of individually identifiable enrollee information. Also requires them to have procedures to ensure accuracy of the records.	Similar provisions.
Ombudsman	No specific provision, but other provisions of law authorize states to establish programs to provide counseling and assistance to Medicare beneficiaries with their health insurance coverage. Funded through a user fee on Medicare+Choice plans.	Federal grant program for the creation and operation of state Ombudsman programs to help consumers choose their plans and to deal the grievances and appeals.
	PROVIDER PROTECTIONS	
Contracting procedures	Plans must have reasonable procedures for physician participation including notice of participation rules, written notice of adverse participation decisions, and a process for appealing those decisions.	Similar provisions. Also requires plans to consult with physicians regarding the plan's medical policies and procedures.
Non-discrimination in selection of providers.	Prevents discrimination based on class of licensure	Similar provision, plus a general prohibition on discriminating in selection based on race, color, sex, sexual orientation, age, etc.
Whistle blower	No provision	Prohibits retaliation against providers who disclose information to appropriate authorities after exhausting internal procedures.
	QUALITY MEASUREMENT	
General provisions	HHS must disseminate information on plan quality, including performance data, disenrollment rates, and enrollee satisfaction.	Plans must collect and share information in uniform manner, including: aggregate utilization, demographics of participants, mortality and morbity rates, enrollee satisfaction, grievance and appeals data, etc. Allows HHS to waive these requirements based on variations in the types of delivery systems.
Internal quality improvement	Medicare+Choice plans must have a quality assurance program that stresses health outcomes and provides for ongoing measurement of the quality of high volume and high risk services and the care of acute and chronic illnesses.	Plans must have ongoing quality assurance programs, with written procedures for systemic review of the quality of health care provided and its consistency with good medical practice. Must have a process for providers and patients to report possible quality concerns. The program must review the plan's drug utilization program. Further provides that these requirements can be met through accreditation by a national accrediting group that the Secretary of HHS says has standards as stringents as those in the bill. The Secretary may provide for variations as needed to reflect differences in plan design.
External quality improvement program	Medicare+Choice plans must have external review of the quality of inpatient and outpatient care and of their response to consumer complaints of poor quality care.	No provision.
	UTILIZATION REVIEW	
General provisions	No provision, but plans must meet rules for initial determination of care	Plans must do utilization review in accordance to written procedures developed with the input of appropriate physicians. Retrospective UR may not revise or modify pre-authorized determinations. Qualified health professionals must oversee review decisions and review a sample of adverse clinical decisions. Prohibits financial incentives to UR agents that result in inappropriate denials. Requires toll-free access of peer review personnel during business hours. Providers and patients dissatisfied with a UR decision must have an opportunity to discuss the decision with the plan's medical director (who has the authority to reverse the decision). Prior authorization decisions must be made within three days of receipt. UR of continued and extended care must be made within one business day. Retrospective review of services must be completed within 30 days. Notice of an adverse action must be writted and included the reasons for the denial and the process for appealing that decision.
Health Care Quality Board	No provision	Directs the President to establish an advisory board to provide information on issues relating to quality monitoring and improvement. The board shall identify, update, and share measures of group health plan quality, advise on the proper minimum data set and standardized formats for information on group health plans.
Mastectomy Stay	No provision	Plans may not limit in-patient stay to less than 48 hours for mastectomy and less than 24 hours for lymph node dissection. The patient is free to leave sooner if she decides to, but the plan may not provide any incentives to patient and provider to avoid these protections.
Breast Reconstruction	No provision	Plans that provide breast surgery as a covered benefit must provide coverage for reconstruction resulting from a mastectomy.
Adequate Reserves	Plans must be licensed under state law and meet state solvency requirements. Establishes a temporary waiver process for PSOs under certain circumstances.	No provision.
ERISA	No provision (though ERISA does not pre-empt a Medicare beneficiary from suing a Medicare+Choice plan for acts of negligence.	Amends ERISA to allow state causes of action to recover damages resulting in personal injury or death. The employer cannot be sued unless they exercise discretionary authority to make medical decisions.

Mr. Speaker, to continue, I will not go through every single item on here, except to point out that, time for review, Medicare Plus Choice, 60 plus days, except that today the President shortened that period. Patients' Bill of Rights, 15 days for a normal appeal, with an extension up to 10 days. Notice of decision. Who conducts the external appeals. Review of qualifications. These are all things that are in Medicare Plus Choice that we hear some of our colleagues oppose. I cannot understand how they could have voted for all of these provisions for Medicare Plus Choice and yet they oppose these items in a Patients' Bill of Rights as being, quote, too bureaucratic. I think that

we need patient protections, the Patients' Bill of Rights for all citizens, not just for the ones that we have already voted on for Medicare or for Medicaid.

Mr. PALLONE. Again, I may be being cynical, but I think the reality is that when we put most of those patient protections in the Medicare legislation, in our own Committee on Commerce which both the gentleman and I are a Member of, the bottom line is that when those came to the floor, because of the widespread clamor, if you will, by senior citizen organizations and groups that these protections should be part of the Medicare program, and rightly so, I think the leadership, the House Republican leadership and most of the Members were unwilling to not support that because they were concerned about the power, if you will, and the clout of the senior vote, that they did not want to be denying senior citizens, who vote often and regularly, those kinds of patient protections. A thank-you is due to the seniors and the power of the senior vote and the senior organizations to make sure that that happened, but at the same time it is not fair to deny those protections to everyone else who is under 65 or who happens to not have the benefit of a Medicare program. That is really what we are about here. We are saying that those kinds of patient protections should be available to anyone who has health insurance, who is in a managed care organization or an HMO.

I am glad that you brought this out. It again points out that these are not really anything radical, these are not anything unusual, we have already adopted them for the largest Federal health insurance program, Medicare.

I just wanted to go back, if I can, because I know that the gentleman from Iowa has put a lot of emphasis on the ability to sue and recover costs that is denied now under ERISA, and I talked a little bit about the patient protection with regard to specialty care. I know that, at least from the reports that I have been reading in the various publications that we get on Capitol Hill that those are two areas that the House leadership seems to be reluctant to deal with. It may not actually be part of anything that the Republican leadership ultimately puts together.

Mr. GANSKE. If the gentleman will yield, as a Republican, I have been in favor of legal reform. I have voted for securities litigation reform, I voted for medical malpractice reform. I have voted for product liability reform. But I think we have a problem with ERISA, because we have given basically total legal immunity to health plans. We have not given that legal immunity to any other industry in the country.

When I as a physician am treating a patient, I would never argue that I should have immunity from malpractice. I might argue for some reasonable changes, but I would never argue that I should not have any legal responsibility for malpractice. That is why physicians, nurses, other practitioners carry medical malpractice insurance. And so I think that it is a basic principle of American law that responsibility for decisions should lie where the decision is made. If an HMO is making medical decisions and that results in malpractice, then they ought to be legally liable for that.

In fact, on the front page of last Friday's USA Today, the very front page center story was exactly on this issue. What most American citizens do not realize is that quite frankly when their HMOs if they are through their employer are making decisions, their HMOs do not have any legal responsibility. In my opinion that is wrong, and, quite frankly, I think the vast majority of the House if they would vote on this issue would feel the same way. Would you want to be on the record as voting for legal immunity for an HMO when the HMO has made a malpractice decision?

Mr. PALLONE. Absolutely not.

Mr. GANSKE. I do not think I would want to be and I do not know too many of my Republican colleagues who would want to be on the record for giving an HMO legal immunity for causing somebody's death or disfigurement.

Mr. PALLONE. If I could recapture my time, this was done, as the gentleman pointed out, years ago when HMOs and managed care organizations were not the vehicle for most Americans to get their health insurance. Now this loophole which was there has grown into a tremendous loophole that exists actually for most Americans. I do not know what was being thought of at the time when this was voted on, but the bottom line is the circumstances have changed now, because so many more Americans are impacted by this loophole.

I just wanted to say briefly, if I could, I am not sure that everyone understands when we talk about this inability to sue or this exemption, if you will, from liability, exactly what we mean. The problem is that you can only sue to recover the costs of whatever procedure was needed but denied. You cannot sue for damages. In other words, I will use an example. If you lose, say, an arm or a leg or an eye and you end up victimized for the rest of your life because your HMO denied you the care that could have saved the limb or the eye, you cannot sue for anything other than the cost of what the medical procedure to save the limb or the eye would have been. You cannot sue for losing the body part or for the deterioration of your health condition. So basically you are able to recover a very, very limited amount that does not help you to deal with the problem and the damages that you have suffered. That is really what we are talking about.

Mr. GANSKE. If the gentleman would yield, the opponents to this legislation would say, well, if you pass legislation on this, it would increase the cost of premiums, and, therefore, some employers would choose not to insure their employees.

A recent survey by Kaiser Family and Harvard interviewed 800 small business executives exactly on this issue. They found that even if there were a mild increase in the cost of a premium related to this, that only 1 to 3 percent of those employers would change their coverage. But the interesting thing was that something like two-thirds of those small business owners and executives agreed with the need for legislation to close that loophole. You might ask, why is that? It is because they are also covered by HMOs. More than 50 percent of them have said, we have seen abuses by HMOs either in our employees or in our own families, and we think there should be a remedy for that.

☐ 2018

But I would just like to continue on something else that we are likely to hear about tomorrow, and that is that hopefully the Republican Health Task Force will at least enunciate some principles to legislation, even if we will not see any specifics written in the form of a bill. And one of those things that the GOP task force is looking at is the idea of health marts, and this is basically where you gather, you would extend ERISA to multiple employer working associations, otherwise known as MEWAs, or other groups, so it is an extension of the ERISA exemption.

And I have here a letter from Therese M. Vaughan, the commissioner, the State Insurance Commissioner from the State of Iowa, and she says:

> Dear Representative Ganske: We want to alert you to proposed legislation currently being discussed called HealthMarts. HealthMarts pose a serious concern on several levels . . . A few of our concerns are listed below for your review: The impact of State insurance markets.

She goes on in some detail. Several provisions would allow a health mart to cherry pick to ruin the risk pools. There are problems with Federal enforcement of State law. There are conflicts of interest.

I have a similar letter from Consumers Union on the problems related to health marts. Health marts, if you will remember, are very close to what the Clintons proposed in 1993 with regional groups. So when opponents to our Patient Bill of Rights have accused us of being ''Clinton Care'', I would sincerely hope that Republicans would not come up with a proposal that is much, much closer to the Clinton plan.

And finally let me say I have a letter here from Blue Cross/Blue Shield and the Health Insurance Association of America that says:

> Dear Representative Ganske: We are writing to express our opposition to proposals that would exempt certain health insurance arrangements, such as association health plans and multiple employer welfare arrangements, from State insurance law and regulatory authority.

Mr. Speaker, insert these 3 letters into the CONGRESSIONAL RECORD.

The letters referred to are as follows:

IOWA DEPARTMENT OF COMMERCE,
Des Mones, IA, June 18, 1998.

Re HealthMarts.

Hon. GREG GANSKE,
United States Representative, Washington, DC.

DEAR REPRESENTATIVE GANSKI: We want to alert you to proposed legislation currently being discussed called ''HealthMarts.'' HealthMarts pose a serious concern on several levels. These concerns are similar to those we have expressed in the past regarding other proposals that would exempt certain health insurance arrangements (such as association health plans (AHPs) and multiple employer welfare arrangements (MEWAs)), from state law and regulatory authority.

A few of our concerns are listed below for your review.

1. The impact of state insurance markets. HealthMarts would undermine state health reforms by fragmenting the health insurance marketplace. Recent reforms guarantee small employers access to health insurance markets. While insurers selling through HealthMarts would still have to pay premium taxes, other state pooling laws and requirements would be preempted. States require many different types of pooling arrangements. These arrangements are primarily designed to help spread risks through such mechanisms as reinsurance pools, medically indigent pools, and high risk pools. Since HealthMarts only have to meet the rating requirements of the state in which the HealthMart is organized, a HealthMart could organize itself in the state with the least restrictive requirements in order to sell a particular benefit package at a lower rate in a state with more restrictive requirements.

2. Cherry picking. Several provisions would allow a HealthMart to choose which risks it wanted to accept.

A HealthMart is allowed to determine what geographic area it will serve. This will allow a HealthMart to operate in areas that contain healthier populations.

A HealthMart may market selectively within its geographic limits, thus exacerbating the conditions established by allowing the HealthMart to choose its own geographic location.

With state mandated benefit requirements preempted, a HealthMart would be allowed to design its own benefit package. Benefit package design determines who will be interested in purchasing a particular product.

3. Federal enforcement of state law. HealthMarts continue to allow state officials to approve product offerings of licensed insurance entities. If an insurance commissioner denies the sale of a product offerings and the insurer, selling through a HealthMart, disagrees with the decision of the commissioner, the insurer could appeal to a federal regulatory authority. The federal agency would then review state law and determine if the insurance commissioner properly interpreted her own state law. If, in the view of the federal agency, the insurance commissioner did not make the correct decision, the federal agency would allow the sale of that product and enforce state law regarding that product. This creates the unique situation where the federal government enforces state law.

4. Conflict of Interest. Allowing sellers on the board of an entity intended to act as broker between seller and buyer creates a conflict of interest. HealthMarts will be accepting bids from all insurers within a certain geographic location. The insurers on the board will have access to those bids and may also have access to proprietary information on how the bids were put together. Board insurers would be able to underbid those insurers who do not serve on the board.

HealthMarts undermine the recent efforts undertaken by states to ensure their small business communities have access to affordable health insurance. Iowa's success over the past 7 years in the area of health care reform will be greatly diminished if this legislation is enacted.

We have supported purchasing pools through state legislation that protects the consumer by providing coverage within rate restrictions. We would be happy to work with you on the development of legislation to continue to enhance the ability of individuals and small groups to obtain adequate and meaningful health care coverage.

If you have any questions, please do not hesitate to contact me or my staff. We look forward to working with you on any issues you may have concerning health insurance coverage.

Sincerely.

THERESE M. VAUGHAN,
Commissioner.

BLUE CROSS AND BLUE SHIELD ASSOCIATION, HEALTH INSURANCE ASSOCIATION OF AMERICA.

June 4, 1997.

Hon. GREG GANSKE,
United States House of Representatives, Washington, DC.

DEAR REPRESENTATIVE GANSKE: We are writing to express our opposition to proposals that would exempt certain health insurance arrangements, such as association health plans (AHPs) and multiple employer welfare arrangements (MEWAs), from state insurance law and regulatory authority.

We remain very concerned about proposals to preempt state regulation of federally certified association health plans, including many MEWAs (e.g. H.R. 1515/S. 729). These proposals would undermine the most volatile segments of the insurance market—the individual and small group markets. AHPs could siphon off the healthy (e.g., through selective marketing or by eliminating coverage of certain benefits required by individuals with expensive illnesses), thus leading to significant premium increases for those who remain in the state-regulated pool. The ultimate result: an increase in the uninsured and only the sickest and highest risk individuals remaining in the states' insured market.

We have similar concerns regarding a proposal to create a new type of purchasing entity, called HealthMarts, which has not been reviewed via the committee hearing process. This proposal would exempt health plans offered through a HealthMart from state benefit standards and requirements to pool all small groups for rating purposes. As with AHPs, this proposal raises serious concerns regarding market segmentation and the ability of states to protect their residents. The combination of these two proposals could lead to massive market segmentation and regulatory confusion.

Moreover, these proposals, over time, would lead our nation toward increased federalization of health insurance regulation. Preemption of state regulatory authority would create a regulatory vacuum that would necessitate an exponential increase in federal bureaucracy and federal regulatory authority.

As representatives of the health insurance and health plan community, we are concerned about the issue of access to health coverage for small firms. However, we urge legislators to avoid legislation that unravels the market by helping a limited group of small employers at the expense of other individuals and small groups.

We look forward to an opportunity to work with you regarding proposals that expand coverage without damaging the small group and individual markets.

Sincerely,

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 4, 1998.

BLUE CROSS/BLUE SHIELD AND HIAA OPPOSE REPUBLICAN ''HEALTHMART'' PROPOSAL

DEAR COLLEAGUE: It's not often that I think the advice from HIAA and Blue Cross/Blue Shield bears repeating, but this time they got it right.

In a letter to Chairman Bliley of the Commerce Committee, the Blue Cross/Blue Shield Association and the Health Insurance Association of America have made clear their opposition to the ''HealthMart'' proposal being circulated by Rep. Bliley as a potential component of the upcoming Republican health reform proposal.

Their letter states that the HealthMart proposal ''would exempt health plans offered through a HealthMart from state benefit standards and requirements to pool all small groups for rating purposes.'' For those reasons, HealthMarts raise ''serious concerns regarding market segmentation and the ability of states to protect their residents.''

They conclude their letter by urging ''legislators to avoid legislation that unravels the market by helping a limited group of small employers at the expense of other individuals and small groups.''

I urge my colleagues to heed their advice.

Sincerely,

PETE STARK.

There are a number of proposals that I am concerned will be in the GOP Health Task Force plan that are not well-thought-out, that are even opposed by the industry, at least as much as some of the patient protection legislation. I am afraid that if you add a number of these additional controversial items to a patient bill of rights type protection, that they will in effect act as poison pills and ensure the defeat of this legislation.

And I would not gainsay anyone's motives on this, but I would simply ask my Republican colleagues to be aware of this potential problem when they put forth their GOP task force.

Mr. PALLONE. Again, if I could ask you to elaborate a little more on this, one of the concerns that I expressed earlier this evening is that the Republican Task Force would come out with patient protections that are less than what is in the Patient Bill of Rights or the PARCA bill, and that is still a concern. But I think what you are voicing now is an additional problem which is not only the possibility of not including some of these patient protections that we would like to see, but also the possibility of adding other things unrelated to patient protections that would sort of muddy the water, if you will, and maybe confuse what goes on here and take away from this issue of patient protection which we are trying to bring forward.

And I know that one of the things I believe you mentioned was the medical malpractice cap, I guess, that we have

discussed in the past, and that is something that would.

Mr. GANSKE. If the gentleman would yield, I have argued on the floor, I have encouraged my colleagues, Republican and Democrat, to vote for medical malpractice reform. In fact, the House of Representatives passed that legislation in the last Congress, but we found out that we could not get that through the Senate, and the administration is opposed to it. To put that into a Patient Bill of Rights, a consumer protection bill, would be to realize fully that that bill could not pass, it could not become law.

I continue to be in favor of that legislation, but what I want to see is, I want to see a Patient Bill of Rights passed and become law this year. I think most of the major medical organizations, including the American Medical Association, recognize by loading up other issues into a Patient Bill of Rights you are working to defeat a Patient Bill of Rights, not to advance it.

Mr. PALLONE. Did not the AMA, which has been the biggest supporter of this medical malpractice reform, even say at one point that they did not want to deal with it this year in the context of the patient protections for the exact reason that you just cited, which is very amazing to me because this was always their biggest, one of their biggest, concerns.

Mr. GANSKE. I cannot speak. I am not a representative for that organization. All I can say is I am sure that that organization would like to see those provisions become law at some point in time, but the recognition is there that on this piece of legislation that will be considered a poison pill. We have broad bipartisan consensus and support for a limited Patient Bill of Rights like is in the Patient Bill of Rights bill, 3605, or Patient Access to Responsible Care Act.

It is not like you have to reinvent the wheel. These bills have been out there for some time. They already have broad bipartisan support. It is simply a matter of bringing them to the floor for a debate under a fair rule in a timely fashion before this session runs out.

Mr. PALLONE. Can I just ask you one more thing about the health marts, because I was not sure I understood.

You said that your concern is that ERISA exemptions would be expanded beyond what they already are now to cover health marts? In other words, we would actually have to deal with this exemption from liability in an even broader fashion?

Mr. GANSKE. That would be my understanding, and let me just read from this letter from Blue Cross/Blue Shield Association and the Health Insurance Association of America.

''As representatives of the health insurance and health plan community, we are concerned about the issue of access to health coverage for small firms. However, we urge legislators to avoid legislation that unravels the market by helping a limited group of small employers at the expense of other individuals and small groups.''

And I can assure you, as somebody that speaks to a number of insurance companies located in my own district that still provide insurance to individuals outside of the employer market, that if you created this health mart idea, what you would be doing is you would be taking the healthy individuals out of that individual market, thereby making the individual market more sick. That would, therefore, have the effect of raising the premiums significantly for those who still purchase their own health insurance.

And there are a lot of people like that; farmers, for example. I represent a lot of farmers.

So I would certainly advise the GOP Task Force not to include this type of proposal in their health care legislation, but simply to stick with the gentleman from Georgia (Mr. Norwood) who has worked on that task force so strongly in terms of a Patient Bill of Rights.

And you need to remember also that there are a number of HMOs that are trying to do an ethical, good job on providing care for their constituents, and many of them have already called upon Congress to pass Federal legislation for a Patient Bill of Rights. We have Kaiser, for instance, or the Health Insurance Plan, HIP, and others. They see a benefit in having some federally-enforceable minimum standards.

It is very similar to what we see if you were buying an automobile. Gee, I mean when you buy an automobile, you know that you are getting headlights that work, brakes that work, turn signals, a seat belt. Those are all a product of Federal and State law for minimum safety standards, and yet there continues to be a great deal of competition in the auto industry. By having some uniform rules on that, we certainly have not moved to a nationalized auto industry any more than by passing a Patient Bill of Rights and having some uniform safety standards would we ever be moving towards a nationalized health insurance system. It is just a matter of common sense.

Mr. PALLONE. I think there is no question that, you know, what we are really talking about here are just basic protections, common sense protections, and as the gentleman has pointed out, the not-for-profit HMOs actually from the very beginning of this year when the President first came out with his patient bill of rights in, I guess it was in his State of the Union address, and there were I think 18 points at that stage or 18 types of protections that were being discussed by the White House, and actually we had many of the not-for-profit HMOs supporting those principles because they are really a floor. They are just a floor of basic protections.

And what happens is, and again I think you mentioned this at some point in the past, is that if the not-for-profit or the good HMOs, whatever their characterizations would be, adhere to these patient protections and then the other ones that are for-profit or for whatever reason do not, it basically creates a noncompetitive situation, becomes cheaper, if you will, for the ones that are not providing the protections to operate.

Mr. GANSKE. And if the gentleman would yield, we have our July 4th recess coming up soon. I would hope that organizations like some of the ones that I have read tonight, all the other organizations that are signed on to passing this type of legislation this year would contact their Congressman and Congresswoman back in their districts and express to them the importance and how this affects real people a lot of the time and how Congress should do something about this this session and not allow this legislation to be bottled up.

Mr. PALLONE. And following up on your comments, and I guess I will close with this:

We know that during this 2-week recess that many Members, including myself, will be having town meetings and forums at which time there will be opportunities for groups or individuals to go to those town meetings and express to their Member of Congress their support and ask them to support the Patient Bill of Rights, or actually ask them to support the discharge petition that you and the gentleman from Michigan (Mr. DINGELL) have now introduced. We need to get as many Members as possible on this discharge petition because, if we can get a majority on the discharge petition by the time we come back or soon after that in the weeks that follow, we can finally bring the Patient Bill of Rights or the PARCA bill, these types of managed care reforms, to the floor.

And again I just want to commend you for your effort in moving in that direction because this is the time. If we are not going to pass this now when there is so much support for it, we are never going to pass it, and we have got to try and get more and more of our colleagues on board.

Mr. GANSKE. If the gentleman would yield, I appreciate the courtesy of being able to do these special orders with you. As I said before earlier in this special order, I would sincerely hope that a discharge petition is not necessary, that the Republican leadership in the House would set a date certain for bringing this legislation to the floor and make sure that it is with a rule that is fair and not a rule similar to the one that we have seen on campaign finance reform.

Mr. PALLONE. Mr. Speaker, I agree with the gentleman and thank him again.

ENDING DISCRIMINATION IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. PELOSI) is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, since the House adjourned early today, I thought I would take the opportunity to come to the floor to speak, as others have done in other forums this week, about a most unfortunate episode that happened earlier this week.

□ 2030

In an interview on television, Senate Majority Leader TRENT LOTT spoke out about homosexuality in a way that I think maybe was unintentional by him, but, nonetheless, was very hurtful and harmful to people in the gay and lesbian community.

I know that we are not supposed to be urging the Senate to take action on issues, but, without violating that rules of the House, I just want to put in context my own remarks, and that is that there is a confirmation of a nomination of an ambassador, James Hormel, which is hopefully going to come up before the Senate soon.

This nomination was sent from the Senate Foreign Relations Committee to the full Senate, but Senator LOTT has not taken up the issue. It was in the context of an interview about that, I believe, that Senator LOTT made his unfortunate remarks about homosexuality, saying, ''It is a sin; it is just like alcohol or sex addiction or kleptomaniacs.'' Then our own Majority Leader, Mr. ARMEY, said that homosexuality ''. . . is a sin. I know it is. It is in the Bible,'' or words to that effect.

One of the issues that is being raised about Jim Hormel's nomination is that he was seen laughing at a parade where there were people dressed as nuns. Without going into that, I just want to say that between my husband and me and our five children, we have over 100 years, 100 years, of Catholic school education. This is a source of great pride to us and great strength to us. So we certainly have a great deal of respect for the clergy and the nuns who taught us and our children and would not want in any way for them to be demeaned, and I do not think that Jim Hormel has a demeaning bone in his body.

Jim Hormel is a very distinguished leader in our community in the San Francisco Bay area. He is a philanthropist. He has been the Dean of the Law School at the University of Chicago before he came to San Francisco. As I said, he is a great philanthropist, a supporter of the arts and education, is very respected in the business community, is an astute businessman and is a very effective leader. He would make a great ambassador, and his nomination, I think, is a tribute to President Clinton, that he had the courage to name Jim Hormel as ambassador to Luxemburg.

Jim Hormel, because he is gay, his nomination is being held up, and, as I say, unfortunately, the Leaders in the Senate and in the House have characterized his sexual orientation in a way that I think, as I say, is hopefully unintentionally, is most harmful to people in that community.

When we were little people we used to say ''sticks and stones will break my bones, but names will never hurt me.'' But that really was not true then, and it is not true now. We have to be very careful about the power of words and the resonance that those words have as people repeat them and hear them.

It is ironic that this all should happen at a time which is Gay Pride Week throughout the country. Speaking for my own area that I have the privilege of representing, we are blessed in our community with a large gay and lesbian population, and we will have a large parade on Sunday where people who take pride in their own situation as well as their friends will take pride with them, and I will be very honored to join that parade.

I have never felt any bias from our own Majority Leader here, Mr. ARMEY, or Mr. LOTT, our former colleague in the House and now the distinguished Majority Leader in the Senate, because of my support for gay and lesbian rights. I have never thought that Mr. Hormel had ever demeaned my religion or said something or did something objectionable to my religion, Catholicism, because he may have been amused, if that is even so, by people dressed as nuns. Nuns do not even dress as nuns. It is not the same as it used to be.

But I think that it is time for us to have some reconciliation on this. We have to, and this will sound very San Francisco, I know, heighten the sensitivity of our colleagues to the hurt that it does to so many people in our country when they are demeaned by leaders of our country.

Mr. Speaker, I do think this maybe will provide us with an opportunity to say, you know, let us turn down the flame on this issue. The Bible, if we are quoting the Bible, has told my children, my husband and me for our lifetimes, as did our parents, that we are all God's children. They did not say you are all God's children, depending on your sexual orientation. They said we are all God's children, and, as such, worthy of respect, and in every person there is a spark of divinity that is to be respected.

It is that attitude toward people that I think drives many of us into the political arena to do God's work. I do not like to bring politics and religion together, but it is to respect what our religion teaches us for people, that we want everyone to have the same opportunities, whatever their color, their creed or their sexual orientation. Discrimination has no place in our country. Neither does characterization of people because they might be different from us have a place.

So I come to the floor tonight not to criticize, but to reach out to the two majority leaders, in the hope that we can put a stop to these characterizations which, as I say again, and I will say for a third time, may be unintentional, but are, nonetheless, very painful to the people that are described by them.

Jim Hormel is a great American. He is a patriotic American. He is somebody who would bring great honor to our country to represent us abroad. He has already accomplished a great deal just by his courage and by allowing his name to be put forth, and hopefully his nomination will culminate in his being the ambassador to Luxemburg. In any event, it will hopefully also achieve a reconciliation in our country about how we treat people, all people, all God's children. That is what the Bible told us.

As a Catholic, again, I particularly take issue with the fact that some have said that Jim Hormel's nomination is offensive to Catholics by saying, as Jim Hormel's friend, one of the great joys of my life is to be his friend. I would only hope that his nomination accomplishes the ending of discrimination in our country against people, regardless of their sexual orientation.

So in this Gay Pride Week, let us all take pride in each and every one of us, and particularly not make judgments about people for how they are not like us, but to respect them for what they are.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. THOMPSON (at the request of Mr. GEPHARDT) for 10:30 a.m. until 5:00 p.m. today account of official business.

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 Mrs. MALONEY of New York) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Ms. SANCHEZ, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mrs. MALONEY of New York, for 5 minutes, today.

(The following Members (at the request of Mr. MILLER of Florida) to revise and extend their remarks and include extraneous material:)

Mr. SCARBOROUGH, for 5 minutes, on June 24.

Mr. MORAN of Kansas, for 5 minutes, today and on June 24.

Mrs. CHENOWETH, for 5 minutes, on June 24.

Mr. BILIRAKIS, for 5 minutes, today.

Mr. PAUL, for 5 minutes, today.

Mr. BARTLETT of Maryland, for 5 minutes, today.

Mr. CRAPO, for 5 minutes, today.

Mr. MICA, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. FOX of Pennsylvania, for 5 minutes, today.

(The following Member (at the request of Ms. NORTON) to revise and extend her remarks and include extraneous material:)

Ms. DELAURO, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MCINNIS, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. INGLIS of South Carolina, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. PELOSI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MALONEY of New York) and to include extraneous material:)

Mr. VISCLOSKY.
Mr. KIND.
Mr. OWENS.
Mr. KENNEDY of Massachusetts.
Mr. MILLER of California.
Mr. BARCIA.
Mr. LIPINSKI.
Mr. KUCINICH.
Mr. NADLER.
Ms. LEE.
Mr. CONYERS.
Mr. STUPAK.
Mr. MENENDEZ.

(The following Members (at the request of Mr. MILLER of Florida) and to include extraneous material:)

Mr. LEWIS of California.
Mr. RIGGS.
Mr. COBLE.
Mr. PORTMAN.
Mr. CALVERT.
Mr. RADANOVICH.
Mrs. MORELLA.
Mr. CAMP.
Mr. THOMAS.

(The following Members (at the request of Ms. PELOSI) and to include extraneous material:)

Mr. CAMP.
Mrs. KELLY.
Mr. HOYER.
Mr. ENGEL.
Ms. JACKSON-LEE of Texas.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1316. An act to amend chapter 87 of title 5, United States Code, with respect to the order of precedence to be applied in the payment of life insurance benefits.

ADJOURNMENT

Ms. PELOSI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 24, 1998, 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:

9795. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Community Development Work Study Program; Repayment Requirements [Docket No. FR–4324–F–01] (RIN: 2528–AA08) received June 11, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

9796. A letter from the Managing Director, Federal Housing Finance Board, transmitting the Board's final rule—Compensation and Conflicts-of-Interest Rules for Federal Home Loan Bank Employees [No. 98–24] (RIN: 3069–AA76) received June 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

9797. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling; Statement of Identity, Nutrition Labeling and Ingredient Labeling of Dietary Supplements; Compliance Policy Guide, Revocation [Docket Nos. 95N–0245 and 94P–0110] (RIN: 0910–AA59) received June 15, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9798. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Revocation of Lather Brushes Regulation; Correction [Docket No. 97N–0418] received June 15, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9799. A communication from the President of the United States, transmitting a supplemental report, consistent with the War Powers Resolution, on U.S. contributions in support of peacekeeping efforts in the former Yugoslavia; (H. Doc. No. 105–275); to the Committee on International Relations and ordered to be printed.

9800. A letter from the Assistant Secretary for Export Administration, Department of Commerce, transmitting the Department's final rule—Exports of Humanitarian goods and services to Cuba [Docket No. 980520134–8134–01] (RIN: 0694–AB49) received June 15, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

9801. A communication from the President of the United States, transmitting the report on compliance with the Treaty on Conventional Armed Forces in Europe; to the Committee on International Relations.

9802. A letter from the Commissioner, Immigration and Naturalization Service, transmitting the Service's final rule—Nonimmigrant Classes; NATO–1, NATO–2, NATO–3, NATO–4, NATO–5, NATO–6, NATO–7; Control Of Employment Of Aliens [INS No. 1328–98] (RIN: 1115–AB52) received June 12, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

9803. A letter from the Commissioner, Immigration and Naturalization Service, transmitting the Service's final rule—Effect of Parole of Cuban and Haitian Nationals on Resettlement Assistance Eligibility [INS No. 1751–96] (RIN: 1115–AE29) received June 12, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

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. YOUNG of Alaska: Committee on Resources. H.R. 2538. A bill to establish a Presidential commission to determine the validity of certain land claims arising out of the Treaty of Guadalupe-Hidalgo of 1848 involving the descendants of persons who were Mexican citizens at the time of the Treaty; with an amendment (Rept. 105–594). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALSH: Committee on Appropriations. H.R. 4112. A bill making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–595). Referred to the Committee of the Whole House on the State of the Union.

Mr. GOSS: Committee on Rules. House Resolution 484. Resolution providing for consideration of the bill (H.R. 4103) making appropriations for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–596). Referred to the House Calendar.

Mr. MCINNIS: Committee on Rules. House Resolution 485. Resolution providing for the consideration of the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–597). 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 Mr. FOX of Pennsylvania (for himself and Mr. BORSKI):

H.R. 4109. A bill to authorize the Gateway Visitor Center at Independence National Historical Park, and for other purposes; to the Committee on Resources.

By Mr. STUMP (for himself, Mr. EVANS, Mr. QUINN, and Mr. FILNER):

H.R. 4110. A bill to provide a cost-of-living adjustment in rates of compensation paid to veterans with service-connected disabilities, to make various improvements in education, housing, and cemetery programs of the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DOOLITTLE (for himself, Mr. POMBO, Mr. HERGER, and Mr. YOUNG of Alaska):

H.R. 4111. A bill to provide for outlet modifications to Folsom Dam, a study for reconstruction of the Northfork American River Cofferdam, and the transfer to the State of California all right, title, and interest in and to the Auburn Dam, and for other purposes; to the Committee on Resources.

By Mr. WALSH:

H.R. 4112. A bill making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes.

By Mr. BALDACCI:

H.R. 4113. A bill to assist the efforts of farmers and cooperatives seeking to engage in value-added processing of agricultural goods; to the Committee on Agriculture.

By Mr. BLAGOJEVICH (for himself and Mr. KENNEDY of Rhode Island):

H.R. 4114. A bill to prohibit internet and mail-order sales of ammunition without a license to deal in firearms, and require licensed firearms dealers to record all sales of 1,000 rounds of ammunition to a single person; to the Committee on the Judiciary.

By Mr. FILNER:

H.R. 4115. A bill to amend title 38, United States Code, to provide for a special period during which a former member of the armed forces may convert a Servicemembers' Group Life Insurance policy to a Veterans' Group Life Insurance policy, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KOLBE:

H.R. 4116. A bill to provide for the waiver of fees in the case of certain visas, to modify the schedule for implementation of certain border crossing restrictions, and for other purposes; to the Committee on the Judiciary.

By Mr. MANTON:

H.R. 4117. A bill to require that an environmental impact statement be prepared evaluating the impact of slot exemptions for operation of new air service at LaGuardia Airport; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Resources, 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 Mrs. MORELLA (for herself, Ms. ESHOO, Ms. SLAUGHTER, Mr. HILLIARD, Mr. SERRANO, Mr. KLECZKA, Mr. BALDACCI, Mr. ROMERO-BARCELO, and Mr. NADLER):

H.R. 4118. A bill to amend title XXVII of the Public Health Service Act and part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 to establish standards for the health quality improvement of children in managed care plans and other health plans; to the Committee on Commerce, and in addition to the Committee on Education and the Workforce, 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. PASTOR:

H.R. 4119. A bill to provide for the restoration of certain Federal land of religious and cultural significance to the Tohono O'odham Nation of Arizona, and for other purposes; to the Committee on Resources.

By Mr. SOLOMON:

H.R. 4120. A bill to amend the Securities Exchange Act of 1934 to provide for an annual limit on the amount of certain fees which may be collected by the Securities and Exchange Commission; to the Committee on Commerce.

By Mr. STEARNS (for himself, Mr. GEKAS, Mr. SERRANO, Mr. WAXMAN, Mr. FROST, Mrs. MINK of Hawaii, Mr. FILNER, Mr. HILLIARD, Mr. MCCOLLUM, Mrs. KENNELLY of Connecticut, Mr. CLEMENT, Mr. SHAYS, Mr. FALEOMAVAEGA, Mr. HASTINGS of Florida, Ms. CARSON, Mr. WOLF, Mr. WALSH, Mr. BOEHLERT, Mrs. LINDA SMITH of Washington, Mr. COOK, and Mr. DELAHUNT):

H.R. 4121. A bill to amend the Public Health Service Act to provide for the establishment at the National Heart, Lung, and Blood Institute of a program regarding life-saving interventions for individuals who experience cardiac arrest, and for other purposes; to the Committee on Commerce.

By Mr. VENTO (for himself, Mr. MARKEY, Mr. MILLER of California, Mr. FARR of California, and Ms. DEGETTE):

H.R. 4122. A bill to prohibit the United States government from entering into certain agreements or arrangements related to public lands without the express prior approval of Congress; to the Committee on Resources.

By Mr. NADLER (for himself, Mr. ABERCROMBIE, Mr. BORSKI, Mr. BROWN of California, Mrs. CLAYTON, Mr. CLYBURN, Mr. DAVIS of Illinois, Mr. EVANS, Mr. FILNER, Mr. GREEN, Mr. HALL of Ohio, Mr. HINCHEY, Ms. KAPTUR, Mr. KUCINICH, Mr. LEWIS of Georgia, Ms. MCKINNEY, Mrs. MEEK of Florida, Mr. MILLER of California, Mr. MOAKLEY, Mr. PALLONE, Ms. PELOSI, Mr. RAHALL, Mr. ROMERO-BARCELO, Mr. RUSH, Mr. SCHUMER, Ms. SLAUGHTER, Mr. THOMPSON, Mr. TIERNEY, Ms. WATERS, Mr. YATES, Mr. BERMAN, Mr. BRADY of Pennsylvania, Mr. BROWN of Ohio, Mr. CLEMENT, Mr. CONYERS, Mr. DEFAZIO, Mr. FARR of California, Mr. FRANK of Massachusetts, Mr. GUTIERREZ, Mr. HEFNER, Ms. JACKSON-LEE, Mr. KILDEE, Mr. LAMPSON, Mr. MCDERMOTT, Mrs. MALONEY of New York, Mr. MENENDEZ, Mrs. MINK of Hawaii, Mr. OBERSTAR, Mr. PAYNE, Mr. POMEROY, Mr. RODRIGUEZ, Ms. ROYBAL-ALLARD, Mr. SANDERS, Mr. SERRANO, Mr. STARK, Mrs. THURMAN, Mr. TOWNS, Ms. WOOLSEY, Mr. LAFALCE, and Mr. FALEOMAVAEGA):

H. Res. 483. A resolution expressing the sense of the House of Representatives regarding strengthening the Social Security system to meet the challenges of the next century; to the Committee on Ways and Means.

By Mr. GANSKE (for himself, Mr. DINGELL, Mr. BERRY, and Mr. FORBES):

H. Res. 486. A resolution providing for consideration of the bill (H.R. 3605) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; to the Committee on Rules.

By Ms. CHRISTIAN-GREEN (for herself, Ms. KILPATRICK, Mr. FRANK of Massachusetts, Ms. DELAURO, Mr. FILNER, Mr. SNYDER, Mr. WATTS of Oklahoma, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LIPINSKI, Mr. FROST, and Mr. DIXON):

H. Res. 487. A resolution relating to the emancipation of African slaves in the Danish West Indies, now the United States Virgin Islands; to the Committee on the Judiciary.

By Mr. TRAFICANT:

H. Res. 488. A resolution amending the Rules of the House of Representatives to require a two-thirds vote on any bill or joint resolution that, pursuant to fast-track procedures, would implement any trade agreement; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 145: Mr. SHERMAN, Mrs. MYRICK, Mr. VISCLOSKY, and Mr. MEEKS of New York.

H.R. 306: Mr. SKAGGS.

H.R. 371: Mr. OBEY.

H.R. 410: Mr. BUNNING of Kentucky.

H.R. 532: Mr. KLECZKA.

H.R. 611: Mr. BENTSEN and Mr. SHERMAN.

H.R. 633: Mr. DELAHUNT.

H.R. 716: Mr. MCINNIS.

H.R. 746: Mr. KUCINICH.

H.R. 872: Mr. BILIRAKIS and Mr. STRICKLAND.

H.R. 900: Mrs. KELLY.

H.R. 953: Mr. NEAL of Massachusetts.

H.R. 993: Mr. MCINNIS.

H.R. 1126: Ms. KILPATRICK, Mr. MCHALE, and Mr. FAWELL.

H.R. 1375: Mr. TAUZIN.

H.R. 1378: Ms. DUNN of Washington.

H.R. 1382: Ms. VELAZQUEZ, Mr. LIPINSKI, and Mr. BOEHLERT.

H.R. 1531: Mr. GILCHREST and Ms. SANCHEZ.

H.R. 1624: Ms. KILPATRICK.

H.R. 2021: Mr. ROYCE.

H.R. 2094: Ms. NORTON.

H.R. 2568: Mr. DOOLITTLE.

H.R. 2721: Mr. BOEHNER and Mr. RYUN.

H.R. 2800: Mr. LAHOOD.

H.R. 2837: Mr. SOUDER.

H.R. 2869: Mr. KNOLLENBERG.

H.R. 2873: Mr. KNOLLENBERG.

H.R. 2914: Mr. SANDLIN.

H.R. 2987: Mr. SNYDER.

H.R. 2990: Mr. HAYWORTH, Mr. FAZIO of California, Mr. CHAMBLISS, Mr. CONDIT, Mr. SHUSTER, Mr. POSHARD, and Mr. PITTS.

H.R. 3008: Mr. BACHUS.

H.R. 3081: Mr. SHAYS, Mr. BOEHLERT, Mr. ADAM SMITH of Washington, Mr. SCOTT, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. VENTO, and Mr. MARKEY.

H.R. 3127: Mr. CONDIT, Mr. NETHERCUTT, and Mr. MORAN of Virginia.

H.R. 3215: Mr. PICKERING.

H.R. 3248: Mr. ADERHOLT, Mr. FRANKS of New Jersey, Mr. WICKER, and Mr. THUNE.

H.R. 3259: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LAFALCE, and Mr. SNYDER.

H.R. 3320: Mr. QUINN, Mr. NADLER, Mr. DINGELL, and Mr. PAYNE.

H.R. 3470: Mrs. CAPPS.

H.R. 3506: Mr. SANDLIN, Mr. LAFALCE, Mr. STUPAK, Ms. MILLENDER-MCDONALD, and Mr. KIM.

H.R. 3531: Mr. RAHALL.

H.R. 3553: Mr. DEUTSCH, Mr. MCNULTY, Ms. LEE, and Ms. JACKSON-LEE.

H.R. 3567: Mr. SHUSTER and Mr. POMEROY.

H.R. 3610: Mr. HINCHEY.

H.R. 3629: Mr. ENSIGN, Mr. STEARNS, Mr. GREEN, Mr. CAMP, and Mrs. MYRICK.

H.R. 3636: Mr. KANJORSKI, Ms. HOOLEY of Oregon, and Mrs. MEEK of Florida.

H.R. 3651: Mr. SCHUMER.

H.R. 3659: Mr. RODRIGUEZ, Mr. HILLEARY, Mr. TALENT, Mr. HASTINGS of Washington, Mr. LEWIS of Kentucky, Mr. HASTERT, Mr. CUNNINGHAM, Mrs. MINK of Hawaii, Mr. FILNER, and Mr. CRAMER.

H.R. 3697: Mr. KLECZKA, Mr. HILLIARD, Mr. THOMPSON, Mr. KUCINICH, and Mr. TORRES.

H.R. 3707: Mr. COBURN, Mr. MANZULLO, Mr. PETRI, and Mr. REDMOND.

H.R. 3736: Mr. SPRATT.

H.R. 3815: Mr. ENSIGN, Mr. THOMPSON, Mr. GEKAS, Mr. HOSTETTLER, Mr. FILNER, Mr. PAUL, and Mr. RAMSTAD.

H.R. 3821: Mr. MCKEON, Mr. COMBEST, Mr. FORBES, Mr. PITTS, Mr. QUINN, and Mr. WEXLER.

H.R. 3831: Mr. HILLIARD, Ms. CARSON, Mr. THOMPSON, and Mr. BARRETT of Wisconsin.

H.R. 3833: Mr. FORD, Ms. KILPATRICK, Mrs. MALONEY of New York, Mr. DEFAZIO, Mr. MCHALE, and Mr. MANTON.

H.R. 3835: Mr. FRANK of Massachusetts, Mr. BROWN of Ohio, Mr. OLVER, Mr. LATHAM, Mr. PRICE of North Carolina, Mr. BOYD, Mr. OBERSTAR, Mr. GOODE, Mr. FILNER, Ms. STABENOW, Mr. SNYDER, Mr. LEWIS of Kentucky, Mr. MARTINEZ, Mr. OXLEY, Mr. HINCHEY, Mr. GILLMOR, and Mr. KENNEDY of Rhode Island.

H.R. 3874: Mr. GREENWOOD.

H.R. 3897: Mr. FATTAH.

H.R. 3900: Mr. LUTHER.
H.R. 3932: Mrs. CAPPS.
H.R. 3937: Mr. LIPINSKI and Mr. BARRETT of Wisconsin.
H.R. 3956: Mr. FRANK of Massachusetts and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 4007: Mr. ENGLISH of Pennsylvania, Mr. NADLER, Mr. SERRANO, Mrs. LOWEY, Mr. BERMAN, Mr. MCNULTY, Mr. RODRIGUEZ, and Mr. BARRETT of Wisconsin.
H.R. 4019: Mr. COOK and Mr. BERMAN.
H.R. 4031: Mr. CLAY.
H.R. 4032: Mr. JONES and Mr. BALLENGER.
H.R. 4034: Mr. TOWNS, Ms. NORTON, Mr. LATOURETTE, and Mr. ENGLISH of Pennsylvania.
H.R. 4046: Ms. DEGETTE.
H.R. 4049: Mr. CANNON.
H.R. 4071: Mr. TAUZIN, Mr. BONIOR, and Mr. WATTS of Oklahoma.
H.R. 4074: Mr. CALVERT.
H.R. 4077: Mr. YOUNG of Alaska.
H.R. 4096: Mr. ADERHOLT, Mrs. EMERSON, Mr. LATHAM, and Mrs. MYRICK.
H.J. Res. 66: Mr. EDWARDS.
H. Con. Res. 228: Mrs. THURMAN.
H. Con. Res. 229: Mr. BARTLETT of Maryland.
H. Con. Res. 246: Mr. KUCINICH.
H. Res. 26: Mr. TOWNS.
H. Res. 37: Mr. FAWELL.
H. Res. 467: Mr. BALDACCI.

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. 3605: Mr. BRADY of Texas.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4101

OFFERED BY: MR. HALL OF OHIO

AMENDMENT NO. 16: Page 13, line 14, insert ''(reduced by $8,000,000)'' after the dollar figure.

Page 14, line 24, insert ''(reduced by $8,000,000)'' after the dollar figure.

Page 15, line 18, insert ''(reduced by $9,000,000)'' after the dollar figure.

Page 17, line 4, insert ''(reduced by $9,000,000)'' after the dollar figure.

Page 48, line 9, insert ''(increased by $10,000,000)'' after the dollar figure.

H.R. 4101

OFFERED BY: MR. SANDERS

AMENDMENT NO. 17: Insert before the short title the following new section:

SEC. ____. The amounts otherwise provided by this Act are revised by reducing the amount made available for ''FOOD AND DRUG ADMINISTRATION–SALARIES AND EXPENSES'', and increasing the amount made available for ''FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS'', by $10,000,000.

H.R. 4103

OFFERED BY: MR. FRANK OF MASSACHUSETTS

AMENDMENT NO. 3: At the end of the bill (preceding the short title), insert the following:

TITLE X

ADDITIONAL GENERAL PROVISIONS

SEC. 1001. The total amount obligated from new budget authority provided in this Act may not exceed $247,708,522,000.

H.R. 4103

OFFERED BY: MRS. MALONEY OF NEW YORK

AMENDMENT NO. 4: At the end of title VIII (page ____, after line ____), insert the following new section:

SEC. ____. The amount otherwise provided by this Act for the Defense Logistics Agency shall be reduced by $10,000,000 on April 1, 1999, unless, before that date, the Secretary of Defense establishes specific goals for achieving cost savings and other benefits from the implementation and use of best commercial inventory practices, as identified by the Secretary, and submits a report to the congressional defense committees identifying these goals and explaining how and when each goal will be achieved.

H.R. 4103

OFFERED BY: MR. SANDERS

AMENDMENT NO. 5: At the end of title VIII (page ____, after line ____), insert the following new section:

SEC. ____. None of the funds appropriated or otherwise made available by this Act may be used to enter into or renew a contract with any company owned, or partially owned, by the People's Republic of China or the People's Liberation Army of the People's Republic of China.

H.R. 4103

OFFERED BY: MR. SANDERS

AMENDMENT NO. 6: At the end of the bill (preceding the short title), insert the following:

TITLE X

ADDITIONAL GENERAL PROVISIONS

SEC. 1001. None of the funds appropriated or otherwise made available by this Act may be used to enter into or renew a contract with Sunbase Asia, Incorporated, or with Southwest Products Company, Incorporated, a subsidiary of Sunbase Asia, Incorporated.

H.R. 4104

OFFERED BY: MR. BLAGOJEVICH

AMENDMENT NO. 4: Page 11, line 7, insert ''(increased by $2,000,000)'' before ''; of which''.

Page 46, line 23, insert ''(reduced by $2,000,000)'' after ''$1,554,772,000''.

H.R. 4104

OFFERED BY: MRS. MALONEY OF NEW YORK

AMENDMENT NO. 5: Strike section 511 (and redesignate the succeeding sections accordingly).

H.R. 4104

OFFERED BY: MRS. MORELLA

AMENDMENT NO. 6: At the appropriate place in the bill, insert the following:

SEC. ____. (a) An Executive agency which provides or proposes to provide child care services for Federal employees may use appropriated funds (otherwise available to such agency for salaries) to provide child care, in a Federal or leased facility, or through contract, for civilian employees of such agency.

(b) Amounts so provided with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using or seeking to use the child care services offered by such facility or contractor.

(c) The Office of Personnel Management shall, within 180 days after the date of enactment of this Act, issue regulations necessary to carry out this section.

(d) For purposes of this section, the term ''Executive agency'' has the meaning given such term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

H.R. 4104

OFFERED BY: MR. SANDERS

AMENDMENT NO. 7: Page 58, line 1, after the dollar amount, insert the following: ''(reduced by $6,000,000) (increased by $6,000,000)''.

H.R. 4104

OFFERED BY: MR. SANDERS

AMENDMENT NO. 8: Page 58, line 1, after the dollar amount, insert the following: '', of which $6,000,000 shall be for the National Personnel Record Center''.

H.R. 4112

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 1: In Title III—General Provisions—after the last section insert the following new section:

SEC. 310. The Architect of the Capitol—

(1) shall develop and implement a cost-effective energy conservation strategy for all facilities currently administered by Congress to achieve a net reduction of 20 percent in energy consumption on the congressional campus compared to fiscal year 1991 consumption levels on a Btu-per-gross-square-foot basis not later than 7 years after the adoption of this resolution;

(2) shall submit to Congress no later than 10 months after the adoption of this resolution a comprehensive energy conservation and management plan which includes life cycle costs methods to determine the cost-effectiveness of proposed energy efficiency projects;

(3) shall submit to the Committee on Appropriations in the Senate and the House of Representatives a request for the amount of appropriations necessary to carry out this resolution;

(4) shall present to Congress annually a report on congressional energy management and conservation programs which details energy expenditures for each facility, energy management and conservation projects, and future priorities to ensure compliance with the requirements of this resolution;

(5) shall perform energy surveys of all congressional buildings and update such surveys as needed;

(6) shall use such surveys to determine the cost and payback period of energy and water conservation measures likely to achieve the required energy consumption levels;

(7) shall install energy and water conservation measures that will achieve the requirements through previously determined life cycle cost methods and procedures;

(8) may contract with nongovernmental entities and employ private sector capital to finance energy conservation projects and achieve energy consumption targets;

(9) may develop innovative contracting methods that will attract private sector funding for the installation of energy-efficient and renewable energy technology to meet the requirements of this resolution;

(10) may participate in the Department of Energy's Financing Renewable Energy and Efficiency (FREE Savings) contracts program for Federal Government facilities; and

(11) shall produce information packages and ''how-to'' guides for each Member and employing authority of the Congress that detail simple, cost-effective methods to save energy and taxpayer dollars.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, SECOND SESSION

Vol. 144 WASHINGTON, TUESDAY, JUNE 23, 1998 No. 83

Senate

The Senate met at 9:29 and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, ultimate Judge of us all, free us from the pejorative judgements that put others down when they do not agree with us. We develop a litmus test to judge others. Sometimes, when they don't measure up, we question their value and make condemnatory judgements of them. Most serious of all, we think our categorization justifies our lack of prayer for them. Often we self-righteously neglect in our prayers the very people who most need Your blessing.

Give us Samuel's heart to say, ''Far be it from me that I should sin against the Lord in ceasing to pray for you.''—I Samuel 12:23. Remind us that You alone have the power to change the minds and hearts of people if we will be faithful to pray for them. Make us intercessors for all those You have placed on our hearts—even those we previously have condemned with our judgements. We accept Your authority: ''Judgement is mine, says the Lord.'' I pray this in the Name of Jesus who, with Moses and the prophets, taught us to do to others what we would wish they would do to us. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

SCHEDULE

Mr. COATS. Mr. President, today the Senate will resume consideration of the defense authorization bill. Currently pending to that bill is a Hutchinson amendment relating to China. It is expected that a tabling motion will be made on that amendment at approximately 10:15 a.m. this morning. Further votes could occur with respect to the defense bill prior to the 12:30 policy luncheon recess. Under a previous order, following the party lunches at 2:15, the Senate will proceed to a cloture vote on the defense bill. Members are reminded that under rule XXII they have until 12:30 p.m. today to file second-degree amendments to the defense bill.

The leader would like to remind all Members that there are only 4 days left before the Independence Day recess. There are still several important items to be considered this week, including appropriations bills, the conference reports accompanying the Coverdell education bill, the IRS reform bill, the Higher Education Act, and any other legislative or executive items that may be cleared for action also may be considered this week. Therefore, the cooperation of all Members will be needed to successfully complete the Senate's work this week.

I thank my colleagues for their attention.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. ALLARD). Under the previous order, the leadership time is reserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2057, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2057) to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Feinstein amendment No. 2405, to express the sense of the Senate regarding the Indian nuclear tests.

Brownback amendment No. 2407 (to amendment No. 2405), to repeal a restriction on the provision of certain assistance and other transfers to Pakistan.

Warner motion to recommit the bill to the Committee on Armed Services with instructions to report back forthwith with all amendments agreed to in status quo and with a Warner amendment No. 2735 (to the instructions on the motion to recommit), condemning forced abortions in the People's Republic of China.

Warner amendment No. 2736 (to the instructions of the motion to recommit), of a perfecting nature.

Warner modified amendment No. 2737 (to amendment No. 2736), condemning human rights abuses in the People's Republic of China.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 2737, AS MODIFIED

Mr. HUTCHINSON. Mr. President, am I correct in my understanding, the Warner-Hutchinson amendment is the pending business?

The PRESIDING OFFICER. Amendment No. 2737 is pending.

Mr. HUTCHINSON. Mr. President, I would like to speak for a few minutes about that amendment which I authored and which I anticipate Senator WARNER will move, at 10:15, to table.

It has become evident to me that tabling motions in this institution at one time were far more meaningful; that in this case there will be an effort to vote against tabling, simply for the purpose of making that vote meaningless. There are those who simply do not want a straight up or down, clean vote

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Printed on recycled paper containing 100% post consumer waste

on the substance of these amendments. What they want to do is cease embarrassing themselves by being seen voting against amendments that are supported broadly by the American people and are substantively what we ought to do: condemn forced abortion, deny visas to those who are performing them, condemn religious persecution, deny visas to those who are involved in it. Those are the kinds of things the American people support. But those who simply want to avoid having to cast that vote at this time are going to vote against tabling it and, by so doing, prevent any kind of clean up or down vote on the substance of these amendments.

There is no time agreement. We will have a cloture vote later today. So they seem to have found a means by which, on a parliamentary basis, they can avoid having to take a stand on what we need to be taking a stand about.

They will argue this is the wrong time; we should not do this on the eve of the President's departure for China. I would simply say, this amendment, really four amendments that have been now wedded together, this amendment strengthens the hand of our President as he goes to China. It gives him greater voice and it gives him a greater tool as both the House and the Senate will then have been on record on the substance of these amendments. The President will be able to express to the Chinese people, with the full backing of Congress, his deep concern about these issues.

How important this is, and how much progress still needs to be made in China, was very evident today by the headline in the Washington Times. The headline in the Washington Times this morning is: ''Beijing Pulls Visas of Three U.S. Reporters: Move Targets Radio Free Asia.''

In a move that is absolutely astounding, it shows that China simply doesn't get it. In a move that reflects the fact that they simply don't understand what freedom and liberty and a free press is all about, they have denied visas to three reporters previously approved by this administration to travel to China and to cover the events of the President's visit.

I have learned to appreciate more and more Radio Free Asia and the outstanding work they do and the outstanding job they perform and the outstanding coverage that they provide. Now we find that these three reporters are going to be denied the opportunity to go. The Chinese Government has refused to give them permission to come because—why? Because, apparently, they are afraid that some of that coverage might put the Beijing government in a poor light.

As I mentioned yesterday, in my remarks on the floor, Newsweek magazine chose this edition, on the eve of the President's trip, to highlight the new China. In fact, the cover article is headlined, ''The New China.'' I would only quote one portion of the article:

> In large measure, the central question surrounding Clinton's trip is whether China has really changed since 1989.
>
> Walking around the glittering shopping malls of Beijing, talking to the members of the newly affluent Chinese middle class, it is plain that China is not the country it was 9 years ago. Official language has changed; China's leaders no longer deny what happened in Tiananmen Square, but focus on what has happened since—an embrace of market economics and new political and legal rights. More important, on the streets and in the media, ''unofficial'' China is giving real shape to such rights.

I will repeat that last sentence, ''Unofficial China is giving real shape to such rights,'' political and legal rights, that is.

The question before this Senate is what is official China doing? And it is obvious from the headline in the Washington Times today, the story that they broke, that Beijing pulled the visas of three U.S. reporters, indicates what official China is doing today is yet, still, very deplorable.

In the State Department report on China for 1997, the human rights report on China, they have section 2, dealing with respect for civil liberties. In particular, they address this issue of a free press and our State Department's report says:

> There are 10,000 openly distributed publications in China, including 2,200 newspapers. During the year, the Central Propaganda Department instructed all provinces and municipalities to set up a special team to review publications.

Now listen:

> All media employees are under explicit, public orders to follow [Chinese Communist Party] directives and ''guide public opinion'' as directed by political authorities. Both formal and informal guidelines continue to require reporters to avoid coverage of sensitive subjects and negative news. Journalists also must protect State secrets in accordance with State Security Law. These public orders, guidelines, and laws greatly restrict the freedom of broadcast journalists and newspapers to report the news and leads to a high degree of self-censorship. In October leading dailies in China carried a translation of a major policy speech by a foreign official; however, a lengthy section on human rights was dropped from the translation.

I believe our State Department report on human rights conditions in China once again reflects very clearly how far China has to go and how deplorable civil rights and human rights conditions in China really are. And in the particular area of freedom of speech and press, we find there is a very, very rigid censorship that controls the media in China.

Nowhere was that censorship more evident than in Beijing's decision to pull the visas of these U.S. reporters seeking to provide coverage on the President's trip. I urge all of my colleagues in the U.S. Senate to read in its entirety the China Country Report on Human Rights Practices for 1997. It is in fact, I believe, a great eye-opener and deals not only with the area of the press, but deals with the issues of forced abortions and religious persecution which the amendment that is pending before this body deals with explicitly.

Mr. President, as we will be voting on this motion to table at 10:15 today, and we think about the issue of forced abortions, I have heard in recent days China apologists explain that really what is going on in China isn't all that bad. And the defense goes something like this: China's official family policy, family planning policy, forbids coercion; it forbids forced abortions or forced sterilizations. They will say that is the official position of the Chinese Government. The problem is, that has never been codified. It has never been written down.

So while the Beijing authorities will say, ''Yes, we do not tolerate forced abortions or coercion in family planning practices,'' that has never been codified and put into the law of the land in China.

The Chinese Government will acknowledge that local officials, under great pressure to meet population targets, sometimes utilize these coercive practices. So while they will argue this is not the public policy of China to permit coerced abortions, they will acknowledge, because such targets are placed and such financial incentives are placed over local officials, that local officials sometimes go over the edge and will use these coercive practices in enforcing the one-child policy in China.

In defense of the fact that these practices are tolerated, China will explain that it is a very large country, and it is simply impossible for the central Government to maintain and punish those who break the official ban on coercive family planning practices. That is the rationale that is given. China apologists, of which there are many in this country, will say, ''We have to be understanding. They don't officially permit this. It's local officials who get out of hand. And, after all, China is a big country. We can't expect they're going to be able to enforce this consistently.''

When I hear that rationale, what I immediately think of is the fact that, according to our State Department report, every known dissident in China has been rounded up and incarcerated. Somehow the central Chinese Government manages to monitor and find those who might speak out for human rights or for democracy or for freedom in China today. The central Government has no problem in enforcing their very rigid control of the population. And yet they want to excuse themselves from any kind of enforcement in preventing coerced family planning practices in China.

If the one-child policy results in pressure for local officials to engage in force, then the central Government ought to change that central Government policy and simply remove the kinds of incentives that have resulted from local officials coercing women to have abortions when they do not want to. If, according to our State Department, all dissidents have been silenced,

then surely the central Government that can monitor democracy dissidents all over the vast country can surely monitor and control rogue officials who practice these very horrendous procedures on unwilling women in China.

The Chinese authorities, in 1979, instituted the policy of allowing one child per couple, providing monetary bonuses and other benefits as incentives for that one-child policy. In subsequent years, it has been widely reported that women with one living child, who become pregnant a second time, are subjected to rigorous pressure to end the pregnancies and undergo sterilization.

Forced abortions and sterilization, Mr. President, have not only been used in Communist China to regulate the number of children, but to eliminate those regarded as ''defective'' under China's very inhumane eugenics policy. They call their law the natal and health care law. What a misnomer. This law requires couples at risk of transmitting disabling congenital defects to their children to use birth control or undergo forced sterilization.

China currently has legislation that requires women to be sterilized after conceiving two children, and they even go so far as to demand sterilization of either the man or the woman if traces of a serious hereditary disease is found in an effort to eliminate the presence of children with handicaps, to eliminate the presence of children with illnesses or other characteristics they might consider to be ''abnormal.'' That eugenics policy is abhorrent and it is morally reprehensible. It is the practice, it is the law of the land in China today.

The amendment that is before us would address this issue. It would put us on record in condemning this practice and be at least a symbolic step in denying visas to those for whom there is credible evidence are involved in the practice.

Chinese population control officials, working with employers and work unit officials, routinely monitor women's menstrual cycles, incredibly enough. They subject women who conceive without Government authorization—they do not have a certificate to conceive—to extreme psychological pressure, to harsh economic sanctions, including unpayable fines and loss of employment, and in some instances physical force.

It has been estimated that China commits about a half a million third-trimester abortions every year. Most of these babies are fully viable when they are killed. Virtually all of these abortions are performed against the mother's will.

Steven Mosher, the director of Asian studies at California's Claremont Institute, can personally account to seeing doctors carrying chokers. These chokers are similar to the little garbage ties that we use to tie up garbage bags. They are placed around the little baby's neck during delivery. The baby then dies of a painful strangulation over a period of about 5 minutes.

To my colleagues, I say a government that would force women to undergo these kinds of grisly procedures has no conception of and no respect for human rights.

On June 10, my colleague in the House, CHRIS SMITH, the chairman of the Human Rights Subcommittee on International Relations, held a hearing on this ongoing practice in China. Gao Xiao Duan, the former head of China's Planned Birth Control Office from 1984 to 1988, provided powerful testimony about what she went through, what she was called upon to enforce, and her own nightmarish experience until she was unable and unwilling to live with a guilty conscience because of what she was doing. She resigned. She left. She got out of that grisly business.

Well, it is that kind of practice, along with what I have in the past elaborated on related to religious persecution that is ongoing in China today, on which this body needs to take a stand. The House of Representatives voted for these measures, and voted for them overwhelmingly. The forced abortion provision in the House of Representatives passed by a vote of 415–1. And it is time that the Senate quit stalling and quit dragging its feet, quit avoiding these issues.

It is time that we faced the abuses in China forthrightly and honestly. And I believe, far from embarrassing the President as he makes this trip to China, it is incumbent upon us to strengthen his ability to address human rights issues at Tiananmen Square and in dealing and meeting with Government officials throughout China, throughout his 8-day visit in China.

So I ask my colleagues to rethink the desire of many to avoid a clean up-and-down vote on the substance of these amendments, which, frankly, I have heard no one get up and argue that this is the wrong position to take or this should not be the public policy of our country. Instead, I have heard vague talk that we should not vote at this time with efforts to try to avoid taking a clear stand on this issue.

I commend the Washington Post on their editorial today of June 23. I ask unanimous consent that editorial, ''The Case of Li Hai'' be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 23, 1998]

THE CASE OF LI HAI

Li Hai, 44, a former teacher at the Chinese Medical College, is serving a nine-year sentence in Beijing's Liangxiang Prison. His crime: assembling a list of people jailed for taking part in pro-democracy demonstrations in Tiananmen Square in 1989. From the Beijing area alone, he documented more than 700. Of those, 158—mostly workers, rather than students—received sentences of more than nine years and are presumed still held. Many were sentenced to life in prison, from a 22-year-old named Sun Chuanheng to a 76-year-old named Wang Jiaxiang. Li Hai himself was convicted of ''prying into and gathering . . . state secrets.''

We thought of Mr. Li as we read President Clinton's explanation in Newsweek yesterday of ''Why I'm Going to Beijing.'' Mr. Clinton wrote of the ''real progress—though far from enough'' that China has made in human rights during the past year. That progress, according to the president, consists of the release of ''several prominent dissidents''; President Jiang Zemin's receiving a delegation of American religious leaders; and China's announcement of its ''intention to sign'' an important international treaty on human rights. That's a rather threadbare litany, even before you take account of the fact that two of the three releases for which the administration takes credit relate to dissidents who have been forced into exile, and that China has not said when it will ratify the human rights treaty, even if—as President Jiang stated in a separate Newsweek interview—it signs the document this fall.

How meager these accomplishments in human rights really are becomes clear when you stack them up against the administration's own decidedly modest goals back in 1996, when it already had downgraded the priority of human rights. According to reporting by The Post's Barton Gellman, the Clinton administration offered China a package deal in November of that year: It would no longer support a United Nations resolution calling attention to China's human rights abuses if China would release seven prominent dissidents, sign two international treaties on human rights, allow the International Committee of the Red Cross to visit Chinese prisons and establish a forum of U.S. and Chinese human rights groups. When China failed to fully meet any of the demands, and rebuffed the United States on two of them, Mr. Clinton said that was good enough. This again calls to mind what is disquieting about his China policy: not that he is pursuing a policy of engagement but that the engagement too often is on China's terms.

Tomorrow Mr. Clinton will leave for China, the first president to visit since the Tiananmen massacre. His aides promise that he will speak out on human rights while there, and there is a chance he will meet with the mother of a student killed in Tiananmen. The first could be valuable if his remarks are broadcast on Chinese television; the second, an important symbol, especially because many relatives of Tiananmen victims continue to be persecuted and harassed. But Mr. Clinton's remarks, above all, should be honest. For the sake of Li Hai, the 158 he documented and the many he did not find, Mr. Clinton should not trumpet ''real progress'' in a human rights record where no such progress exists.

Mr. HUTCHINSON. I will quote a portion of that editorial today from the Washington Post:

Li Hai, 44, a former teacher at the Chinese Medical College, is serving a nine-year sentence in Beijing's Liangxiang Prison. His crime: assembling a list of people jailed for taking part in pro-democracy demonstrations in Tiananmen Square in 1989. From the Beijing area alone, he documented more than 700. Of those, 158—mostly workers, rather than students—received sentences of more than nine years and are presumed still held. Many were sentenced to life in prison, from a 22-year-old named Sun Chuanheng to a 76-year-old named Wang Jiaxiang. Li Hai himself was convicted of ''prying into and gathering . . . state secrets.''

We thought of Mr. Li as we read President Clinton's explanation in Newsweek yesterday of ''Why I'm Going to Beijing.'' Mr. Clinton wrote of the ''real progress—though far

from enough'' that China has made in human rights during the past year. . . .

Tomorrow Mr. Clinton will leave for China, the first president to visit since the Tiananmen massacre. His aides promise that he will speak out on human rights while there, and there is a chance he will meet with the mother of a student killed in Tiananmen. The first could be valuable if his remarks are broadcast on Chinese television; the second, an important symbol, especially because many relatives of Tiananmen victims continue to be persecuted and harassed. But Mr. Clinton's remarks, above all, should be honest. For the sake of Li Hai, the 158 he documented and the many he did not find, Mr. Clinton should not trumpet ''real progress'' in a human rights record where no such progress exists.

Mr. President, exactly so. We should not create progress where it does not exist. We should not pretend that there is progress where it has not been demonstrated. The exile of high-profile dissidents, their exile to the United States, people who are then told, you are free so long as you never return to your homeland, your fatherland—this is what is hailed as human rights progress? I, for one, will say no, that is not true.

The abuses are great. It is time that the U.S. Senate took its stand. It is time that the U.S. Senate quit avoiding our responsibility, as the elected representatives, to the people of this country and that we be willing to simply cast our own convictions on these amendments, that we not, through parliamentary tactics, through what is now called ''throwing a vote,'' try to make a vote meaningless by everyone voting contrary to their own beliefs so as to avoid a clear up-or-down vote on which the American people can make a judgment.

Let there be no mistake. Let's all understand what we are doing when we vote at 10:15 today. For those who are opposed to these amendments, to vote against tabling is a vote of deception to the American people. It may, in the minds of many, make this vote meaningless. Let us be sure in this country in which freedom reigns, in which the American people, I think, are quite discerning—they will be able to see through the charade of simply circumventing a vote on substance. They will be able to see the pretense of voting one way when you believe another, so that you can avoid voting on the substance and say this is a bad thing, for us to condemn forced abortions, we shouldn't do that; it is a bad thing for us to deny visas for those involved in it; it is a bad thing for the U.S. Government to condemn religious persecution, the persecution of minorities in China, Tibet. No one says that, and yet the efforts were made to avoid a substantive vote on these amendments today.

I mentioned just a moment ago the high-profile dissidents who have been exiled from their homeland, none of those more prominent than Wei Jingsheng. It has been my privilege and honor to get to know some of those dissidents, who have been exiled, who now in this country advocate for democracy in their homeland. The story of Wei Jingsheng is one of the most intriguing and most inspiring.

I am quoting now from Orvile Schell's ''Mandate of Heaven'':

Wei Jingsheng, a young electrician working at the Beijing zoo, and editor of a publication called ''Explorations,'' became one of the most trenchant critics of the Chinese Government. On December 5, 1978, he posted a critique of Deng's Modernization Program that insisted that modernizing agriculture, industry, science and technology and national defense without also embracing a fifth modernization, namely, democracy, was futile. That was his crime. He dared to critique his leaders' philosophy by saying, ''We may modernize agriculture, industry, science, technology, and defense, but unless we have structural change in the area of democracy, it will be futile.''

That was his crime.

Then Wei Jinsheng asked this:

''What is true democracy?'' his wall poster asked. It means the right of people to choose their own representatives, who will work according to their will and in their interests. Only this can be called democracy. Furthermore, the people must have power to replace their representatives any time so that these representatives cannot go on deceiving others in the name of the people. We hold that people should not give any political leader unconditional trust. Does Deng want democracy? No, he does not, asserted Wei. Then as if he were engaged in an actual face-to-face with Deng, Wei Jingsheng added, we cannot help asking, what do you think democracy means if the people do not have a right to express their ideas freely? How can one speak of democracy? If refusing to allow other people to criticize those in power is your idea of democracy, then what is the difference between this and what is euphemistically called the dictatorship of the proletarian?

Wei was soon arrested. Wei was sentenced to 15 years in prison on charges of having sold state secrets to a foreigner. In jail, he became a troublesome reminder of the party's arbitrary power to suppress political opposition, until he was finally released in the fall of 1993 in an effort by the Chinese government to enhance its chances of bringing the 2000 Olympic games to Beijing.

Mr. KERRY. Will the Senator yield for a point of inquiry?

Mr. HUTCHINSON. I am happy to yield.

Mr. KERRY. We have a vote at 10:15, and there are a couple folks who hope to make a comments. Could the Senator perhaps indicate to the Senate when he might be concluding?

Mr. HUTCHINSON. I was on the verge of concluding my remarks.

Mr. KERRY. I thank my colleague. I apologize.

Mr. HUTCHINSON. I was quoting from Orvile Schell's ''Mandate of Heaven,'' the background and inspiring story of Wei Jingsheng, who went to prison, spent many years in prison, because he dared to say democracy isn't democracy until there is freedom to criticize your elected officials.

The headline today in the Washington Time says it all: ''Beijing Government Denies Visas to Three Reporters.''

They do not understand freedom. We need to take a stand in this body to say that the practices and the human rights abuses that continue in China are wrong. If they will say that, we will do what is within our power to truly engage the Chinese, the Chinese government, by confronting them where they are wrong, encouraging them where they are making progress.

This administration has done too little. This amendment today can be a step in the right direction. It can be a step in which we take a forthright stand for human rights and convey a message as our President goes, convey a message to the Chinese Government, that human rights are taken seriously in this country, that human rights will not take a back seat to trade.

I yield the floor.

Mr. LEVIN. Mr. President, the amendment before the Senate raises very, very serious issues that I think all of us have some strong feelings about, hopefully on the same side of the issue. I can't imagine there is a Member of this body who would support religious repression, forced sterilization, forced abortion, or the other activities which too often occur in this world, including in China.

It is because this amendment raises such serious issues that it seems to me there are going to be many people who, understandably, are going to want to pursue what those issues are and to see whether we should not, indeed, address those activities, not just for China but for wherever they occur.

One of the questions which this amendment raises is religious repression—intolerable, anywhere. Intolerable, whether it occurs in China or in Saudi Arabia or any other country.

This amendment is aimed exclusively at China. The issues that it raises are incredibly serious; the activities that are described are incredibly reprehensible and deplorable, wherever they occur. The question is whether or not this country should adopt a policy of denying visas and, if so, whether or not it is a policy which is manageable; can we determine which of the hundred of thousands of visa applicants—for instance, which were issued to Chinese nationals—probably millions in other countries—can be investigated. If so, by whom and under what circumstances? Is it a practical policy?

On the Armed Services Committee, we have not held hearings on this. This is not something that comes within our jurisdiction. This is a Foreign Relations Committee issue, which they, hopefully, have either looked at or will look at. This has to do with the State Department and Justice Department, not the Defense Department.

So we are sitting here with a defense bill, being presented with a very serious issue that should be dealt with, I believe, generically, wherever the activity occurs, and it should be aimed at any country—not just at one, but all countries where these activities occur—and it should be a policy that can be implemented.

Does this amendment meet that test? I think there are people who feel that,

no, it doesn't. But it raises such serious issues that we ought to find a way to deal with these issues. I am one of those people. I am second to none in terms of my opposition to religious repression. My family has felt enough of that through our generation. I am second to none in terms of what I believe is the reprehensible character of a forced abortion or a sterilization policy. We don't have to take second seats to each other in terms of our abhorrence of those kinds of activities. But I would hope that, as a body that tries to deliberate on a policy and apply it wherever it should be applied, we would take enough time to ask ourselves if forced abortion is reprehensible, and do we want anybody who perpetrates it to have a visa. If so, apply it uniformly; if not, apply it uniformly.

We have an amendment which says the top leaders of the country—the policymakers—are exempt from the denial of a visa. The Cabinet officers in China, presumably, who make policy, can get visas; but any 200,000 nationals of China are supposed to be investigated to see whether or not they implemented a reprehensible policy. You let the Cabinet officers off the hook, but the 200,000 nationals beneath the Cabinet officers are the ones whose visa applications presumably are supposed to be investigated. Why are we letting the policymakers off the hook? Why do they get visas to come in here, but people who may or may not have been implementing the policy are the ones whose visa applications will be investigated?

We have a 1,500-page book, ''State Department Analysis of Human Rights Violations Around the World.'' It is a very useful book. Just open to a page just about anyplace—on page 1,561 it relates to Saudi Arabia: ''The Government does not permit public non-Moslem religious activities. Non-Moslem worshipers risk arrest, lashing and deportation for engaging in religious activities that attract official attention.''

Now, the policy of denying visas may or may not be workable, but we surely ought to apply it uniformly where the activity is as reprehensible in one country as it is in another. But the amendment before us doesn't do that. It singles out a single country; it singles out 10 pages of those 1,500 pages and says that this is where we are going to apply the visa denial policy. Is that what we want to do as a Senate? Should we take the time to decide whether or not we want to do it that way? I think we ought to. Is a policy of religious persecution or forced abortion as reprehensible if it occurs there, as well as if it occurs elsewhere? I think it is.

So what we have before us is a very, very sincere effort to address a real human rights problem—more than one—pages and pages of human rights problems in China. I said 10, but I wasn't sure; it could be 50 for all I know. These are huge human rights violations in China—huge. The Senator from Arkansas is correct in pointing them out, in my book. I give him credit for pointing them out. But there are issues that are raised, which must be addressed by a Senate that is serious about addressing these issues uniformly, generically, wherever they exist. In my book, that is what we should try to find a way to do.

Can we do this on a defense authorization bill? I do not believe that we are going to be able to resolve these issues here. Should we acknowledge that the issues are indeed real ones? I think we should find a way to do that.

So there is going to be some real reluctance, in my judgment—honest reluctance, may I say to my friend from Arkansas—to table an amendment from those who nonetheless have questions as to whether or not this amendment should apply to people who engage in activities wherever they engage in them, not just in China, and should apply to top level officials, not just to the 200,000 nationals beneath them who applied for visas. So however people vote on the motion—and I hope everybody is troubled by the activity equally and with the same commitment and passion as our friend from Arkansas—I believe that will reflect, in their judgment, a decision as to whether or not the issue is an important issue, as I believe and I think all of us believe it is, but also how do we deal with it on a defense authorization bill. That is an honest dilemma that people feel.

So the suggestion that people who will vote against tabling may disagree with the Senator from Arkansas, I don't believe is a fair accusation about many of us who will vote against tabling. Many of us who will vote against tabling have a lot of issues that we feel should be resolved relative to the issue that has been raised by the Senator from Arkansas—honest, legitimate improvements that could be made or considerations that could be made on the points he has raised, including the few that I have just enumerated here. Do we want to apply this to top officials? If so, why are they given exemption? Do we want to apply it wherever the activities occur, not just in China? If so, why is this limited to China? Is this a workable process when you have millions of visa applications—200,000 from China alone? We don't know on the Armed Services Committee. We have surely not had an opportunity to have a hearing into this subject, which I think would have been highly useful prior to this amendment coming to the floor.

Mr. President, there will be an effort, I know, to table this, or a motion that Senator WARNER hopes to make around 10:15. I know there is at least one other speaker who wants to be heard.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, there is no more important role that the U.S. Senate plays than its role to advise and consent on treaties, as well as its larger role on foreign policy. In the 14 years that I have had the privilege of serving in the U.S. Senate, I have watched the Senate choose carefully, usually, how it exercises that authority.

We have had some great debates here in the Senate at appropriate times over issues of enormous consequence to our country. And our efforts have usually been—I can remember some of these debates very well, whether it was over the Contras, or over the appointment of nuclear weapons in Europe, or over relationships with China previously—that where Presidents have been executing their constitutional authority on behalf of our country to engage in direct diplomacy, the Senate has tried normally to exercise both restraint and good judgment about what we choose to take up, when, and how as it might affect those policies.

I know that there has always been a conscious effort in the Senate to try to be judicious about respecting the ability of the President of the United States to speak for the country. I know from personal history here that there were times when President Reagan, or President Bush may have been poised to travel to another country and engage in direct diplomacy, and we were beseeched by our colleagues not to raise X, Y or Z issue in a particular way, not to raise it but in a particular way that might do mischief to the larger interests of the country.

I simply am confounded and disturbed and troubled by what is happening here.

One might ask the question: What has happened to the U.S. Senate? What has happened to the disparate issues within this body where we try to reach across the aisle in the interests of our country and put politics aside just for a few days and a few hours?

There isn't anybody in the U.S. Senate who doesn't understand how horrendous the policies of China are with respect to human rights. And there are 365 days a year where we can choose to make that clear in any number of ways, and we do, whether in hearings, or in press conferences, or even in legislation. But to be coming to the floor of the U.S. Senate the day before the President of the United States leaves to speak for our country—not for a party, for our country—and diminish the capacity of that President to go to China carrying the full measure of support of the Nation is nothing less than mischievous and partisan.

I think it is entirely appropriate for any Senator to give any speech he or she wants whenever he or she wants. Any Senator can come to the floor at any time and raise an issue. That is appropriate. Any Senator can have a series of press conferences. Any Senator can introduce legislation. But what are we doing amending the Foreign Relations Authorization Act on the Defense Act without even having hearings within the Foreign Relations Committee? And why is it that we are suddenly

discussing satellite technology when everybody knows that about every committee in the U.S. Senate has an investigation going on and none of them have reported back? None of them they have reported back. Yet, here we are with legislation on satellite technology which has no purpose other than to try to play a partisan political hand.

What is horrendous about this is that it isn't just transparent. It isn't just partisan. It isn't just obvious. It is dangerous. It is damaging.

It diminishes the ability of the President to go with a sense that he has sort of a clear playing field, if you will, an ability to be able to play out what has been a carefully thought-out, several-month strategy of how to engage in this particular summitry.

It has already been made difficult enough by another set of issues. India and Pakistan have altered 50 years of understanding with respect to nuclear weaponry. We have huge issues about Tibet, enormous issues about the Asian flu. Holding China to its promise to maintain the valuation on its currency, not to devalue; enormous issues with respect to Burma, Cambodia where they are trying to hold elections and restore what was a huge U.N. investment in democracy; enormous interests with respect to the South China Sea; relationship with the Spratly Islands; China and its aggressiveness within that region; a whole set of any issues with respect to North Korea as a consequence of what has happened with respect to India and Pakistan and North Korea's statements that they now want to move to abrogate the agreements that we reached with respect to nuclear weaponry and nuclear power.

Those are substantive, significant, enormous issues that go so far beyond day-to-day partisanship and concerns of party. It is mind-boggling.

So what excuse is there for turning the defense authorization bill into a bonanza for political gamesmanship with respect to China on the eve of the President leaving? I think it is inexcusable, notwithstanding the merits of the amendment. No one is going to argue the merits of the amendment. What American is going to stand up and say, ''Oh. I am for forced abortion?'' I mean is this really the issue that we ought to be dealing with in the context of DOD right now? No. It certainly is an issue worthy of dealing with at any time. And I am confident that the President of the United States could raise that and a whole host of issues with the Chinese.

This morning we had a breakfast with the Secretary of State talking about her trip to China. I didn't notice the Senators of concern here with these amendments at that breakfast working on what she might be raising. I didn't notice them at a number of briefings recently with Sandy Berger or other people working on the precursor effort to lay down what might happen there. There is a world of difference between trying to achieve these things, and in a realistic way, and playing out the politics on the floor of the U.S. Senate.

Mr. President, I cannot say enough. This institution has a great tradition. And some of that tradition is a great part of history. Senator Vandenberg made a name that stays in history based on a willingness to reach across the aisle. Traditionally, every time we have ever seen a President go, I have heard talk on the floor of the Senate about how we ought to be judicious and how we ought to be cautious and how we ought to strengthen the hand of the President and not engage in this kind of politics, as appropriate as the substance and merits may be. And they are. There is no issue about the substance and the merits here; none whatsoever. It is 100 to nothing as to what you are going to do. But that is what even makes more of a mockery of the politics of it because it is 100 to nothing, because this is so clear it even underscores more, I think, the meddling nature and the politics of what is happening here.

Mr. President, I know there is a desire to try to have a vote now. I am saddened to see the Senate engage in this kind of activity in the hours before the President of the United States goes to engage the most populous nation in the world and a nuclear power in the most serious set of discussions we have had in a long time, in my judgment. It is so inappropriate that I think we should just not have a series of votes on this measure until we make up our mind that we are going to legislate intelligently and seriously about the issues of the defense authorization bill and not a set of larger foreign policy goals.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The distinguished Democratic leader is recognized.

Mr. DASCHLE. Mr. President, I know that everyone is expecting a vote shortly, and the distinguished Senator from Virginia has noted that he will be making a motion to table in just a moment. But I want to take a couple of minutes simply to applaud the two previous speakers.

Let me thank the distinguished Senator from Michigan and the Senator from Massachusetts both for their eloquence and their passion with which they articulated their views. Clearly these issues deserve a lot more attention and consideration and careful thought than what they have been given so far.

We have heard a couple of speeches; that is it. As the Senator from Michigan has noted, these deserve an opportunity to be heard and thoughtfully considered in ways that ought to include committee consideration, ought to include other amendments, ought to include other countries. And that, in essence, is what argument the Senator from Michigan made, I think, with a great deal of authenticity and authority this morning.

Then the issue of timing. Mr. President, if there was ever a question about what it was these amendments were truly designed to do, it is simply, as the Senator from Massachusetts noted, designed to embarrass the President of the United States on the eve of his trip.

That is what this is about. And I hope Republicans and Democrats understand, what comes around goes around. And I hope everyone understands that, in the past moments of equal import, this isn't what the Senate did, this isn't the way the Senate operated; on a bipartisan basis, we would send the head of state off to another country with a clear understanding that we would stop at the water's edge when it came to sending the wrong message, that we would send President Bush to another country with the realization that we were behind him, that we would send President Reagan to Reykjavik with a clear understanding that he had very big issues he had to deal with and we were going to protect his right to stand united for this country in negotiations as important as they were.

Time after time, in situation after situation, we put politics aside. We knew what we had to do. We knew there was a time for politics, there was a time for issues, and there was a time to pull together as Americans, saying, look, we don't support you, Mr. President, on virtually anything, but when it comes to this, what could be more important?

Well, there are some in this Chamber who have come to the conclusion that that is no longer the way we do business here. We do not care what message we send about the importance of American unity. We do not care whether progress is going to be made on a historic trip of this kind. We do not really care whether or not he comes back with a collective appreciation of new accomplishments having to do with trade and maybe even human rights and shipments abroad and abortion and all of the other issues dealing with human rights. That doesn't matter, because we want to make our points on the Senate floor.

Mr. President, I hope we take a collective step back. I hope we take a good look at what message this sends. And I will tell all of my colleagues, I see this as a procedural vote. I am not going to vote to table, because I am not going to allow one single vote on China this week. And if we are going to play this game, we are not going to have any votes on defense either. I am going to be voting against cloture, because I don't want to see any votes on defense, any votes on China, any votes that are as reckless as they would be cast were we to have votes this afternoon or on any other issue regarding China or other matters pertaining to defense.

So it is over. We might as well pull this bill. We are not going to have those votes. We are not going to embarrass this President. We are going to stick to procedural votes, and we will let everybody make their own decision. But we are not going to have votes on substance when it comes to issues of this import.

So, Mr. President, that is my position. I hope my colleagues will subscribe to it. I hope that we can come back to our senses and do the right thing, come together in a bipartisan way and send the right message. We are not doing that right now.

I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, as one of the comanagers of this bill, together with the distinguished chairman of the committee, Mr. THURMOND, I receive that news as very disheartening. It is imperative that the defense bill go forward. As you know, Defense Appropriations is prepared to complete their work. And if you get out of sync the authorizations/appropriations cycle, it does not work to the benefit of the overall Department.

On this issue, there is a bipartisan feeling. I am going to move to table, against the will of a considerable number of my colleagues, and I know that there are others here who are going to join me; I don't know what in number. So it is not, I think, quite the political structure as our distinguished Democratic leader has observed.

So, Mr. President, what I would like to do is to ask unanimous consent that I be recognized in 5 minutes for the purpose of tabling, and that 5 minutes is to accommodate the Senator from California so that she might make her remarks.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. Is there an objection?

Mr. COATS. Reserving the right to object, if there is going to be additional time allotted—the Senator from Arkansas spoke; the Senator from Massachusetts spoke—if there is going to be additional time allotted, I believe it ought to be allotted on an equally shared basis. If additional Senators are going to speak, this Senator would like to speak for an equal amount of time, whatever that time is.

Mr. WARNER. I know the leadership is quite anxious to have this vote. Why don't we just ask for—say I be recognized in 8 minutes—for 4 minutes on this side and 4 minutes on this side in the control of—does the Senator from Indiana wish to control the 4 minutes?

Mr. COATS. I would be happy to.

The PRESIDING OFFICER. Is there an objection?

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Reserving the right to object, let me inquire of the manager, the Rose Garden signing for our agriculture research bill occurs at 10:30. My hope had been that the vote would occur—I think that perhaps was the manager's intent—so that those of us involved in that legislation could be there. Therefore, the additional time gives some of us a problem.

Mr. WARNER. Mr. President, if I might just speak with the Democratic leader.

Mr. President, we did our very best to accommodate the Senator from California. The Senator from Virginia now moves to table amendment No. 2737 and asks for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2737. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Rhode Island (Mr. CHAFEE), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. SPECTER) is absent because of illness.

The result was announced—yeas 14, nays 82, as follows:

[Rollcall Vote No. 167 Leg.]

YEAS—14

Cochran	Lugar	Smith (OR)
Grams	McCain	Stevens
Hagel	Robb	Thomas
Jeffords	Roberts	Warner
Lieberman	Roth	

NAYS—82

Abraham	Enzi	Lautenberg
Akaka	Faircloth	Leahy
Allard	Feingold	Levin
Ashcroft	Feinstein	Lott
Baucus	Ford	Mack
Biden	Frist	McConnell
Bingaman	Glenn	Mikulski
Bond	Gorton	Moseley-Braun
Boxer	Graham	Moynihan
Breaux	Gramm	Murkowski
Brownback	Grassley	Murray
Bryan	Gregg	Nickles
Bumpers	Harkin	Reed
Burns	Hatch	Reid
Byrd	Helms	Rockefeller
Campbell	Hollings	Santorum
Cleland	Hutchinson	Sarbanes
Coats	Hutchison	Sessions
Collins	Inhofe	Shelby
Conrad	Inouye	Smith (NH)
Coverdell	Johnson	Snowe
Craig	Kempthorne	Thompson
D'Amato	Kennedy	Thurmond
Daschle	Kerrey	Torricelli
DeWine	Kerry	Wellstone
Dodd	Kohl	Wyden
Dorgan	Kyl	
Durbin	Landrieu	

NOT VOTING—4

Bennett	Domenici
Chafee	Specter

The motion to lay on the table the amendment (No. 2737) was rejected.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. LOTT. Mr. President, I ask for division on the Hutchinson amendment.

The PRESIDING OFFICER. The amendment is divided.

The Democratic leader.

Mr. DASCHLE. I ask for the yeas and nays on the amendment.

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

The yeas and nays were ordered on division I.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. HUTCHINSON. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HUTCHINSON. Mr. President, I inquire of the Senator from California as to how long she would foresee speaking? There were a number of comments made as to my motivation on this amendment and questioning the timeliness. I would like to have an opportunity to respond.

In addition, we have a division on the amendment and I would like to speak to that division of my amendment.

Rather than yielding for a lengthy speech, I think we need to proceed with the division.

Mrs. FEINSTEIN. Mr. President, if I may respond, I will try to truncate my remarks to the distinguished Senator.

This is a major interest of mine. I believe I have some things to say about the resolution, the situation in general, which have some merit. There is no time agreement at the present time, and I have been waiting.

I would like to make my remarks in their entirety.

DIVISION I OF AMENDMENT 2737, AS MODIFIED

Mr. HUTCHINSON. Mr. President, the pending business is the division, the first amendment dealing with forced abortions. I would be glad to yield 5 minutes to the Senator from California to make some remarks, but I would really like——

The PRESIDING OFFICER. The Presiding Officer would observe there is no time agreed to.

The Senator from Arkansas has the floor.

Mr. HUTCHINSON. I ask unanimous consent that the Senator from California be granted 5 minutes.

Mr. DASCHLE. I object.

The PRESIDING OFFICER. An objection is heard.

Mr. HUTCHINSON. Mr. President, the amendment before the Senate deals with forced abortions, forced abortions in China. Some of the comments earlier regarding this amendment questioned my motivation in offering——

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

There was an objection to the request by the Senator from California in regard to her request, so the Senator from Arkansas has the floor and the Senator is recognized.

Mr. HUTCHINSON. I thank you, Mr. President.

Questions were raised as to my intention and motivation in offering an amendment on forced abortions in China. I would like to point out to my colleagues who question my motivation of the timing of the amendments, these are amendments, word for word, that passed the House of Representatives last year. They passed the House of Representatives last year.

Mr. KERRY. Will the Senator yield?

Mr. HUTCHINSON. I will not yield for a question at this time.

The PRESIDING OFFICER. The Senator declines to yield.

The Senator from Arkansas is recognized.

Mr. HUTCHINSON. The question was raised as to the timing of these amendments being offered. The accusation was made this is strictly to score political points. I have no desire to score political points. I would have greatly desired to have the amendments voted on 1 month ago, 2 months ago, or 6 months ago.

Those who have followed the China policy debate will be well aware that these amendments passed the U.S. House of Representatives last year, have been pending in the Foreign Affairs Committee in the Senate for months, and have languished in that committee without having a hearing.

Therefore, I think it was perfectly appropriate to file these amendments. The forced abortion amendment was filed more than a month ago on the Department of Defense authorization bill. The provision in the overall amendment dealing with religious persecution in China was filed May 18, well over a month ago.

I remind my colleague there was never any intent that somehow this debate, on the eve of the President's trip to China—if we had not had a 4-week hiatus in debating tobacco in this Chamber, perhaps we would have had DOD up a month ago and would have had an opportunity to have these amendments voted on a month ago. But that wasn't the case. To question my motivation and the motivation of many of my colleagues who feel very deeply about the human rights abuses that are ongoing in China today, I think, is to do us a disservice; and to question our patriotism is wrong. In fact, to question our support for the President as he makes this trip is wrong, because I do support him. To the extent that he will raise human rights issues, to the extent that he will engage Chinese leadership on nuclear proliferation and proliferation of weapons of mass destruction, and to the extent that the President will engage the Chinese leadership on trade issues, I support him for that. I am glad for that. I believe the amendments I have offered will strengthen the President's ability to deal with the Chinese Government on these sensitive human rights issues.

We have talked somewhat about the forced abortion provision. I think it is an important part of this. The very powerful subcommittee hearing that Congressman CHRIS SMITH had only a couple of weeks ago, which received wide publicity, perhaps brought to a new level the awareness of the American people regarding the terrible practice of coerced abortions and coerced sterilizations in China today. That is the amendment that is before us at this time.

People have questioned why we should deal with China and not deal with the broader context of a host of human rights abuses that exist around the world. During the course of the debate on China, I have heard repeatedly that we should not try to isolate China and that one out of every four people in the world lives in China. That is why it is worthwhile for us to deal with the human rights abuses in this nation singularly and specifically. And, truly, the kinds of practices that have been all too commonplace in China deserve our attention.

I also point out to my colleagues that the issue before us in this amendment is not one of being pro-life or being pro-choice, because people on both sides of the life issue condemn the kinds of practices that are going on in China today in which coerced abortions are used in too many cases, where the one-child family planning policy has not been adhered to.

So I believe that not only is this a timely amendment, in the sense that it passed the House last year and has been languishing—we have not had an opportunity. Amendments were filed over a year ago. It is quite appropriate that we deal specifically with the case of China and the abuses that are going on there. Once again, had the President delayed the trip, if he were going in November, I would still be pushing for these amendments to be voted on now. I am not a Johnny-come-lately to the China debate. We were involved in this during the MFN debates during my 4 years in the House. This is an issue I feel strongly about. It is an issue I am simply not going to be quiet about. I think if we are to highlight the kinds of freedoms that we as Americans cherish on the eve of our President's trip to a country that is repressed—and today we found out that even three reporters with Radio Free Asia are being denied visas—this is an opportunity for us to do it. We can do it in this country by even disagreeing, at times, with the foreign policy of our country.

(Mr. GRAMS assumed the chair.)

Mr. KYL. Will the Senator yield for two questions?

Mr. HUTCHINSON. Yes, without losing the floor, I will be glad to yield for a question.

Mr. KYL. The Senator just mentioned the denial, or the reported denial, of visas for three people from Radio Free Asia who, as I gather, wanted to be part of the trip to China and to accompany the President's entourage to report on defense. Do I understand that to be the news report that the Senator from Arkansas was just referring to?

Mr. HUTCHINSON. I say to the Senator, it is my understanding that they had already been approved by the administration to travel to China and that it was only at the 11th hour that the Chinese Government denied their visas and their right to go and provide coverage for the President's summit in Beijing.

Mr. KYL. Right. It seems to me—and this is the predicate for my second question—many of us are uncomfortable with some of the sanctions that we have automatically initiated. I personally have some concern about the sanctions on India and Pakistan, for example, notwithstanding the objection, of course, to what they did. The question has been asked: If not sanctions, then what?

I remember when I was in the House of Representatives asking the question of the then-Secretary of Defense, what kind of foreign policy options do we have diplomatically, economically, militarily, and so on, if we are not going to invoke sanctions, trying to affect policies in other countries that we have deep disagreement with, including the kind of policies the Senator from Arkansas was talking about. One of his answers was that there are literally hundreds of decisions each week that are made by various Departments of the U.S. Government, as well as private entities, that have some impact on our relationships with another country.

One of the things I recall having been mentioned was visa policy, for example. Now, the Chinese Government appears to be using the granting or denial of visas to make points with respect to their foreign policy. If the Senator from Arkansas is correct—and I recall the news report this morning—they are actually denying the visas of three people whom they have a beef with because they have been involved in sending signals, radio transmissions about freedom, to their country, and apparently they don't like that. One way of dealing with it is to deny the visas of these three people—at least, if I have that correct.

My question to the Senator from Arkansas is: Is it his view that policies such as dealing with visas of people wanting to travel from another country to China are perhaps another more focused, more targeted, more sophisticated way to deal with some of these policy issues than just slapping on sanctions—although there are appropriate sanctions—depending on what the situation is?

Mr. HUTCHINSON. I appreciate the question. I think the Senator is exactly right, that visas and the denial of visas can be used to make a political point.

The irony of the vote we just cast has not been lost upon you. I hope it hasn't been lost upon the people of the United States. We basically denied a vote and we rejected the possibility of voting up or down on denying visas for those where there is credible evidence that they are involved in forced abortions or religious persecution. We do that on the day that, as the news reported, the Chinese denied visas to those seeking to report on news events, to report to the people of China what is going on at the summit.

So it is highly ironic. I know Senator KYL has been greatly involved in the broader reform of our sanctions laws. I think that is a worthwhile endeavor. But that effort does not preclude us from taking these kinds of narrowly targeted actions. That is why the amendment dealing with forced abortions and the denial of visas to those involved in forced abortions and forced sterilization is an appropriate step for us to take, short of MFN, short of trade sanctions, but still with the ability to send a very powerful message.

Mr. KYL. May I ask one other question?

Mr. HUTCHINSON. I will yield for a question without losing my right to the floor.

Mr. KYL. The headline is ''Beijing Pulls Visas of Three U.S. Reporters; Move Targets Radio Free Asia.''

Deep in the article, it is noted that the three reporters were not all American citizens, but that is really irrelevant to the point here. The point is that the Chinese Government, apparently, uses the granting or denial of visas as a way to effectuate aspects of its foreign policy. It would be difficult, therefore, it seems to me, for the Chinese Government to argue that there is anything wrong with the United States Government using that same kind of visa authority to make points with respect to our foreign policy.

My question is this: If it is United States policy that the kind of forced sterilization and abortion policy China has is inimical to the human rights and freedoms that we enjoy here in the United States and have urged upon the Chinese people, then why would it be inappropriate for the United States Government to use the very same—let me rephrase the question. What would lead us to think that the Chinese Government would have any right to object to the use of visa policy, since the Chinese Government itself has used visa policy to effectuate their foreign policy considerations?

Why would there be any objection, per se, to the use of visa policy by the United States?

Mr. HUTCHINSON. Your logic is compelling. There should be no objection to the United States utilizing denial of visas as a furtherance of our foreign policy and our belief in human rights, because it is now obvious that it is the practice of the Chinese Government, when they feel it is in their security interests or their national interests, to deny visas. They have no compunction about doing that. In fact, to me, as we look at the buildup to this trip, there has been a lot of give and take, a lot of negotiating that has gone on. It seems to me that we have made many concessions in leading up to this trip. We have been concerned about embarrassing, about causing them to lose faith, about being insensitive to their situation. But for the Chinese Government to deny visas for Radio Free Asia reporters I think is a tremendous kick in the teeth to the American Government and to the American people, who value the freedom of the press so preciously and put such high esteem upon that freedom.

So it is unfortunate that this has happened, and it is, I think, all too reflective of the attitude of the Chinese Government toward the freedom of the press and freedom in general to have made this clampdown. They just do not seem to get it—rounding up dissidents in Tiananmen Square in preparation for the President. We would rather have a protester there. How heartening it would be to the American people to see someone holding up a sign saying ''Free Tibet'' there in Tiananmen Square. But no. Their idea is stability at all costs, even if that means repression of the Chinese people.

Mr. ASHCROFT. Will the Senator yield for a question?

Mr. HUTCHINSON. I yield to the Senator from Missouri while controlling the floor.

Mr. ASHCROFT. If I am not mistaken, Congressman SMITH held a pretty dramatic set of hearings, and there was testimony at the hearing about forced abortions in China. Is the Senator aware of that hearing?

Mr. HUTCHINSON. I am quite aware of that hearing.

Mr. ASHCROFT. I suppose that the Senator is aware of the testimony that was given at that hearing.

Mr. HUTCHINSON. I say to the Senator from Missouri, in answering the question, that I am quite aware of the testimony. I have examined closely the testimony that was presented, especially by Ms. Gao Xiao Duan.

Mr. ASHCROFT. Is this the woman who was there at the site, understanding exactly what was happening there?

Mr. HUTCHINSON. She was actually the director, it is my understanding, and supervised and implemented the one-child policy.

Further yielding for a question.

Mr. ASHCROFT. So she was the person who was implementing a one-child policy, which was a policy of forcing abortions for subsequent pregnancies.

Mr. HUTCHINSON. That is my understanding. And she was quite accurate in her testimony.

Mr. ASHCROFT. Did she say there were techniques used to make people get abortions, that there was intimidation?

I have heard they threatened to burn houses and that they did other things that would intimidate individuals.

Was that part of the testimony?

Mr. HUTCHINSON. It indeed was.

Let me read one statement that Ms. Gao Xiao Duan made in her testimony. She said, ''In all of those 14 years I was a monster in the daytime injuring others by the Chinese Communist authorities' barbaric, planned birth policy. But, in the evening, I was like all other women and mothers enjoying my life with my children. I could not live such a dual life any more. To all those injured women, to all those children who were killed, I want to repent and say sincerely that I am sorry.''

That was very powerful testimony that she presented that day.

She did talk about methods of intimidation and the fines that were enforced, as well as the physical intimidation, and the carrying them off to jail if they refused to have an abortion, and the very severe physical methods that were used, as well as the financial.

Yielding for a question.

Mr. ASHCROFT. There was incarceration. I am asking the Senator: If the woman refused to get an abortion, she would be hauled off to jail?

Mr. HUTCHINSON. That is correct.

Mr. ASHCROFT. Beyond that, they would take the resources, by fining her, that she might otherwise use to support her family.

Mr. HUTCHINSON. The Senator is correct. They called them—''population jail cells'' was the terminology that she used. Women were rounded up, held in population jail cells, forced and coerced to submit to the killing of their children. There was, I think, an eye opener for the American people to hear this very powerful testimony.

Mr. ASHCROFT. This is the testimony of an individual who was involved in the practice. Is this some American reporter who has testimony or an individual who was part of this operation?

Mr. HUTCHINSON. In responding to the question of the Senator from Missouri, she was the former head of China's planned birth control office from 1984 to 1998. For 14 years she held that position. Only recently did she leave.

Mr. ASHCROFT. Was her testimony such that this was an isolated incident, or was her testimony that this was the kind of pattern or practice that had been done over a term of years?

Mr. HUTCHINSON. It was presented as being a very common practice. I think maybe that was part of what was so shocking. I say to the Senator from Missouri, in response to the question, that the presentation in defense of China has been that these are isolated instances of coerced abortion and forced sterilizations, that they are in remote areas, difficult areas to enforce, that the central Government doesn't approve of this, local forces simply do it on their own. I think the testimony of this person, who was the head of the office, actively involved in it, demonstrates this was a very systematic, planned program of coercion that was used across the nation in villages and cities.

Mr. ASHCROFT. I take it the Senator doesn't use the word ''coercion'' lightly. This isn't just an abortion clinic; this is a place where people were forced to go to have abortions.

Mr. HUTCHINSON. The Senator is correct. I did not use the term ''coercion'' lightly. I think ''coercion'' has to be beyond merely fines, although fines can very be intimidating. Homes were wrecked and destroyed, and the person wasn't able to pay the fine, if they violated the one-child policy.

I yield for a further question.

Mr. ASHCROFT. Is the Senator telling me that if the person was jailed and fined and the fines somehow didn't deter the individuals, their homes were destroyed?

Mr. HUTCHINSON. The Senator is correct. That is why I think the term ''coercion'' is the proper term, because it involved physical force. They would be physically removed. They would be taken to jail cells. They would be forced to have an abortion.

Mr. ASHCROFT. The Senator's amendment is designed to say that the United States of America—I am asking the question—will not extend visas to individuals who were involved in this kind of coerced abortion activity?

Mr. HUTCHINSON. Responding to the Senator, this amendment condemns the practice, which I am sure everybody in this Chamber would. It goes further and says that visas will be denied to those individuals for whom there is credible evidence that they have been involved in perpetrating the practice of coerced abortions. That credible evidence would be determined by the Department of State, by the Secretary of State herself, if need be.

When we talk about enforcement, when we talk about the number of people involved, we are talking here, speaking in this amendment, about credible evidence, and there are human rights groups as well who monitor the conditions in China, who monitor human rights abuses in China, who come forward with reports. And there will be and has been from time to time evidence of individuals who are involved in this horrendous practice. We would say those individuals for whom there is credible evidence that they have been involved in forced abortions should not be allowed to receive a visa and travel to the United States.

Mr. ASHCROFT. May I ask the Senator one more question?

Mr. HUTCHINSON. I will be glad to yield for a question.

Mr. ASHCROFT. So the Senator's amendment is not to deny a visa to someone who had an abortion or someone who has participated in an abortion clinic that wasn't a coerced abortion. You are just focused on this situation where people were intimidated, coerced, sometimes jailed, sometimes fined, sometimes actually had their homes demolished to force them to destroy an unborn child. Your amendment focuses on persons who are involved in that kind of coercive behavior to force individuals—who want to preserve the life of the child—to destroy the child. Those individuals are the ones that would be denied a visa to enter the United States by this amendment.

Mr. HUTCHINSON. In response to the Senator's question, it is the perpetrator that we are concerned about, it is the person who is enforcing this terrible inhumane policy, brutal policy, grizzly practice of the Government. This certainly isn't the victim. This is a very pro-victim amendment. We want to defend the rights.

I might add again, as I said before, that this is not a pro-life, pro-choice issue.

We are dealing here with a practice that is condemned by all civilized societies and that is coerced; forced abortions using physical force to compel a woman to have an abortion against her will. To vote on this, whether it was a month ago, or whether it be 6 months ago, or on this, the eve of the President's trip, in no way would undercut the ability of the Chief Executive of this country to speak about our foreign policy and our values as a people. In fact, I believe sincerely this will strengthen the ability of our Chief Executive, our President, to go to China, to go to Beijing, to speak with Chinese officials and to defend our values with the full support of the Senate and the House of Representatives and the American people.

Mr. ASHCROFT. May I ask another question?

Mr. HUTCHINSON. I will yield for an additional question.

Mr. ASHCROFT. The Chinese have intimated that they can't control coercive abortion activity in remote regions. I think the testimony we have heard belies that, but the Chinese officials say this is in remote areas. Would the Senator say that China also is unable to control political discussion and political dissent, or are they pretty good at controlling political dissent and just not very good at controlling coerced abortions?

Mr. HUTCHINSON. In response to the Senator's question, what belies the contention that this is a matter of enforcement, what belies the defense that the China apologists make that these are remote areas, it is a vast country, that there is no possible way to prevent some of these abuses, what belies that is, in fact, our own State Department's report which indicates that all political dissidents have been rounded up; that they are—if you hold a protest in some distant province, I assure you the central Government is going to know about it and that you are going to be dealing with the central Government. And so the ability of the central Government to control free speech, free press, freedom of expression really refutes the notion that they are unable to enforce a policy against coerced abortions.

Mr. ASHCROFT. Would the Senator say——

Mr. HUTCHINSON. I will yield for an additional question.

Mr. ASHCROFT. The Senator would say, then, that if the Chinese Government were as vigorous in its defense of the freedom of individuals to have children without destroying them as it is to repress the freedom of people to speak against the government, there would be a far different situation in China today?

Mr. HUTCHINSON. I certainly agree with that statement. I agree. In answering the question, I think that is a correct assertion; that if as much intensity were placed on opening China, on encouraging free expression, on encouraging dissent, as there is on the enforcement of repressive family planning policies and coercive family planning policies, then I think it would be a far different China, and there would be a far different attitude by the American people and by our Government.

The President is correct. I do not believe we can reach our full potential in our relationship with China until we see a revolution in the structure of China, until we see a revolution in freedom in China. I believe that will come. The question is does it come through the current policy, which I think fails to fully engage.

You know, those of us who are critics of the current administration's China policy have been called isolationists. I believe the real isolationists in this debate are those who want to turn a blind eye to things like coerced abortions, those who want to pretend that religious persecution is not going on in China and don't want to address it. So when we find those today who say this is the wrong timing and we don't want to vote on this, this isn't the appropriate time to vote on coerced abortion, this isn't the appropriate time to vote on religious persecution, that appears to me to be something other than an engagement policy. That would seem to me to be an isolationist policy. We don't want to engage them. We should. We should engage them on a full range of issues, including human rights.

And my concern about this administration's policy is that human rights, which at one time was placed on the first tier, when President Clinton, then candidate Clinton said he would not coddle dictators from Baghdad to Beijing, that now is dropped from the first tier to at least the third tier, with trade being No. 1; security, to the extent it is being engaged, No 2; and human rights dropping down to No. 3. I believe, if we are going to have a policy of engagement—and truly have a policy of engagement—we must fully engage them equally on all of these fronts.

Mr. ASHCROFT. Will the Senator from Arkansas yield for another question?

Mr. HUTCHINSON. I yield for another question.

Mr. ASHCROFT. Does the Senator from Arkansas feel that the way China treats its own citizens—its willingness

to coerce them into having forced abortions—reflects the way they feel about human rights and the way they feel about the rights of citizens around the world? And would he care to comment on how that might reflect the rather callous view of the Chinese who are targeting American citizens with what they call city-buster nuclear weapons on their ICBMs? Does the Senator think there is a relationship between this disregard for life that is expressed in coerced abortion policy and the willingness to target peace-loving people in the United States with city-buster nuclear weapons on long-range ICBMs?

Mr. HUTCHINSON. In response to the Senator's question, I would say to the Senator from Missouri that, indeed, there is a relationship. I believe that when life is cheapened in one area, whether that is demonstrated through forced labor, slave labor camps, laogai camps, as they are called in China; whether it is demonstrated through religious persecution and the exile and execution of religious dissidents, religious minorities, or whether it is demonstrated through coerced abortion practices, the cheapening of human life carries over into all aspects of a nation's policy. So the willingness of the Chinese Government, according to the CIA report, to have 13 of their ICBMs targeting the American cities—and as the Senator calls them, city-busters, because the purpose is to have a wide devastation—I think it is related, directly related to that cheapening of human life and the lack of respect for the dignity of human life.

So I would respond to the Senator that way. I certainly think there is a relationship. I appreciate the Senator's question.

I would just say in concluding on this amendment that our own State Department in issuing its China Country Report for 1997 on Human Rights Practices in China addressed this issue of forced abortions. I will only read a small portion of the State Department's report. I think it underscores how serious the situation is. This isn't something that human rights activists on the left and the right in the United States are dreaming up. It is not some fiction that we have created. Our own State Department, in examining the human rights conditions in China, has assessed it this way.

> Penalties for excess births can also be levied against local officials and the mothers' work units, thus creating multiple sources of pressure. Fines for giving birth without authorization vary, but they can be a formidable disincentive. According to the State Family Planning Commission 1996 family planning manual, over 24 million fines were assessed between 1985 and 1993 for children born outside family planning rules. In Fujian, the standard fine has been calculated to be twice a family's gross annual income.

That is to violate the family planning rulings in China makes you suspect, makes you vulnerable to a fine that would be twice your gross annual income. That is an incredibly difficult burden to place on this kind of a so-called violation.

> Additional unauthorized births incur fines assessed in increments of 50 percent per child. In Guangzhou the standard fine is calculated to be 30 to 50 percent of 7 years' income for the average resident. In some cases a ''social compensation fee'' is also imposed. Unpaid fines have sometimes resulted in confiscation or destruction of homes and personal property by local officials. Central government officials acknowledge that such incidents occur, but insist that cases like these are not the norm nor in line with official policy.
>
> The government prohibits the use of force to compel persons to submit to abortion or sterilization, but poor supervision of local officials who are under intense pressure to meet family planning targets can result in instances of abuse including forced abortion and sterilization.

And the report goes on into great detail, and I think provides clear documentation for the need for this amendment.

I think also if you consider, once again, the testimony that was presented before the House Subcommittee on International Operations and Human Rights, the testimony concerning the implementation of the abortion policy of China and the one-child policy of China is truly frightening. I will simply read some of these points to establish the routine the family planning bureau is following:

> I. To establish a computer bank of all women of child-bearing age in the town [whatever town size it might be], including their dates of birth, marriages, children, contraceptive ring insertions, pregnancies, abortions, child-bearing capabilities, etc.
>
> II. To issue ''birth-allowed certificates'' to women who meet the policy and regulations of the central and provincial planned-birth committees, and are therefore allowed to give birth to children. . . . Without a certificate, women are not allowed to give birth to children.

You have to apply. You have to get a certificate. You have to get permission to birth a child.

> Should a woman be found pregnant without a certificate, abortion surgery is performed immediately, regardless of how many months she is pregnant.

I spoke earlier that estimates range as high as a half-million third trimester abortions in China each year. And then, to issue ''birth not allowed'' notices. Such notices are sent to couples when the data concludes that they do not meet the requirements of the policy and are, therefore, not allowed to give birth. A couple whose first born is a boy, or whose first born is a girl but who give birth to a second child, boy or girl, receives such a notice after a period of 3 years and 2 months. Such notices are made public. The purpose of this is to make it known to everyone that the couple is in violation of the policy, therefore facilitating supervision of the couple.

They issue birth control measure implementation notices. They impose monetary penalties on those who violate the provincial regulations. Should they refuse to pay these penalties, supervision team members will apprehend and detain them as long as they do not pay.

The PBO regularly supervises and examines how staff members of Planned Parenthood offices in 22 villages perform their duties. They write monthly synopses of the planned birth reports, which are signed by the town head and the town Communist Party. They analyze informant materials. They have established, in China, a system of informants in accordance with the informing system, and have put these cases on file for investigation.

They have planned birth cadres. There was testimony before Congressman SMITH's subcommittee indicating that these cadres, and the number of people involved in this program, has increased dramatically in recent years, indicating that rather than retreating from this coercive practice, they, instead, are pursuing it with new vigor.

We go on in this testimony. I think it should be a concern to all Americans that this practice is being tolerated and that we have not taken, as the foreign policy of our country, a strong, strong position which this amendment would allow us to do.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I commend the Senator from Arkansas for his outstanding work in this respect. I believe this is an item upon which the Senate must vote, ought to vote, should vote. I am distressed that the minority leader has indicated that votes on these issues would be inappropriate. It seems like they are an embarrassment, potentially, to the President. I think the policy which we have pursued is an embarrassment to the United States of America, and I think we need to change our policy to make clear that we reject the kind of activity which has been spoken of by the Senator from Arkansas.

With that particular thought in mind, and understanding the merit of this particular division, which would deny visas to those who have been actively involved and for whom credible evidence has been developed in the coerced abortion area, I move to table the first division of Senator HUTCHINSON's amendment.

The PRESIDING OFFICER. The question is on the motion to table.

Mr. LEVIN. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HUTCHINSON. I further ask unanimous consent that the motion be temporarily laid aside for Senator FEINSTEIN to speak. Following her statement, no later than 12:30, the tabling vote to occur.

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

Mr. HUTCHINSON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from California is now recognized.

Mrs. FEINSTEIN. Mr. President, I rise on this occasion to share several thoughts. Let me begin by saying, on the amendment before us, I don't believe there is any Member of this body who is for forced abortion. I do not believe there is any Member of this body who would countenance it, who believes it is good public policy and who is reserved about saying that. Therefore, I think we would all hope the President of the United States would come back with a specific commitment in this area from China.

The question I have, that is deeply disturbing to me, is the Senate is being asked to consider amendments on China policy on the eve of, and even during, President Clinton's visit to China. There used to be a bipartisan consensus on foreign policy in this country. There used to be an understanding that when the President is going overseas, Members of both parties would come together, would wish him well, and would support him. I think, certainly in the last 10 or 15 years, this has been the case. I am very concerned that some are using U.S. policy and China as a political or a partisan issue.

I note, with some disappointment, that no Republican of either House has agreed to accompany the President on his trip. To me, this gives credibility to the assumption that the Republicans are going to use the trip in a political way. And I think this is very, very dangerous. What I hope to point out in my remarks is some of the danger inherent in this kind of policy.

Let me, for a moment, talk about the amendments that are before us. Many are controversial. Some would ban various officials from entering the United States; others would prohibit the United States from supporting international loans to China; many run counterproductive to achieving progress with China. Rather, they push division and they encourage China's historic isolationist tendencies.

Just yesterday, language was added that would move the jurisdiction of certain technological export controls from the Commerce Department to the State Department. This is a serious proposal. It is worth looking at. But the majority and minority leaders have appointed task forces to study the issue and assign various committees to look into it.

The vote on this proposal today would be to render a verdict on an investigation when that investigation has barely gotten underway. Anyone who thinks the President's trip will be made more successful by the Senate's consideration of these issues knows very little about China.

I think the President's trip represents an important step forward in building a healthy United States-China relationship. We have major interests. Human rights? Of course, including religious freedom and autonomy for the people of Tibet.

For 9 years, I have been bringing messages from the Dalai Lama to the President of China asking that there be discussions between the two. I hope that the President will plead that cause, both with President Jiang Zemin as well as in his public addresses in university settings.

But right now the times are extremely urgent. We have a kind of economic meltdown going on throughout most of the Asian continent. And this financial crisis is combined with the very serious situation with respect to India and Pakistan.

To underline the dangers that India, Pakistan, and, indeed, the entire international community are faced with on the eve of this trip, I would like to take a few minutes here today to review what we know about the Indian and Pakistani nuclear programs, their capabilities, and what would likely result in a nuclear exchange between India and Pakistan if we are unable to forge a real and lasting peace in the region and the current south Asian political and security environment.

First, what kind of nuclear weapons did India and Pakistan test?

The Indian Government claims to have tested three different designs on May 11, 1998: a fission bomb with a yield of 12 kilotons, explosive power equivalent to 12,000 tons of TNT; a ''thermonuclear device,'' with the yield of 43 kilotons; and a ''low-yield'' device. On May 13, India claims to have tested two additional devices that produced a total yield of less than 1 kiloton.

For comparison, the bomb that destroyed Hiroshima in 1945 produced an estimated yield of 18 kilotons. So one of these Indian tests was over 2½ times the size of the Hiroshima bomb.

According to leading nongovernmental analysts, the low-yield device tested in May of this year was likely a compact design intended for deployment on India's medium-range missiles. The subkiloton tests, according to India, provided information needed to perfect computer simulations of nuclear explosions that could be used in subsequent weapons design work, possibly without the need for future testing.

For its part, Pakistan claims to have detonated five simultaneous nuclear tests on May 28, of boosted devices made with highly enriched uranium, which Samar Mobarik Mand, head of their nuclear test program, claimed produced a total yield in the range of 40 to 45 kilotons. Bear in mind again, Hiroshima was 18. Pakistan conducted an additional nuclear test on May 30. Mand claimed the yield was in the range of 15 to 18 kilotons.

Pakistan has stated that all six tests were boosted fission devices, some of which are designed for deployment on the new Ghauri medium-range missile. The head of Pakistan's nuclear weapons program, A.Q. Khan, claims that although Pakistan has not built a hydrogen bomb, it has conducted research and is capable of building such a device should the Government decide to do so.

U.S. intelligence, as well as independent analysts, have raised some serious questions about the claims made by both India and Pakistan regarding the number and yield of the tests each has claimed to have conducted. Although there is a certain reassurance to be found in these questions—perhaps neither India nor Pakistan is as far along in developing nuclear weapons as they might like us to believe—ultimately, such quibbling rings hollow.

Regardless of the exact number or the exact yield of the Indian and Pakistani tests, these tests have made it abundantly clear that both India and Pakistan must now be considered capable of developing and deploying nuclear weapons, and that both hope to gain political and security leverage from this capability.

Secondly, although neither India nor Pakistan are now nuclear weapons states, given their demonstrated capabilities, how many nuclear weapons could India and Pakistan make?

India's nuclear bombs are fueled by plutonium, a manmade byproduct of fissioning uranium in nuclear reactors. At the end of 1995, India had a total inventory of 315 to 345 kilograms of weapons-grade plutonium, according to a study of world plutonium and highly enriched uranium inventories by independent analysts David Albright, Frans Berkhout, and William Walker.

Assuming that 5 kilograms of plutonium are required to build a bomb, this would give India enough plutonium for some 63 to 69 weapons. So let us assume they have that ability.

Pakistan's bombs are fueled with highly enriched uranium, enriched at its unsafeguarded centrifuge facility at Kahuta. Under pressure from the United States, Pakistan halted production of highly enriched uranium in 1991, but reportedly resumed highly enriched uranium production some months ago. After last month's tests, Pakistan still possesses 335 to 400 kilograms of weapons-grade uranium, enough for some 16 to 20 nuclear bombs, according to the Institute for Science and International Security.

If Pakistan is using boosted warhead designs, as it claims, it would produce a considerably larger number of weapons from the same amount of material, depending on the considerations of yield and weight of individual warheads.

In addition, earlier this year, Pakistan's unsafeguarded plutonium production reactor at Khushab went into

operation. It is estimated that this reactor can produce enough plutonium for at least one to three bombs a year.

Thirdly, how would India and Pakistan deliver these nuclear weapons? Both nations possess advanced military aircraft that would be capable of delivering nuclear weapons. India's military deploys such aircraft as the Jaguar, the Mirage 2000, the MiG–27, and the MiG–29. Pakistan's military aircraft include nuclear-capable, United States-supplied F–16 fighters.

Of greater concern, because of their speed and invulnerability to conventional air-defense systems, are both nations' ballistic missiles.

India's Privthi missile, based on the U.S. Scout, has a range of 150–250 kilometers, depending upon the size of the payload. The two-stage Agni missile, based upon Soviet and German technology, has a much greater range, 1,500 to 2,500 kilometers. India claims the ability to hit targets anywhere in Pakistan with the Agni missile.

Pakistan is believed to have about 30 nuclear-capable M–11 missiles supplied by China. This is a bad thing. The second load of M–11s, to all intents and purposes, have never been delivered. We believe it is important that the President secure, ratify, and maintain the commitment that no further M–11s be sent by China to Pakistan. These missiles have a range of 280–300 kilometers.

Pakistan's recently developed Ghauri missile, developed with the Chinese' and North Korea's assistance, has a range of 1,500 kilometers. Its flight tests in early April may have been one of the factors that moved India's Government to resume nuclear testing.

A.Q. Khan, father of the Pakistani bomb, claims that the nuclear devices tested by Pakistan ''could very easily be put on our Ghauri missiles.'' According to Kahn, Ghauri is the only nuclear-capable Pakistani missile at this time but other missiles could be modified for the mission if necessary. These missiles reduce warning time on both sides to nearly zero, making any nuclear crisis extremely unstable. India could hit targets in Pakistan in 4 minutes, and Pakistan could hit Indian targets in under 12 minutes.

All of this development has been going on, and we are debating forced abortion, but we have this ''macro'' situation evolving right on China's doorstep.

Now, what would be the likely result of a nuclear exchange between India and Pakistan? In 1990, when President Bush was first unable to certify under the Pressler amendment that Pakistan had not acquired nuclear capability, the Department of Energy requested the Program in Arms Control, Disarmament, and International Security at the University of Illinois to conduct a study of nuclear proliferation in south Asia. One of the papers commissioned for that study estimates what the casualties of that war would be if India and Pakistan were to wage war. The study, based on unclassified sources, projected damage for three different scenarios, depending on the size and scale of a nuclear exchange between India and Pakistan, from a war with limited nuclear retaliation to a full-scale exchange.

The results are chilling. At the lowest level, the study determined that there would be between 500,000 and 1 million immediate fatalities on each side in a limited nuclear exchange where the only targets were military centers—500,000 to 1 million people killed in a limited exchange of only military centers. At least another million people would be injured in the attacks, and hundreds of thousands more could be expected to die in the fallout and nuclear poisoning which would follow.

In a larger exchange which would include an attack on urban centers in both countries, this study estimated that, at a minimum, there would be 15 million Pakistani and 30 million Indian immediate fatalities, with millions more injured and expensive economic disruption. South Asia would be reduced to a virtual wasteland.

These projections, I should point out, were based on a 1980 census data projected to 1990. If these figures were recreated today, we could expect the projections, with current census figures, to be that much greater.

Think about the magnitude of such a disaster—45 million immediate deaths within a matter of minutes, almost as many killed in India and Pakistan in a few minutes as were killed around the world during the entire 6 years of World War II. It is a number that boggles the mind. In fact, I find it difficult to believe that I find myself here on the floor of the U.S. Senate discussing such scenarios, such carnage, such loss of human life; it is not within the realm of reality. Yet today this is precisely the danger which India and Pakistan face unless both states, with the support and assistance of the international community—and that includes both China and the United States—are able to take clear and immediate steps to end the current crisis and begin the process of building peace in Asia.

This brings me to the final issue I would like to address: What is the current security and political environment in south Asia?

In the aftermath of the tests, both India and Pakistan have indicated a willingness to enter into peace talks. On June 12, the Indian Foreign Ministry stated, ''India is committed to fostering a relationship of trust and friendship with Pakistan based on mutual respect and regard for each other's concerns.'' Pakistan has also offered to resume peace talks. Neither side, however, appears willing to act to back up this rhetoric. Despite their stated good intentions, as of yet there is no agreement on a time, a place, a format, to enter into discussions to address either the nuclear crisis or other important security issues such as Kashmir or the south Asian security agenda.

This situation is especially troubling because without any confidence and security-building measures in place, without any dialog and discussion, India and Pakistan are especially vulnerable to an inadvertent crisis or to a relatively minor incident sparking a larger conflict.

On just this past Friday—let me give an example—June 19, the press reported an incident in which five armed men, suspected to be Muslim terrorists by Indian authorities, attacked a Hindu wedding party in a mountain village in Kashmir, killing 25 people. Just a week earlier, Pakistani authorities held Indian intelligence to be accountable for planting a bomb on a crowded train. These are two examples of the kinds of incidents which could well launch a nuclear episode. Without dialog, for sure these are the sorts of events that are open to misinterpretation, can lead to miscalculation, escalation, and tragedy of the most horrific sort.

The President of the United States tomorrow leaves for China. We can debate forced abortion. You have an unprecedented currency crisis in Asia. You have major turmoil in Indonesia. You have a very serious situation in Thailand, in South Korea. We see the Japanese yen continuing to deteriorate even after the weekend meetings. Many people there felt that Japan has no formula to recover. And you have the significance and importance escalating now, that the Chinese renminbi, the Hong Kong dollar, not be devalued. This, in itself, will take an unprecedented act of courage on the part of the Chinese.

I believe substantial diplomatic pressure must be brought by the President of the United States to convince the Chinese that against all of this they must hold firm. At the same time, in China, you have an almost impossible situation for the Chinese to maintain. You have the closure of the large state-owned industries taking place and forcing tens of millions of people into unemployment.

The President of China has recently said what he considers an acceptable rate of unemployment—3.5 percent. It would be very lucky if China could confine themselves to that figure. But to have this growing unemployment and still refuse to devalue their currency is a major gesture to the Western World, because what most of these countries seek to do is cut off American markets further and flood our country with their consumer goods at a lower cost. And this is precisely the reason we have the trade imbalance as it is today.

So these are the macro problems, Mr. President, that I respectfully submit to you are appropriate for the major policymaking body of the United States of America to be deliberating—the future of the world. And I really regret that we get into the kind of discussion that can only have one effect: drive China to

be less cooperative, more inclined to devalue, but hopefully not less inclined to care about their southern border or what North Korea is doing over their northeastern border. But these are problems of life and death for millions and millions of people. I feel so strongly and I so strongly urge this body that this is not the time for divisiveness. This is not the time for partisanship. This is not the time for some to make hay when the President of the United States is going to Asia to meet with the largest exploding country on Earth to try to chart a relationship that can come to grips with the nuclear facts I have just spelled out.

Facts. Facts of life. Facts like, if there is one single miscalculation, like a Muslim terrorist event, another train bombing, a premature launching of a nuclear missile, it could result in the loss of tens of millions of lives all across the Asian continent. This is what our leaders should be discussing—how to develop a strategic partnership, how to force India and Pakistan to the table, how to set up the kind of commitments that are necessary to forge a consensus on Kashmir; how to solve India border problems with China; how to open markets so that the trade imbalance does not continue; how to maintain intellectual property rights in China; how to have China bring in a retail consumer market from the United States, which they have been reluctant to do; how to build on the rule of law.

You know, people in this body are great critics—particularly people who have never been to China, don't know China, have never read a history book on China, don't understand that for 5,000 years China was dominated by one man, generally an emperor who, at a whim, at the snap of his fingers, could put millions of people to death if he so chose; and then the revolutionary war heroes, none of whom had any education; and now by its first group of really educated leadership in the 5,000-year history of that country. I have heard the President of China say directly that, ''We will transition from a rule of man to a rule of law, but it cannot happen overnight.''

Mr. President, if not the first American mayor, I was certainly one of the first American mayors to visit China in June of 1979, just when that country was coming out of the Cultural Revolution. I have often said that what I saw there was very sobering indeed, because one understands the body language of fear. The body language of fear was prevalent all throughout every city in China that I visited. I have visited China, and I try to go every year; the last time was in September. The changes I have seen are astonishing. Now, remember, this is still a Communist government. There is no prototype on Earth for the kind of change that this Chinese Government is now going through.

I truly believe, as they now try what they call the ''socialist experience,'' which we call a market economy, and as they engage with the West, and as our military leaders are able to engage them—I will never forget when JOHN GLENN and Sam Nunn and I met with the Minister of Defense, and at the end of the conversation I said, ''Do you have anything else on your mind?'' He said, ''Yes.'' He said, ''One of the things that I am concerned about is that we have incidents of American fighter planes overflying Chinese borders.'' I said, ''Well, has anything been done about this?'' He said, ''No.'' So I went out and called Bill Perry on the phone, who was then Secretary of State, and that was taken care of.

It has to be known by this body that, up to just less than a month ago, there was no red telephone between our two leaders. As a matter of fact, the first time our two leaders spoke on that red telephone was following the Indian nuclear explosion, where our President called the President of China on that red telephone and said, ''Look, this has happened. Will you help?'' That is when Jiang Zemin said, ''We are of the same mind on this.''

Now, don't we want this kind of dialog to take place? Sure, we want to make the Chinese know that forced abortion is repugnant to a civilized society, repugnant to our values, and it is brutal and unfair. Sure, we want them to initiate talks with the Dalai Lama, go to the rule of law, provide due process of law for every citizen in China. That is the guarantee for positive human rights—due process of law. Nobody can be arrested in the middle of the night and hauled to jail and kept there. The first change has already been made. The Chinese have changed administrative detention, which is the summary placement of somebody in custody, and limited it to 30 days. We all know the judiciary of China is under the control of the political party. This needs discussion. The judiciary of China must be independent, it must be paid, it must be forbidden to take money on the side. There must be a new criminal code, a new civil code, based on a new China, a China that is reaching out and interacting with the Western World, such as China never has before.

The history of China must be understood in this. It must be known that after the Boxer Rebellion, in the incident where China lost Hong Kong in the opium wars, China was so humiliated by the West that China turned into itself and never wanted any intercourse with the West. Now we see China changing.

How China changes is the President's quest. Does China go back into itself, reinforce its totalitarian nature, or does China open further interaction with the West; have an economic democracy that one day by the Taiwan model a social democracy must emerge?

This, I say to you, Mr. President, is the fitting goal for the President of the United States, because that will change life as we know it on the planet.

I thank the Chair. I yield the floor.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from South Carolina.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. Unless there is objection, the motion to table the previous division is set aside temporarily, and the Senator from South Carolina is recognized.

Mr. ASHCROFT. Reserving the right to object, may I inquire as to when it will be anticipated that the vote will be on the tabling motion?

The PRESIDING OFFICER. And the vote will take place at 12:30, but no later than that.

Mr. ASHCROFT. With the understanding that the vote will take place, I have no objection.

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

The Senator from South Carolina.

Mr. THURMOND. Mr. President, I ask unanimous consent that the pending amendments be set aside solely for the purpose of adopting a series of amendments which have been agreed to by both sides.

I further ask unanimous consent that upon the disposition of this series of cleared amendments, that the motion to table, once again, would become the pending business, and that the vote on the motion to table occur no later than 12:30.

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

AMENDMENT NO. 2942

(Purpose: To clarify the responsibility for submission of information on prices previously charged for property or services offered)

Mr. THURMOND. Mr. President, on behalf of Senator WARNER, I offer an amendment which would amend section 2306(a) of Title X, U.S. Code, and Section 304(a), the Federal Property and Administrative Services Act of 1949 to clarify requirements for appropriate classified information by contractors to Federal agencies.

Mr. President, I believe the amendment has been cleared by the other side.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina (Mr. THURMOND), for Mr. WARNER, proposes an amendment numbered 2942.

The amendment is as follows:

At the end of title VIII, add the following:

SEC. 812. CLARIFICATION OF RESPONSIBILITY FOR SUBMISSION OF INFORMATION ON PRICES PREVIOUSLY CHARGED FOR PROPERTY OR SERVICES OFFERED.

(a) ARMED SERVICES PROCUREMENTS.—Section 2306a(d)(1) of title 10, United States Code is amended—

(1) by striking out ''the data submitted shall'' in the second sentence and inserting in lieu thereof the following: ''the contracting officer shall require that the data submitted''; and

(2) by adding at the end the following: ''Submission of data required of an offeror under the preceding sentence in the case of a contract or subcontract shall be a condition for the eligibility of the offeror to enter into the contract or subcontract.''.

(b) CIVILIAN AGENCY PROCUREMENTS.—Section 304A(d)(1) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(d)(1)), is amended—

(1) by striking out ''the data submitted shall'' in the second sentence and inserting in lieu thereof the following: ''the contracting officer shall require that the data submitted''; and

(2) by adding at the end the following: ''Submission of data required of an offeror under the preceding sentence in the case of a contract or subcontract shall be a condition for the eligibility of the offeror to enter into the contract or subcontract.''.

(c) CRITERIA FOR CERTAIN DETERMINATIONS.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation shall be amended to include criteria for contracting officers to apply for determining the specific price information that an offeror should be required to submit under section 2306(d) of title 10, United States Code, or section 304A(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(d)).

Mr. WARNER. Mr. President, I rise today to offer an amendment which is designed to help find a solution to the recurring problem of the Pentagon paying exorbitant prices for spare parts that are readily available in the commercial marketplace.

In March, we were subjected once again to troubling press accounts of excessive prices being charged the Pentagon for spare parts—in one case the Pentagon's Inspector General found that the Pentagon was charged 280 percent more for commercially available items than in the previous few years. While it is true that such instances of overcharging are now the exception to the rule, we must do everything we can to ensure that our limited defense resources are used wisely. This is essential if we are to maintain public support for, and confidence in, our military establishment.

I commend Senator SANTORUM for the package of legislative reforms he has included in the bill before the Senate. The ''Defense Commercial Pricing Management Improvement Act'' will go a long way toward setting the Pentagon on a path to correcting the problems identified in the recent DoD Inspector General reports concerning the Department's errors with respect to these overpricing cases.

My amendment will build on the legislation in the bill, but will focus on the responsibility of the contractor for providing adequate cost and pricing data to the government. Under current law, in the case of sole-source contracts for commercially available items, the government contracting officer ''shall require submission of data other than certified cost or pricing data to the extent necessary to determine the reasonableness of the price of the contract.'' Although it was the intent of Congress that the contractor should supply such data as might be requested, that was not explicitly stated in the law and has not always been the practice. In the Sundstrand case reviewed this past February by the DoD Inspector General, the Inspector General found that ''Sundstrand * * * refused to provide DLA contracting officers with 'uncertified' cost or pricing data for commercial catalog items.'' Unfortunately, this is not an isolated incident.

My amendment would clarify existing law to clearly reflect the original intent of Congress by putting a positive requirement on the contractor to provide cost and pricing data if such data is requested by the government contracting officer. If—as in the Sundstrand case—the contractor refuses to provide this information to the government, the contractor would be disqualified from the contract.

If a government contracting officer is to accurately assess the reasonableness of a contract price for a sole-source commercial item, he or she must have access to information on prices previously charged both the government and commercial sector for such item. We must not allow contractors to refuse to provide such information to the government. My amendment will close a loophole in existing law by requiring the submission of such cost and pricing data as the government contracting officer determines is necessary.

I urge my colleagues to support the amendment.

Mr. LEVIN. Mr. President, the amendment has been cleared by this side.

Mr. THURMOND. I urge the Senate to adopt the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment.

Mr. WARNER. Mr. President, I wish to thank the distinguished chairman and ranking member. It is just an effort by one Senator to see what we can do to further eliminate the ever-present problems associated with the $250 hammer, the $50 screw, and things of this nature, which by virtue of the enormity of the system of procurement, will happen. But this is an effort to see whether or not we can further curtail the number of incidents.

I thank the Chair. I thank the manager.

The PRESIDING OFFICER. If there is no objection, the amendment is agreed to.

The amendment (No. 2942) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. LEVIN addressed the Chair.

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

AMENDMENT NO. 2943

(Purpose: To recognize and honor former South Vietnamese commandos)

Mr. LEVIN. Mr. President, on behalf of Senators KERRY of Massachusetts, MCCAIN, and SMITH of New Hampshire, I offer an amendment that would commend the Vietnamese commandos for their service to the United States during the Vietnam war.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan (Mr. LEVIN), for Mr. KERRY, Mr. MCCAIN, and Mr. SMITH of New Hampshire, proposes an amendment numbered legislative 2943.

The amendment is as follows:

At the end of subtitle D of title X, add the following:

SEC. 1064. SENSE OF CONGRESS REGARDING THE HEROISM, SACRIFICE, AND SERVICE OF FORMER SOUTH VIETNAMESE COMMANDOS IN CONNECTION WITH UNITED STATES ARMED FORCES DURING THE VIETNAM CONFLICT.

(a) FINDINGS.—Congress makes the following findings:

(1) South Vietnamese commandos were recruited by the United States as part of OPLAN 34A or its predecessor or OPLAN 35 from 1961 to 1970.

(2) The commandos conducted covert operations in North Vietnam during the Vietnam conflict.

(3) Many of the commandos were captured and imprisoned by North Vietnamese forces, some for as long as 20 years.

(4) The commandos served and fought proudly during the Vietnam conflict.

(5) Many of the commandos lost their lives serving in operations conducted by the United States during the Vietnam conflict.

(6) Many of the Vietnamese commandos now reside in the United States.

(b) SENSE OF CONGRESS.—Congress recognizes and honors the former South Vietnamese commandos for their heroism, sacrifice, and service in connection with United States armed forces during the Vietnam conflict.

Mr. KERRY. Mr. President, two years ago Senator MCCAIN and I offered legislation, enacted as part of the FY 97 Defense authorization bill, to reimburse some 500 Vietnamese commandos who were funded and trained by the United States and infiltrated behind enemy lines to perform covert operations during the Vietnam War. Many of them were captured and incarcerated by the Democratic Republic of Vietnam for years and ultimately removed from the payroll by the U.S. government. Our legislation authorized $20 million for reimbursement of the commandos for their years of imprisonment in North Vietnamese prisons and mandated that a lump sum be provided to each claimant determined eligible by the Secretary of Defense.

Pursuant to this legislation a commission has been established in the Defense Department and is now in the

process of reviewing claims. Today I am offering three amendments, with Senators MCCAIN and SMITH (of New Hampshire) related to the commando issue.

The first amendment, number 2943, is identical to language in the House-passed Defense authorization bill for this year. This amendment recognizes and honors the commandos for their heroism, sacrifice, and service to the United States during the war.

The second amendment, number 2944, is largely technical and is designed to assist the commission by clarifying the intent of the original legislation with respect to the payment process.

The third amendment, number 2945, rectifies an oversight in the original legislation. Under current law, a commando can bring a claim, or if the commando is deceased, his spouse or children may bring a claim. Through an oversight we failed to consider the possibility that a commando may never have married. The amendment that I am offering resolves this problem by stipulating that the parents, or if they are deceased, the siblings of an unmarried commando may bring a claim. Since the $20 million originally authorized and appropriated for payment of these claims was based on the entire known universe of commandos, no additional funding will be needed to implement this amendment. Nor will this amendment put an additional undue burden on the commission. Our original intention in authoring the commando legislation was to make restitution to all the commandos who served us so faithfully, even when we walked away from them. This amendment ensures that we do that.

Mr. President, these amendments are straightforward and noncontroversial. They are good amendments and I urge their adoption.

Mr. MCCAIN. Mr. President, I rise today in support of an amendment sponsored by myself, Senator KERRY, and Senator SMITH of New Hampshire to express the sense of Congress regarding the heroism, sacrifice, and service of former South Vietnamese Commandos who fought with the United States during the Vietnam war.

From 1961 to 1970, South Vietnamese soldiers were trained and recruited by the Central Intelligence Agency and the Department of Defense to fight behind enemy lines on behalf of the United States. Although the majority of these individuals were captured alive and taken prisoner by North Vietnam, the U.S. government declared them dead in order to avoid paying them for their services.

Senator KERRY and I sponsored legislation contained in the Fiscal year 1997 Defense Authorization bill authorizing payment of up to $30,000 to each Commando determined eligible by the Secretary of Defense.

Our amendment to the FY 1999 Defense Authorization bill makes the following findings:

South Vietnamese Commandos were recruited by the United States for covert operations under OPLAN 34A or its predecessor, OPLAN 35, from 1961 to 1970;

The Commandos conducted covert operations in North Vietnam during the Vietnam conflict;

Many of the Commandos were captured and imprisoned by North Vietnamese forces for periods of up to 20 years;

The Commandos served and fought proudly during the Vietnam conflict;

Many of the Commandos lost their lives serving in operations conducted by the United States during the Vietnam conflict;

Many of the Vietnamese Commandos now reside in the United Stats.

Consequently, our amendment recognizes and honors the former South Vietnamese Commandos for their service to the United States. We are in debt to these individuals for fighting valiantly on our side during the Vietnam war. They deserve our continued support and gratitude. I urge my colleagues to support this amendment.

Mr. THURMOND. Mr. President, we have no objection.

The PRESIDING OFFICER. If there is no objection, the amendment is agreed to.

The amendment (No. 2943) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2944

(Purpose: To provide for payments to certain survivors of captured and interned Vietnamese operatives who were unmarried and childless at death)

Mr. THURMOND. On behalf Senators KERRY, MCCAIN and SMITH of New Hampshire, I offer an amendment that would enhance the eligibility for payments to certain survivors of captured and interned Vietnamese commandos who were unmarried and childless at death.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], for Mr. KERRY, Mr. MCCAIN and Mr. SMITH of New Hampshire, proposes an amendment numbered 2944.

The amendment is as follows:

On page 127, between lines 12 and 13, insert the following:

SEC. 634. ELIGIBILITY FOR PAYMENTS OF CERTAIN SURVIVORS OF CAPTURED AND INTERNED VIETNAMESE OPERATIVES WHO WERE UNMARRIED AND CHILDLESS AT DEATH.

Section 657(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2585) is amended by adding at the end the following:

''(3) In the case of a decedent who had not been married at the time of death—

''(A) to the surviving parents; or

''(B) if there are no surviving parents, to the surviving siblings by blood of the decedent, in equal shares.''.

Mr. MCCAIN. Mr. President, I join Senator KERRY and Senator SMITH of New Hampshire in offering this amendment to the Fiscal Year 1999 Defense Authorization bill to allow payment of funds to the surviving parents or siblings of deceased Vietnamese Commandos.

From 1961 to 1970, South Vietnamese soldiers were trained and recruited by the Central Intelligence Agency and the Department of Defense to undertake covert operations behind enemy lines on behalf of the United States. Although the majority of these individuals were captured alive and taken prisoner by North Vietnam, the U.S. government declared them dead in order to avoid paying them for their services.

In 1996, Congress passed legislation I sponsored with Senator KERRY authorizing payment of up to $40,000 to each Commando determined eligible by the Secretary of Defense. In the case of a deceased Commando, payment was authorized to be made to the surviving spouse or, if there was no surviving spouse, to the surviving children of the decedent.

Unfortunately, we did not anticipate the case of deceased Commandos who died unmarried and thus left no spouse or children to claim payment. Our amendment to the FY 1999 Defense Authorization bill would expand eligibility for payments to include the surviving parents or, if there are no surviving parents, to the surviving siblings by blood of the deceased Commando.

Because Congress has already authorized and appropriated funds for payment to each Commando, this amendment has no cost. However, it serves the cause of fairness by entitling relatives of unmarried, deceased Commandos to the payments authorized for those Commandos' service to this country.

Although we did not intend to discriminate against unmarried childless Commandos in our original legislation, our original legislation unwittingly did just that.

Our amendment rights that wrong. I encourage my colleagues to support this legislation on behalf of those Commandos who bravely served behind enemy lines on behalf of the United States.

Mr. THURMOND. Mr. President, I believe this amendment has been cleared by the other side.

Mr. LEVIN. Mr. President, the amendment has been cleared.

The PRESIDING OFFICER. Is there further debate? Is there objection?

Mr. THURMOND. Mr. President, I urge the Senate to adopt the amendment.

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

The amendment (No. 2944) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2945

(Purpose: To clarify the recipient of payments to Vietnamese operatives captured and interned by North Vietnam)

Mr. LEVIN. On behalf of Senators KERRY, MCCAIN, and SMITH of New Hampshire, I offer an amendment that would ensure that the Vietnamese commandos receive their rightful share of the funds authorized and appropriated by the Congress.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for Messrs. KERRY, MCCAIN, and SMITH of New Hampshire proposes an amendment numbered 2945.

The amendment is as follows:

On page 127, between lines 12 and 13, insert the following:

SEC. 634. CLARIFICATION OF RECIPIENT OF PAYMENTS TO PERSONS CAPTURED OR INTERNED BY NORTH VIETNAM.

Section 657(f)(1) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 194–201; 110 Stat. 2585) is amended by striking out ''The actual disbursement'' and inserting in lieu thereof ''Notwithstanding any agreement (including a power of attorney) to the contrary, the actual disbursement''.

Mr. MCCAIN. Mr. President, I join my colleagues Senator KERRY and Senator SMITH of New Hampshire in sponsoring an amendment to the Fiscal Year 1999 Defense Authorization bill to ensure that the Vietnamese Commandos receive their rightful share of the funds Congress authorized and appropriated in return for their service to this country.

From 1961 to 1970, South Vietnamese soldiers were trained and recruited by the Central Intelligence Agency and the Department of Defense to undertake covert operations behind enemy lines on behalf of the United States. Although the majority of these individuals were captured alive and taken prisoner by North Vietnam, the U.S. government declared them dead in order to avoid paying them for their services.

In 1996, Congress passed legislation I sponsored with Senator KERRY authorizing payment of up to $40,000 to each Commando deemed eligible by the Secretary of Defense. These payments were intended to be distributed directly to the Commandos, who could then use a portion of the funds to cover attorney fees and other costs associated with receiving their benefit.

Regrettably, our 1996 legislation did not fully clarify the relationship between Commandos and their attorneys for the purposes of payments, with the result that payments have been flowing to the Commandos' attorneys for disbursement to their intended recipients. Consequently, our amendment seeks to clarify that the actual disbursement of a payment under our 1996 legislation may be made only to the person eligible for the payment, notwithstanding any agreement, including a power of attorney, to the contrary.

It is my hope that this legislation will allow the Commandos to rightfully receive the full payments that are their due. I encourage my colleagues to support this amendment on behalf of those Vietnamese Commandos who sacrificed so much for this country.

The PRESIDING OFFICER. Is there further debate?

If there is no objection, the amendment is agreed to.

The amendment (No. 2945) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2946

(Purpose: To extend the authorization and authorization of appropriations for the construction of an automated 100-meter baffled multi-purpose range at the National Guard Training Site in Jefferson City, Missouri)

Mr. THURMOND. Mr. President, on behalf of Senator BOND, I offer an amendment which would extend the fiscal year 1996 authorization for the construction of an automated multipurpose range as a National Guard training site in Missouri.

Mr. President, I believe this amendment has been cleared by the other side.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], for Mr. BOND, proposes an amendment numbered 2946.

The amendment is as follows:

On page 323, in the third table following line 9, insert after the item relating to Camp Shelby, Mississippi, the following new item:

Missouri	National Guard Training Site, Jefferson City.	Multi-Purpose Range.	$2,236,000

Mr. THURMOND. Mr. President, the amendment has been cleared.

Mr. President, I urge the Senate to adopt the amendment.

The PRESIDING OFFICER. Is there further discussion?

Without objection, the amendment is agreed to.

The amendment (No. 2946) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2803

(Purpose: To state the sense of the Senate regarding declassification of classified information of the Department of Defense and the Department of Energy)

Mr. LEVIN. Mr. President, on behalf of Senator MCCAIN, I call up amendment No. 2803, which would express the sense of Senate regarding declassification of information of the Departments of Defense and Energy.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for Mr. KENNEDY, proposes an amendment numbered 2803.

The amendment is as follows:

On page 268, between lines 8 and 9, insert the following:

SEC. 1064. SENSE OF THE SENATE REGARDING DECLASSIFICATION OF CLASSIFIED INFORMATION OF THE DEPARTMENT OF DEFENSE AND THE DEPARTMENT OF ENERGY.

It is the sense of the Senate that the Secretary of Defense and the Secretary of Energy should submit to Congress a request for funds in fiscal year 2000 for activities relating to the declassification of information under the jurisdiction of such Secretaries in order to fulfill the obligations and commitments of such Secretaries under Executive Order No. 12958 and the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq,) and to the stakeholders.

Mr. THURMOND. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Is there further discussion?

Without objection, the amendment is agreed to.

The amendment (No. 2803) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2921

Mr. THURMOND. Mr. President, on behalf of Senator KYL, I call up amendment No. 2921, which would require a visual examination of all documents released by the National Archives to ensure that such documents do not contain restricted data or formerly restricted data.

Mr. President, I believe this amendment has been cleared by the other side.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], for Mr. KYL, proposes an amendment numbered 2921.

The amendment is as follows:

Section 3155 of National Defense Authorization Act for Fiscal Year 1996 (P.L. 104–106) is amended by inserting the following:

''(c) Agencies, including the National Archives and Records Administration, shall conduct a visual inspection of all permanent records of historical value which are 25 years old of older prior to declassification to ascertain that they contain no pages with Restricted Data or Formerly Restricted Data (FRD) markings (as defined by the Atomic Energy Act of 1954, as amended). Record collection in which marked RD or FRD is found shall be set aside pending the completion of a review by the Department of Energy.''

Mr. LEVIN. The amendment has been cleared, Mr. President.

Mr. THURMOND. Mr. President, I urge the Senate to adopt the amendment.

The PRESIDING OFFICER. Is there further discussion?

Without objection, the amendment is agreed to.

The amendment (No. 2921) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2947

(Purpose: To highlight the dangers posed by Russia's massive tactical nuclear stockpile, urge the President to call on Russia to proceed expeditiously with promised reductions, and to require a report)

Mr. LEVIN. Mr. President, on behalf of Senators CONRAD, KEMPTHORNE, KENNEDY, BINGAMAN, and myself, I offer an amendment which would express the sense of the Senate that the Russian Federation should live up to its commitments to reduce its massive tactical nuclear stockpiles as it agreed to in 1991 and 1992. The amendment would require the Secretary of Defense to submit a report to Congress on Russia's tactical nuclear weapons stockpile.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself, Mr. CONRAD, Mr. KEMPTHORNE, Mr. KENNEDY, and Mr. BINGAMAN, proposes an amendment numbered 2947.

The amendment is as follows:

At the appropriate place in subtitle D of title X, insert the following:

SEC. . RUSSIAN NON-STRATEGIC NUCLEAR WEAPONS.

(a) SENSE OF THE SENATE.—It is the Sense of the Senate that

(1) the 7,000 to 12,000 or more non-strategic (or ''tactical'') nuclear weapons estimated by the United States Strategic Command to be in the Russian arsenal may present the greatest threat of sale or theft of a nuclear warhead in the world today;

(2) as the number of deployed strategic warheads in the Russian and United States arsenals declines to just a few thousand under the START accords, Russia's vast superiority in tactical nuclear warheads—many of which have yields equivalent to strategic nuclear weapons—could become strategically destabilizing;

(3) while the United States has unilaterally reduced its inventory of tactical nuclear weapons by nearly ninety percent since the end of the Cold War, Russia is behind schedule in implementing the steep tactical nuclear arms reductions pledged by former Soviet President Gorbachev in 1991 and Russian President Yeltsin in 1992, perpetuating the dangers from Russia's tactical nuclear stockpile; and,

(4) the President of the United States should call on the Russian Federation to expedite reduction of its tactical nuclear arsenal in accordance with the promises made in 1991 and 1992.

(b) REPORT.—Not later than March 15, 1999, the Secretary of Defense shall submit to the Congress a report on Russia's non-strategic nuclear weapons, including

(1) estimates regarding the current numbers, types, yields, viability, and locations of such warheads;

(2) an assessment of the strategic implications of the Russian Federation's non-strategic arsenal, including the potential use of such warheads in a strategic role or the use of their components in strategic nuclear systems;

(3) an assessment of the extent of the current threat of theft, sale, or unauthorized use of such warheads, including an analysis of Russian command and control as it concerns the use of tactical nuclear warheads; and

(4) a summary of past, current, and planned efforts to work cooperatively with the Russian Federation to account for, secure, and reduce Russia's stockpile of tactical nuclear warheads and associated fissile material.

This report shall include the views of the Director of Central Intelligence and the Commander in Chief of the United States Strategic Command.

Mr. KENNEDY. Mr. President, I share the growing concern over the continuing high levels of tactical nuclear weapons in the arsenals of both Russia and the United States.

We have made substantial progress in reducing the levels of strategic nuclear weapons which threaten world peace and security. This progress has been made through the cooperation and efforts of both our countries and I commend the Reagan, Bush and Clinton Administrations for their efforts.

We have reduced the number of strategic missiles on each side. We have inventoried and controlled dangerous nuclear materials to prevent their theft. We have improved the safety and security of strategic nuclear weapons world-wide.

But, during this time, we have left another dangerous threat untouched—the tactical nuclear weapons built and deployed for battlefield use. These dangerous weapons have received far too little attention in our arms control efforts.

Although they are smaller than strategic nuclear weapons, tactical nuclear weapons are still a massive threat. In the wrong hands, in a terrorist or military attack, these weapons are almost as dangerous as strategic weapons. The potential armed conflicts facing the world today would be far more threatening if tactical nuclear weapons become an option for any side. The effect on stability and our own security could well be catastrophic.

We must take every reasonable measure to ensure that such weapons are never used—not in any armed conflict, not in a terrorist attack, never.

The goal of the Conrad amendment is to reduce, and eventually eliminate, the world's stockpile of tactical nuclear weapons. We must inventory the number and types of these weapons currently held in stockpiles, assess them, and work together to eliminate them.

It is not too much to ask that we pursue two tracks in the effort to deal with the nuclear threat left by the legacy of the Cold War. Reducing and eliminating both strategic and tactical nuclear weapons is the right course for the United States and Russia, and the only one that will ensure our future security.

Mr. THURMOND. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Is there further discussion?

Without objection, the amendment is agreed to.

The amendment (No. 2947) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2948

(Purpose: To amend title 10, United States Code, to provide for the presentation of a United States flag to members of the Armed Forces being released from active duty for retirement)

Mr. THURMOND. Mr. President, on behalf of Senator GRAMS of Minnesota, I offer an amendment that would require service secretaries to present a U.S. flag to each retiring service member. I believe the amendment has been cleared by the other side.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], for Mr. GRAMS, proposes an amendment numbered 2948.

The amendment is as follows:

At the end of subtitle D of title VI, add the following:

SEC. 634. PRESENTATION OF UNITED STATES FLAG TO MEMBERS OF THE ARMED FORCES.

(a) ARMY.—(1) Chapter 353 of title 10, United States Code, is amended by inserting after the table of sections the following:

''§ 3681. Presentation of flag upon retirement at end of active duty service

''(a) REQUIREMENT.—The Secretary of the Army shall present a United States flag to a member of any component of the Army upon the release of the member from active duty for retirement.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 6141 or 8681 of this title.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 3684 the following:

''3681. Presentation of flag upon retirement at end of active duty service.''.

(b) NAVY AND MARINE CORPS.—(1) Chapter 561 of title 10, United States Code, is amended by inserting after the table of sections the following:

''§ 6141. Presentation of flag upon retirement at end of active duty service

''(a) REQUIREMENT.—The Secretary of the Navy shall present a United States flag to a member of any component of the Navy or Marine Corps upon the release of the member from active duty for retirement or for transfer to the Fleet Reserve or the Fleet Marine Corps Reserve.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 3681 or 8681 of this title.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 6151 the following:

''6141. Presentation of flag upon retirement at end of active duty service.''.

(c) AIR FORCE.—(1) Chapter 853 of title 10, United States Code, is amended by inserting after the table of sections the following:

''§ 8681. Presentation of flag upon retirement at end of active duty service

''(a) REQUIREMENT.—The Secretary of the Air Force shall present a United States flag to a member of any component of the Air Force upon the release of the member from active duty for retirement.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 3681 or 6141 of this title.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 8684 the following:

''8681. Presentation of flag upon retirement at end of active duty service.''.

(d) REQUIREMENT FOR ADVANCE APPROPRIATIONS.—The Secretary of a military department may present flags under authority provided the Secretary in section 3681, 6141, or 8681 title 10, United States Code (as added by this section), only to the extent that funds for such presentations are appropriated for that purpose in advance.

(e) EFFECTIVE DATE.—Sections 3681, 6141, and 8681 of title 10, United States Code (as added by this section shall take effect on October 1, 1998, and shall apply with respect to releases described in those sections on or after that date.

Mr. GRAMS. Mr. President, I rise today to offer an amendment to the Defense Authorization Bill. Having just celebrated Flag Day, June 14, the symbol of our great country is vividly in mind. In close conjunction with that symbol of freedom, is our freedom guarded by those who serve in our Military Services who have been willing to give their lives for our country.

It seems fitting to show our honor and respect to those who have valiantly and fearlessly carried the banner of our flag into battle. Each one of these battle-ready patriots should carry a memento of their military service home with them—to remind them of our gratitude and their great achievement in keeping the country free. My amendment would present a U.S. flag to each active duty person who has served our country. I know that former Senator Robert Dole has supported this effort as well.

All components of the Military Services, the active duty, the National Guard and the Reserves of the Army, Air Force, Navy and Marines, who have completed honorable tours of duty will be eligible for this gift from a grateful nation.

It seems appropriate that an American flag be presented to those honorably discharged while they are still with us, not just to spread over their caskets as they depart this world. This living symbol will do much to re-invigorate and re-dedicated the whole nation to our reason for being—freedom and liberty for all.

The PRESIDING OFFICER. Is there further discussion?

Mr. LEVIN. The amendment has been cleared on this side.

Mr. THURMOND. I urge adoption of the amendment.

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

The amendment (No. 2948) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2949

(Purpose: To require a report on options for the reduction of infrastructure costs at Brooks Air Force Base, Texas)

Mr. THURMOND. Mr. President, on behalf of Senator HUTCHISON, I offer an amendment which would require a report on the options for the reduction of infrastructure costs at Brooks Air Force Base, Texas.

Mr. President, I believe this amendment has been cleared by the other side.

Mr. LEVIN. The amendment has been cleared, Mr. President.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], for Mrs. HUTCHISON, proposes an amendment numbered 2949.

The amendment is as follows:

On page 222, below line 21, add the following:

SEC. 1031. REPORT ON REDUCTION OF INFRASTRUCTURE COSTS AT BROOKS AIR FORCE BASE, TEXAS.

(a) REQUIREMENT.—Not later than December 31, 1998, the Secretary of the Air Force shall, in consultation with the Secretary of Defense, submit to the congressional defense committees a report on means of reducing significantly the infrastructure costs at Brooks Air Force Base, Texas, while also maintaining or improving the support for Department of Defense missions and personnel provided through Brooks Air Force Base.

(b) ELEMENTS.—The report shall include the following:

(1) A description of any barriers (including barriers under law and through policy) to improved infrastructure management at Brooks Air Force Base.

(2) A description of means of reducing infrastructure management costs at Brooks Air Force Base through cost-sharing arrangements and more cost-effective utilization of property.

(3) A description of any potential public partnerships or public-private partnerships to enhance management and operations at Brooks Air Force Base.

(4) An assessment of any potential for expanding infrastructure management opportunities at Brooks Air Force Base as a result of initiative considered at the Base or at other installations.

(5) An analysis (including appropriate data) on current and projected costs of the ownership or lease of Brooks Air Force Base under a variety of ownership or leasing scenarios, including the savings that would accrue to the Air Force under such scenarios and a schedule for achieving such savings.

(6) Any recommendations relating to reducing the infrastructure costs at Brooks Air Force Base that the Secretary considers appropriate.

The PRESIDING OFFICER. Is there further debate?

Mr. THURMOND. Mr. President, I urge the Senate to adopt the amendment.

The PRESIDING OFFICER. Is there further discussion?

Without objection, the amendment is agreed to.

The amendment (No. 2949) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 2950

Mr. LEVIN. Mr. President, on behalf of Senator INOUYE, I offer an amendment which would require the Secretary of Defense to submit a report regarding the potential for development of Ford Island, Pearl Harbor, Hawaii.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for Mr. INOUYE, proposes an amendment numbered 2950.

The amendment is as follows:

SEC. 2833. Not later than December 1, 1988, the Secretary of Defense shall submit to the President and the Congressional Defense Committees a report regarding the potential for development of Ford Island within the Pearl Harbor Naval Complex, Oahu, Hawaii through an integrated resourcing plan incorporating both appropriated funds and one or more public-private ventures. This report shall consider innovative resource development measures, including but not limited to, an enhanced-use leasing program similar to that of the Department of Veterans Affairs as well as the sale or other disposal of land in Hawaii under the control of the Navy as part of an overall program for Ford Island development. The report shall include proposed legislation for carrying out the measures recommended therein.

Mr. LEVIN. Mr. President, I believe the amendment has been cleared by the other side.

Mr. THURMOND. Mr. President, it has been cleared on this side.

The PRESIDING OFFICER. Is there further discussion?

Without objection, the amendment is agreed to.

The amendment (No. 2950) was agreed to.

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

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

The motion to lay on the table was agreed to.

MTMC'S REENGINEERING PROGRAM

Mr. TORRICELLI. Mr. President, I rise today regarding an issue that is of great concern to myself and the military families in my state. I am referring to the Military Traffic Management Command's (MTMC) proposed re-

engineering of the personal property program. The MTMC is responsible for moving service member's household goods when they receive Permanent Change of Station orders, and the current system for doing so has often been criticized for not providing the same quality service that is available in the private sector.

The current system is a $1.1 billion a year industry that is awarded without competition and contains no provisions for the government to enforce quality standards. The status quo has produced a dismal 23% customer satisfaction rate, which is understandable when we consider that one in four military moves results in a claim for missing or broken household goods. To make the situation worse, it takes about 8 months to settle 80% of these claims with the service member, at a cost of $100 million to the government.

For over three years, the Department of Defense has been trying to bring elements of competition and corporate practice into the military program. MTMC's plans will permit full and open competition from all types of companies which provide corporate moving services, and will hold its contractors to standards of performance. It will streamline the personal property program, and introduce accountability to the program through the use of the Federal Acquisition Regulation. The re-engineered program will also make full replacement insurance value available to service families for the first time, and will guarantee that a minimum of 41% of the total contract will be performed by small businesses. The GAO has reviewed this proposal and found it to be superior to the current program.

However, I am concerned that an alternative to the MTMC's re-engineering program, referred to as the Commercial-Like Activities of Superior Service (CLASS), has been included in the House FY99 Defense Authorization bill. This alternative, which is opposed by the Department of Defense, the Military Coalition, the Business Executives for National Security and the Military Mobility Coalition, does not improve the quality of service for our personnel, does not take advantage of current commercial practices, does not provide our military families with a streamlined claims process, and offers no protection for the interests of small business. It is estimated that the CLASS program will cost the DoD about three years and an additional $6 million to implement. I am hopeful that my colleagues in the Senate will reject the CLASS program during the conference committee negotiations, and allow the DoD to move forward with its pilot program.

I urge my colleagues to support MTMC's re-engineering effort and to remember that this is simply a pilot program. It will take place in three states and will encompass only 18,000 shipments out of a total of 650,000 annually, or only three percent of DoD's total annual shipments. Congress has also charged GAO to review the pilot as it is conducted and report back to Congress. If, at the end of this test, there are changes to be made, we can make them at that time.

Mr. President, our military families have waited long enough for us to improve the personal property program, and legislatively changing all of DoD's efforts for some other idea at the last minute would be extremely counterproductive. I look forward to removing this burden from our service personnel, and to working with my colleagues to ensure MTMC's re-engineering program becomes a reality.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. ASHCROFT addressed the Chair.

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

Mr. ASHCROFT. Mr. President, I ask unanimous consent that at the conclusion of the vote being taken on the tabling motion for Senator HUTCHISON, I have 10 minutes to address a matter as if in morning business.

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

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, as to the earlier vote on tabling, I initiated the tabling motion in my capacity as comanager of this bill, together with our distinguished chairman. I felt it was the proper thing to do because I attribute to this particular bill, the underlying bill, the annual Authorization Act, the highest priority. It is for the benefit of those who serve in uniform all over the world. It sends a strong message to our allies and enables this country to maintain its responsibility as the sole superpower in the world today. And that is why I am going to do everything I can, together with our distinguished chairman and others, to see that this bill does move forward.

Now that the matter has been divided, then I think I am free to vote my conscience as it relates to such votes as may be taken hereafter regarding the amendments.

I yield the floor.

VOTE ON MOTION TO TABLE DIVISION I OF AMENDMENT NO. 2737

The PRESIDING OFFICER. Under the previous order, the question occurs on agreeing to the motion to table division I of the amendment No. 2737. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT) and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. SPECTER) is absent because of illness.

Mr. FORD. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

The result was announced—yeas 0, nays 96, as follows:

[Rollcall Vote No. 168 Leg.]

NAYS—96

Abraham	Feingold	Lieberman
Akaka	Feinstein	Lott
Allard	Ford	Lugar
Ashcroft	Frist	Mack
Baucus	Glenn	McCain
Biden	Gorton	McConnell
Bingaman	Graham	Mikulski
Bond	Gramm	Moseley-Braun
Boxer	Grams	Moynihan
Breaux	Grassley	Murkowski
Brownback	Gregg	Murray
Bryan	Hagel	Nickles
Bumpers	Harkin	Reed
Burns	Hatch	Reid
Byrd	Helms	Robb
Campbell	Hollings	Roberts
Chafee	Hutchinson	Roth
Cleland	Hutchison	Santorum
Coats	Inhofe	Sarbanes
Cochran	Inouye	Sessions
Collins	Jeffords	Shelby
Conrad	Johnson	Smith (NH)
Coverdell	Kempthorne	Smith (OR)
Craig	Kennedy	Snowe
D'Amato	Kerrey	Stevens
Daschle	Kerry	Thomas
DeWine	Kohl	Thompson
Dodd	Kyl	Thurmond
Dorgan	Landrieu	Torricelli
Durbin	Lautenberg	Warner
Enzi	Leahy	Wellstone
Faircloth	Levin	Wyden

NOT VOTING—4

Bennett	Rockefeller
Domenici	Specter

The motion to lay on the table division I of the amendment (No. 2737) was rejected.

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri is recognized for up to 10 minutes.

Mr. LEVIN. I wonder if the Senator will yield for an inquiry.

Mr. ASHCROFT. I am happy to.

Mr. LEVIN. Mr. President, is my understanding correct that under the order, after the 10 minutes of morning business, the Senate will then stand in recess without any intervening unanimous consent requests or motions?

The PRESIDING OFFICER. The Senator is correct.

Mr. LEVIN. I thank the Chair.

Mr. ASHCROFT. Mr. President, I have been asked to propound a unanimous consent, and I believe it has been agreed to by both sides. Prior to the Senator leaving the Chamber, I will do that.

Mr. LEVIN. Does the Senator have that to propound now?

Mr. ASHCROFT. Yes.

UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT ON H.R. 2646

Mr. ASHCROFT. Mr. President, I ask unanimous consent that when the Senate proceeds to the consideration of the conference report to accompany H.R. 2646, the Coverdell A+ education bill, it be considered as having been read, and there be 4 hours for debate divided in the following manner:

Two hours under the control of the minority leader, or his designee, with part of their 2 hours divided as follows: Senator KENNEDY, 15 minutes; Senator

GRAHAM, 20 minutes; Senator KERRY of Massachusetts, 10 minutes; Senator TORRICELLI, 15 minutes; Senator COVERDELL, or his designee, 2 hours.

I further ask consent that following the expiration or yielding back of time, the Senate proceed to vote on adoption of the conference report, all without any intervening action or debate.

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

The Senator is recognized for up to 10 minutes.

U.S.-CHINA RELATIONS

Mr. ASHCROFT. Mr. President, I want to take a few moments to address the situation regarding the policy of the United States and the way in which we relate to the nation of China. The President of the United States is making a trip to the People's Republic of China, and there has been significant debate about this trip, which provides us an opportunity to ask ourselves what kind of policy should we have toward the world's most populous nation.

There have been a number of us who have questioned whether or not the President should go to Tiananmen Square, for example, to celebrate, in some way, his arrival with those who pulled the triggers at the square to crush dissent in 1989. There are a wide variety of pluses and minuses about the Presidential trip. I want to try to put this trip and our policy toward China into a broader perspective in terms of the way foreign policy perhaps ought to be conducted.

First of all, the President has suggested that we either have to do it his way—to support the Presidential visit, welcomed by leaders at the site of a tremendous violation of human rights—or else we have no engagement with China at all. I think this is a false choice. It is not necessary, in order to have a relationship with countries, that we automatically have to have a summit. As a matter of fact, we engage in relationships with very important countries—countries far more influential in some respects than China—and we don't have summits with them on a regular basis. This is the second summit in less than a year with the nation of China.

So the first thing I would like to say is that it is not necessarily essential, in order to pursue a productive policy for a long-term constructive relationship with China, that you have a summit. As a matter of fact, it might be counterproductive. It might impair the development of the kind of healthy, long-term relationship we need if we send the President unduly, or prematurely, to negotiate with or otherwise concede to individuals whose conduct doesn't merit the President's dignifying presence—whose participation in world events is not of a quality that should be legitimized by a visit from the President of the United States.

There has been a false dichotomy presented to the American people, and it has been the choice between either supporting the President's trip to China or being labeled isolationists. That is simply an inappropriate framework to force upon the American people. Most Americans understand that our objectives ought not to be involvement or isolation per se, but that the United States—the greatest Nation of the world—would relate constructively with the People's Republic of China on the basis of sound policy that leads to a constructive and mature relationship.

I believe that we have to have a policy toward China. While I question what the policies the President is pursuing, my reservations in no way suggest that I don't seek good relations with China. As a matter of fact, I think the road to good relations would be paved with better policy and fewer summits.

Allow me to explain. Whether we are talking about the relationships between individuals, or businesses, or institutions, or countries, there are principles that undergird and provide the foundation for good relations. Integrity is one. Relationships have to be based on integrity. People have to be able to trust one another. They have to know that when one says something, it can be trusted. Another component of a good relationship is responsibility. Individuals have to act responsibly. They can't threaten or otherwise endanger the other party if there are going to be sound relationships. Third, there has to be accountability. If we want long-term relationships, if we want a productive relationship, if we want something that can be relied upon and built upon, we have to have the foundation of integrity, responsibility, and accountability.

I suggest that our relationship with China is no different, an must include these kinds of building blocks. We have to have a relationship of integrity, responsibility, and accountability with China. If we don't have it, the future of U.S.-China relations is not bright.

I have some real problems with the way the Chinese have dealt with us. It is a way that does not reflect integrity. It does not reflect responsibility. It does not reflect accountability.

Take, for example, integrity. China last year, after almost 20 years of assuring the world that it doesn't proliferate weapons of mass destruction, was labeled by our own CIA as the world's worst proliferater of weapons of mass destruction. In spite of that, the President said, ''We will invite them over for a summit.'' And the Chinese were invited to the United States in October. As a matter of fact, there were nonproliferation assurances at that summit similar to the assurances that have been made over the past two decades. China pledged that it did not proliferate weapons of mass destruction. We don't involve ourselves in that.

Frankly, just a few short months later, our intelligence resources intercepted negotiations between China and Iran for China to provide anhydrous hydrogen fluoride, a material used to upgrade industrial-strength uranium to weapons-grade uranium. The material was destined for Isfahan, one of Iran's principal sites for manufacturing the explosive core of an atomic device.

It is pretty clear that the absence of integrity in the conduct of the Chinese is dramatic. It is an absence of integrity prior to the last summit, and it is an absence of integrity that followed on the heels of that summit. They will tell you one thing, and they do something else. That is not the basis of integrity that provides the foundation for a sound relationship.

Responsibility is the second key ingredient. I think most Americans were shocked—I was shocked; I was stunned—when it was revealed by our own intelligence sources that the nation of China had as many as 13 intercontinental ballistic missiles targeted on American cities, armed with massive nuclear warheads, termed ''city busters.'' Every city in the United States of America north of southern Florida is within range of these missiles, and they are targeted on the United States of America.

I don't think that is the foundation for summitry. I don't think that is the foundation for a good relationship. We never appeased the Soviet Union while it was targeting nuclear warheads on American cities. Ronald Reagan had a sense of principle. He had a sense of determination that you don't stand as a target, while at the same time offering privileges to your adversary. That is not the kind of policy America has pursued in the past. A policy which sells out America's long-term security interests might facilitate a particular sale, it might obtain a particular favor, but it is not in the long-term best interests of the United States to stand as a target offering concessions to a country pointing nuclear weapons at our cities.

I think it is, of all things, terribly irresponsible of the Chinese to have 13 American cities targeted with their ''city buster'' nuclear weapons on intercontinental ballistic missiles capable of reaching virtually every city in the United States.

The third important element is accountability. Where do the Chinese stand on accountability? The trade barriers that China has toward the United States are incredible. In recent years, China's tariff levels have been about six times as high on our goods as our tariffs are on Chinese products. Not only that, China imposes nontariff barriers that make it impossible for our companies to penetrate the Chinese market. China treats American companies differently, so that U.S. firms don't have the protection of law in Chinese courts commensurate with the protection the United States extends to foreign investors in our market.

The absence of integrity, the absence of responsibility, the absence of accountability—the absence of these cornerstones of what ought to be U.S. policy means that the house of cards being constructed in summitry with China is in danger of collapse. I think if we are really interested in China policy over the long term, we ought to build the U.S.-China relationship on a foundation that demands integrity, responsibility, and accountability.

When the President's presence implicitly accepts atrocities in China, and when the Administration continues to pursue a bankrupt policy of engaging the Chinese at any cost, the interests of the American people are not served and the United States is not served at its highest and best. It is no wonder that individuals on both sides of the aisle have protested this trip. It is no wonder that this is not a partisan issue. Sure, there may be more Republicans who are willing to stand and talk about this now. But in our news conferences together, we have brought these concerns to the President, saying, you are making a mistake with the kind of things that you are intending with this summit.

The President will likely try to come home with some transaction, or some deal, to say that it was an achievement of the summit. But let us not forget that the real purpose of summits ought to be the development of sound structural relations, the kind of underpinning and foundation that will result in the potential for long-term, beneficial, constructive relationships between countries. As long as we ignore the absence of integrity, we ignore the absence of responsibility, we ignore the absence of accountability, it seems to me that we are not building the kind of relationship based on mutual respect.

I would say this: As a minimum, this summit must end with the President returning to the United States with an assurance that United States cities are not targeted by Chinese ICBMs—with some kind of verification to ensure China's detargeting of American cities is genuine.

The Chinese know that they have not acted with the requisite integrity. They know that they have not acted with the requisite responsibility. I think they understand that they have not acted with the kind of appropriate accountability that would provide the basis for the right foundation for a sound U.S.-China relationship. China, in some ways, may not expect to get the kind of relationship that mature nations dealing with one another on the basis of these values would have.

Maybe that is why the Chinese have attempted to influence elections in America with donations to buy the kind of respect they have not earned with good will.

Of all the things I would expect us to demand at the upcoming summit, one is that illegal contributions from subsidiaries of the Chinese Army not come to contaminate the political process in the United States of America.

I want to say with clarity that an important challenge for the United States is to develop sound long-term relationships with important nations around the world. We cannot develop those relationships, however, without the fundamentals of integrity, responsibility, and accountability.

We have in China today a regime whose brutal repression at home betrays its intentions abroad. America should be sounding liberty's bell, not toasting the tyrants who sent tanks to Tiananmen Square and pulled the triggers there.

I believe we need to find a way to make sure that integrity, responsibility, and accountability are the fundamental components upon which our China policy rests. To legitimize Chinese conduct absent those values, those principles, is likely to result in a long-term U.S.-China relationship with more risk than reward, with more difficulty than cooperation.

Mr. President, I thank you for this opportunity. I thank you for the time you have spent in the Chair.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 1:18 p.m., recessed until 2:17 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COATS).

The PRESIDING OFFICER. The distinguished majority leader is recognized.

VITIATION OF CLOTURE VOTE

Mr. LOTT. Mr. President, I ask unanimous consent that the cloture vote scheduled for 2:15 today be vitiated, and the order with respect to the Hatch-Feinstein special order now commence.

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

Mr. LOTT. I observe the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. ROCKEFELLER. Mr. President, this Senator asks unanimous consent to be permitted to speak as in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, the Senator is recognized to speak as in morning business.

Mr. ROCKEFELLER. I thank the Presiding Officer very much.

RIGHTS FOR AMERICA'S DISABLED VETERANS

Mr. ROCKEFELLER. Mr. President, I rise today to speak about veterans' rights being bartered away. And I hope that my colleagues both here on the floor and in the various parts of the Capitol will listen to what I have to say, because it may be the last time this can be said.

These rights for veterans are being bartered away in back room deals; they are being done without full Senate consideration; they are being done without amendments; they are being done without the public's knowledge; they are being done in a way which is, to me, shocking. I am referring to the denial of veterans' disability rights that was enacted as part of TEA 21 and the process which is now going on with regard to the technical corrections bill, which is needed to amend drafting errors that were made to TEA 21.

Mr. President, I have been in the Senate now for 13 years. I have been very honored to serve on the Veterans' Affairs Committee. It is part of my Senate service that has truly made me proud. I am proud to be helping real people with genuine human needs. Coming from a great State like West Virginia, which, like the Presiding Officer's State, places great honor on military service, and in serving on the Veterans' Affairs Committee, both of these things have allowed me the opportunity to learn a lot about the sacrifices that millions of our brothers and sisters have made to preserve the freedoms that we too often take for granted. They have earned our respect in ways that many of us will never know, God willing.

I am proud to serve veterans, and I hope to continue to serve them however I can. But I am not so proud of the way this Congress—this Senate—is treating disabled veterans this year, and I wish to talk about it. I am, in fact, ashamed for all of us in the Senate. It is not a pretty story. It makes me very angry, and it makes me very sad. America's veterans—indeed, all Americans—are being subjected to an unprecedented money grab, a shell game, conducted behind closed doors, as part of the highway reauthorization process.

Mr. President, veterans have earned better treatment than they are getting. They have earned more from their Government than a process that denies them their rights without any accountability—They have earned more than a process that is out of control. I repeat, this is a process in which all of the American people are being harmed by what is being done to veterans behind closed doors.

My colleagues all need to know the truth of this. Why is it that we are now willing to look the other way when a conference report grossly exceeds the scope of the underlying original legislation? As my colleagues know, I have been fighting for many months to correct the injustice that we do this year

to veterans. It is my duty, Mr. President; it is my right to do so as a single U.S. Senator; and it is my obligation.

Mr. President, we bestow upon the Republican leader the power to control the matters that are brought before this body. If the Democrats control, then the Democratic leader does it. If the Republicans control, the Republican leader has that authority. It is awesome authority. It is an awesome responsibility. But the leader has failed veterans this year.

Why does the Republican leader continue to use his power to deny full Senate consideration of H.R. 3978, the highway corrections bill? What is he afraid of? Why has the leadership turned a deaf ear to America's veterans who have been calling and writing to all of us to petition to have this bill brought to the floor? Why is it that the Republican leader will not give us the opportunity to offer an amendment to H.R. 3978 which would restore veterans' disability rights that were cut off to pay for unprecedented increases in highway funding?

Instead of bringing this bill to the floor for debate and for a single amendment—30 minutes; that is all I ask for, 30 minutes equally divided—the majority leader has simply said that he will find another way to pass this bill—quietly, covertly, out of the light of day and out of the sight of veterans. It is not a pretty sight. That other way, we are now told, will probably be the Internal Revenue Service restructuring conference report that is slated to come to the floor soon.

Now, as all of my colleagues know, when a conference report comes, it is unamendable. So it is a winning tactic. You want to get something passed, you put it into a conference report—and nobody knows about it; and nobody even knows where the conference committee is getting its directions—you put it in, then you bring it to the floor. Nobody can amend it, because it is called a conference report. It is sacred on this floor. It is unamendable, evading the usual process that would have allowed this issue to be fully aired and debated in the Veterans' Affairs Committee, the authorizing committee which has jurisdiction over veterans' compensation matters.

The highway bill conferees this spring took away a benefit that had been granted to disabled veterans under existing law—there is no new program here, it is under existing law. The conferees took something away from disabled American veterans—found disabled because of their inservice smoking addiction, having passed through a terrific series of tests which eliminate virtually all of them.

Now, once again sidestepping the regular process, the Internal Revenue Service restructuring conferees will fail to restore the benefits cut in the highway bill. It will be done at the direction of the Republican leader. And I know something whereof I speak, because I have talked with some of the conferees. That is why I am here to share my sense of outrage with my colleagues.

This is a critical issue of justice and fairness to people who are addicted because of the efforts of the U.S. Government in part, and in some cases in full. And every moment that we wait to correct this injustice, veterans and their families are irreparably harmed.

Right now, the Department of Veterans Affairs is holding veterans' smoking-related disability claims in abeyance, just holding them until this corrections bill is passed. And when I say this ''corrections bill,'' I am talking about a corrections bill we will probably never see, we will never have a chance to debate; there will be no 30 minutes equally divided; there will be no up-or-down vote so Americans will know where people in the Senate stand on this matter—because it is being done in quiet.

All of this means that the VA is not deciding any of these claims.

Some were filed over 5 years ago and those folks have already been waiting all of this time for decisions. Their lives are on hold. Some claimants will have died. In fact, I suspect a lot of them will have died waiting for a decision. Some of their widows will have lost their homes since they did not have a VA check to make ends meet because the veterans' disability compensation has been cut off in secret. Every day that we wait, another veteran or a widow is irreparably harmed. We can't go back, but we can help those who are still waiting.

Let's review the history of what happened here. I understand the Senate wishes to do other things. That is of no concern to me at this moment. What I am concerned about is these people and their future. In a disingenuously conceived fiction, the Clinton administration and the Budget Committee this year created some imaginary ''savings.'' It was a lovely scheme.

I had all the OMB people in my office coming to tell me about the wonderful things that they were going to do with this money and that it would be used to help pay for all the President's projects in his budget, but they were doing it at the expense of disabled American veterans who, until recently, under current law, had the right to file disability claims if they are addicted to nicotine because of the U.S. Government. So they create imaginary savings. The Clinton administration did this, first, by increasing the budget baseline by an artificially inflated, absolutely unrealistic, ridiculous estimate of the cost of disability claims of veterans suffering from smoking-related diseases, and then at the same time by proposing to change existing law to bar disabled veterans from receiving this compensation. Well done, well done. The paper savings they created were then used to fund a huge increase in the highway bill.

Now, these savings, Mr. President, you have to understand, are not real. This is a big shell game. They exist on paper only. They are based on an estimate of 500,000 veterans who would file tobacco-related claims each year. As I have said, so far a total of 8,000 have applied and only 300 claims have been granted. So you can now grasp the ridiculousness of the estimates on the part of the Clinton administration—but still, they came over and argued this. There were calls from the White House, calls from OMB, visits from the White House, visits from OMB.

Experience indicates there is no factual basis for this ridiculous estimate. The reality, as I will say again, is that only 8,000 veterans have filed such claims over the past 6 years. So you can see these numbers are totally pie in the sky, merely a self-interested guess, a self-promoting guess by OMB.

Make no mistake about this, the huge increase in highway spending is, in fact, being paid for by make-believe savings, paid for by a devious fiction which is really spending of the surplus which we all so jealously claim to be protecting. Shame on every one of us, all 100 of us. Shame on us for perpetrating the fiction and then for cutting off of the current law for disabled American veterans who are disabled due to tobacco-related illnesses.

Although based on fiction, the impact of this number shuffling is very hurtful and real. The benefit that has been granted to disabled veterans under existing law has been summarily eliminated by a sleight-of-hand action, without consideration by the authorizing committee—which has jurisdiction, I might add, over compensation issues—in a complete mockery of our budget process and of regular order in the Senate.

We have created new ways of doing things in this body in order to avoid this issue. Now this is what I have called a midnight raid on veterans' benefits. I have used these and other words in the past and I could use stronger words. To put it bluntly, America's veterans have been wronged by back-door trickery. Funding for the veterans' benefits have been cut; imaginary savings have been diverted to pay for highways; and veterans' disability rights have been placed in jeopardy.

No, it is not too late to correct this. It is not too late to correct this injustice done to disabled American veterans. The necessity of passing a technical corrections bill to the highway bill provides the opportunity to do just that. Those interested in the highway projects listed in the corrections bill are very interested in passing this bill. So believe me, we are going to pass it. It is probably going to come to the floor attached to the IRS Restructuring conference report. Or it will come attached to something else. In any case, there will be no chance for the disabled veterans, but plenty of chances for more Federal dollars for highways.

The amendment I offer would strike the veterans' disability compensation

offset from the underlying conference report on H.R. 2400. I have requested that it be put to an up-or-down vote so that America's veterans can see, in the light of day, where their elected representatives choose to stand on this issue.

Now, let me be clear what my amendment would and would not do. First and foremost, be assured my amendment strikes no highway project. These projects are already in law. My amendment would fully preserve each and every highway dollar and project that was included in the highway bill. I voted for the highway bill. I support highway funding. I come from West Virginia. Only 4 percent of the land is flat. You think that we don't need roads? Not a single project in West Virginia or any other State will be affected in any way, shape or form by this. Why? Because the projects will be funded through the appropriations process.

Second, my amendment would not trigger a sequester. That is one of the contentions of those who would deny disability benefits to veterans. It is untrue. My amendment is protected by the same budget trickery, to be honest, that covered the TEA 21 bill and that waived certain provisions of the Gramm-Rudman Act.

Third, the amendment I propose does not provide any new benefit to any veteran. It merely restores the state of the law prior to the enactment of the highway bill. The law was based on interpretation of VA's existing obligation to veterans to provide compensation for smoking-related illnesses. Veterans who file claims for smoking-related illnesses would have to meet the same legal and evidentiary requirements as claimants for any other service-connected disability. The test to establish these claims is, as I have indicated, very tough. I remind you, only 300 have passed so far.

The veteran must prove that the addiction to use tobacco began in the military service, that the addiction continued without interruption, and that the addiction resulted in an illness, and that the addiction resulted in a disability. He must prove all of that. Eight-thousand have tried and 300 have been successful. Easy test? Not quite.

It is imperative that the correction bill be brought to the floor where it can be debated and amended. If TEA 21 is permitted to stand uncorrected, an entire category of veterans' disability rights will be eliminated. Even claims of veterans who became ill with tobacco-related illnesses while on active duty will be cut off. And smokers' claims for conditions that may be associated with tobacco use, but are also presumptively service connected—please hear this—based on exposure to Agent Orange or radiation, may also be cut off. What are we doing here?

Moreover, in a provision that truly adds insult to injury, the conference report makes tobacco use in the military an act of ''willful misconduct.'' Do you know what that means, Mr. President? It means that veterans are justifiably outraged that smoking could be considered ''willful misconduct,'' equating smoking with alcohol or substance abuse. They feel betrayed by a Government that encouraged smoking during their service, and now would turn its back on the health problems that resulted.

If H.R. 3978, the corrections bill, is allowed to go forward as drafted, and unamended, veterans and their survivors will forever lose their ability to seek compensation for tobacco-related deaths or illnesses resulting from nicotine dependence that was incurred in service. These veterans will lose their ability to get VA health care. Veterans with service-connected conditions receive priority free health care. If you add it up, if service connection for compensation purposes is barred, using CBO numbers, there will be about 700,000 veterans who will very possibly be turned away from access to VA health care.

The Government's role in fostering veterans' addiction to tobacco during their military service is well known and much ''untalked'' about in current weeks. Smoking was thought to calm the nerves. I had lunch with one of my best friends the other day, and he told me that back in World War II he was given free cigarettes in C rations and K rations, and discounted cigarettes—cigarettes which didn't have any warning on them until 5 years after the FDA required that they be put on civilian packs of cigarettes. No; they were encouraged to ''take a smoke break, relax, calm yourself. Sure, this is battle and training and it is stressful, but this cigarette will help you.'' The voice of the U.S. Government was speaking.

So all of this represents a shameful abuse of the trust of our young service members. How can we now turn around and call a behavior encouraged by our Government ''willful misconduct''? How do we do that? How can we turn our back on these veterans' need for health care? Well, we are doing it by ignoring the consequences of the highway bill and by ignoring America's veterans.

There has been a lot of talk about veterans and smoking in the last few months. As you know, this Chamber adopted an amendment to direct a portion of the proceeds from the tobacco bill—if we can remember that far back—to VA health care. That action, of course, is now meaningless. Senator MCCAIN was for the amendment and so was I. The amendment was for health care, not compensation for the disability of veterans made ill by tobacco that was foisted upon them by the U.S. Government in service to their country.

So we have no tobacco bill now. Those of my colleagues who sought refuge in the tobacco legislation now are going to have to look for some other place for refuge.

Some may also point to the provisions in the highway bill that provide enhancements to some very important VA programs. It was said to me early on, ''Senator ROCKEFELLER, you have to understand that we put a lot of things in this technical corrections bill that are for veterans. You can't be against these, because that will cut those things out.'' And so they put in some enhancements to the GI bill, grants for adaptive automobile equipment, and a few other programs.

I am sorry, but veterans are not to be bought off. Veterans are unanimous in their view of this. This is $1.6 billion in benefits that veterans could have. But the price is the abolition of the right for disabled veterans to seek compensation for tobacco-related illnesses—I am sorry, Mr. President, that price is too dear. Our friends in the veterans community speak with one voice on this issue, and I agree, they cannot support the increase in benefits to one set of veterans, to be paid by the cutting of essential benefits to another class of veterans who already have those benefits under law. Veterans across this Nation reject this attempt to buy them off.

So I repeat—and I am not ordinarily this partisan, and I hope that the Presiding Officer understands that—what is the majority leader scared of on this? Why can't we have a vote on this? This is a basic, moral issue—to determine the way that the U.S. Government chooses to present itself to the American people. There is a fundamental, moral principle involved—undoing current law, under a budget fiction, started by the Clinton administration, and joined in by the majority. So the result of all of that power is that veterans are shut out, dumped, and then cut out of the law from this point forward. Why does the Leader not bring this bill to the floor so it can be debated and amended? Why does he have to move this in the dark of night? Once again, I urge the majority leader to bring this corrections bill to the floor.

I participated in a conversation at the back of this Chamber with one of the conferees on the IRS bill, describing how, oh, yes, it was probable that this technical corrections bill would be put into the IRS conference report. That sounds positive, doesn't it? No, it is highly negative. That means that when it comes to the floor, it cannot be amended or debated. It can only be voted up or down, and the veterans lose on all fronts from that action.

My colleagues need to understand that there is a huge problem with the majority leader's tactic. American veterans will not be fooled by what he and others do here. American veterans are not stupid, and they are angry. They will see through this charade, but most of the Members of the Senate do not see through this charade—the charade of how the funding process began and how the highway money comes out of the surplus and the phony savings. I bet there wouldn't be 12 Senators on this floor, who would understand exactly what happened, how absurd the

whole thing is, how embarrassing the whole thing is, and how wrong it is for veterans to not even be given a chance.

America's veterans are justifiably losing their faith in Government. This will accelerate that process for American veterans. They no longer believe that the Government that they fought to preserve intends to meet its obligation to them. I share their fear.

What is obscene about all of this is that this denial of disabled veterans' benefits occurred just before Memorial Day, when everybody on this floor and in the other body was pouring out words of patriotism, appreciation, love, respect, reverence to veterans for all they have done for their country. But in the Halls of Congress, actions often belie these words. If we do not take care of America's veterans now, one might say, who will take care of us in the future? To secure the soldiers we will need in the future, we must maintain the promises made to those who protected us in the past.

Thirty minutes equally divided up or down, Mr. President, I submit is a fair request on behalf of disabled American veterans.

I thank the Presiding Officer.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Utah is recognized to speak for up to 20 minutes as in morning business.

The Senator from Utah.

Mr. HATCH. I thank my colleagues.

Mr. President, it is my understanding that the Senator from Utah has 20 minutes and the Senator from California has 20 minutes.

The PRESIDING OFFICER. The Senator is correct. He will be followed by the Senator from California, who has 20 minutes.

Mr. BREAUX. If the Senator will yield, may I have a few minutes from either Senator?

Mr. HATCH. We will be happy to do so.

TOBACCO LEGISLATION

Mr. HATCH. Mr. President, I rise to announce that—contrary to press reports that tobacco legislation is dead—in fact, a strong, bipartisan effort to enact meaningful tobacco legislation is very much alive and well in the Senate today.

Last week's action by the Senate on the Commerce Committee tobacco bill should not be viewed as a failure by this Senate to pass tough tobacco legislation.

Nor should it be viewed as a victory by tobacco companies and tobacco lobbyists to kill tobacco legislation and deny the public health benefits from a strong bill.

To be fair, there were many criticisms of the Commerce bill. It suffered from a myriad of legal problems, including several unconstitutional provisions. Its costs were very high, perhaps as high as $800 billion. It could have provided enhanced opportunities for black market sales, with accompanying crime and violence.

And, a bad bill was made worse on the floor with adoption of several, additional competing spending priorities which—however well-intentioned—diverted from the primary focus of the bill [e.g. child care, illegal drug abuse, tax cuts.]

In my opinion, the four weeks that the Senate spent on the tobacco bill were a critical and useful exercise in educating ourselves—and the American public—on the numerous complexities of the tobacco issue. By and large, we now have a better understanding of this issue and what Congress should do to develop a good bill.

Accordingly, Senator FEINSTEIN, Senator BREAUX and I have come to the floor today to announce our bipartisan effort to work toward a strong tobacco bill that, we believe, will be acceptable to the vast majority of our colleagues.

There are eight cosponsors on our side and three cosponsors thus far on the Democrat side. And it is bipartisan.

We must not lose sight of the fact that we have a very real opportunity, a compelling opportunity to act on tobacco this year.

We believe the best framework for legislation clearly remains in the provisions of the June 20, 1997 global tobacco settlement that was agreed to by 40 State Attorneys General and the tobacco industry.

This document should serve as the blueprint on which the Senate should act. It should be clean of extraneous provisions and programs and targeted to the overwhelming need to educate our nation's youth on the hazards of tobacco use.

I call upon my colleagues—both Republicans and Democrats—to join us in this bipartisan effort to protect the lives of American youth.

I call upon the President to work with us in a bipartisan effort to forge meaningful tobacco legislation. Without your active participation and support, Mr. President, there can be no tobacco bill. Together we can make a positive and defining difference.

Senator FEINSTEIN, Senator BREAUX and I are prepared to move forward with tobacco legislation that is constitutionally sound and that will protect millions of Americans, both young and old, from the enticement of the deadly tobacco habit. We simply cannot lose this opportunity.

We do not intend to remain on the sidelines while this issue languishes and political rhetoric is thrown back and forth.

Some of my colleagues have stated they intend to offer the Commerce Committee tobacco bill as an amendment to all appropriate legislation on the floor of the Senate. Let me say to my friends that I share your concern that the Senate should pass legislation this year.

I ask that you join us in our bipartisan effort to enact a settlement-based bill. Together we can realize enactment of tobacco legislation that has seemed so illusive over the past several weeks.

I would like to outline this legislation so that my colleagues will understand the basics of the bill that we will file in the future.

Number one, the key to an effective program, according to public health experts, is that it must be comprehensive.

The Hatch-Feinstein bill accomplishes this goal with major provisions that build upon the June 20, 1997, agreement and the plaintiffs' attorneys' settlement proposal. Ours would require $428.5 billion in payments over 25 years. That is $60 billion more than the June 20, 1997 proposal.

Our bill will focus on antitobacco activities, including prevention and research efforts, and give full FDA authority over tobacco products. This is important because no comprehensive, antitobacco bill can be passed without the voluntary cooperation of the tobacco companies.

When the proposed settlement was announced last June, with a record $368.5 billion in industry payments, we were all astounded that the tobacco companies would agree to pay that whopping amount of money. That record amount, that ''ceiling'' as it were, was astounding. Now there are those who talk like that is nothing.

Our bill will add another $60 billion to that $368.5 billion in required industry payments over 25 years.

I am hopeful our bill will bring the tobacco companies back.

Yes, they will be kicking and screaming. They will be angry. They will be upset. But, I predict they will come back.

There has been considerable debate in this body about the adequacy of the industry payments. I wish we could require $1 trillion in payments.

The plain fact is that we have to be reasonable. If we want a comprehensive and constitutional bill, then we will have to insert provisions to bring the industry back to the discussion. Only with their participation can we have a truly constitutional, comprehensive bill.

Of the $428 billion in industry payments, $100 billion will be devoted to biomedical and behavioral research.

These significant new revenues are devoted to efforts to prevent, treat, and cure tobacco-related and other illnesses. We have included funds for behavioral research as well, so that we can determine the causes for youth tobacco use and determine how best to address them.

Let me emphasize, we provide $100 billion over 25 years, or $4 billion a year, for biomedical and behavioral research, with no possibility the funds will be diverted for other, non-tobacco-related purposes. That is something that will benefit the public health of this country significantly.

We also provide $92 billion for important public health programs to combat

youth tobacco use, including counteradvertising, smoking cessation, and public education. Again, this is all for tobacco-related public health programs.

We also include $18.7 billion for tobacco farm families, by melding the Lugar bill and the best of the LEAF Act, Senator FORD's bill, other than continuing the subsidies.

Public health authorities insist that increasing tobacco prices is an important weapon in our anti-youth-tobacco-use arsenal. Law enforcement is equally adamant that price increases will lead to greater opportunities for black market sales. Our bill will substantially enhance law enforcement resources at all levels—Federal, state and local—and will also provide new criminal penalties for trafficking in contraband. The Hatch-Feinstein-Breaux bill will provide $9.4 billion for law enforcement efforts, which will be essential in the eyes of law enforcement.

Turning to another provision, our bill includes $5 billion for tobacco-related programs for Native Americans, who are particularly hard hit by some of the problems that come from tobacco. We provide $200 million a year for these Native American programs.

Let me add that we also give FDA strong and new authority over tobacco products, authority that is in question in light of current litigation over this issue. We also include strong look-back assessments, which, without the tobacco companies on board, will not be constitutional.

In addition, when I say we give FDA strong new authority, we mean it. We not only give them the authority, we give them the authority to ban tobacco products, with the consent of Congress, right from day one. And we require them to issue strong performance standards that industry must meet so that we can be assured that any tobacco products sold in the future, meet government-mandated standards with respect to their critical components, such as tar and nicotine and all other additives. So that is important. That is quite a bit different from what was included in the Commerce bill, where the performance standards were permissive, not mandatory. We keep the industry's feet to the fire by including a strong look-back provision which will provide the industry with the incentives to be good actors, but which will provide stringent penalties if they are not.

We provide $204 billion to the States to settle their suits and provide reimbursement for their Medicaid costs. We waive Federal recoupment of these funds under Medicaid law.

The challenge for Congress is to design a program which works and which will withstand legal challenge. The problem with the Commerce bill, had it passed, is that it would have been litigated for probably 10 years, because it was unconstitutional.

Senator FEINSTEIN, the other cosponsors, and I, have worked very hard to avoid constitutional and other legal pitfalls which handicapped the Commerce bill.

So, to sum up, our bill contains constitutionally permissible advertising and marketing provisions, advertising restraints well-beyond those contained in the FDA rule. We have strong look-back assessments—up to $5 billion in penalties in 2004 and up to $10 billion by the year 2009 if the industry does not meet the reductions in youth-smoking that we set in the bill.

And our bill mandates establishment of a documents depository in a central location, Washington, DC, where all of the tobacco companies will deposit critical industry documents. This will be done by volition, since the companies will have agreed to the protocol contained in the bill. This should make it easier for individual claimants to sue and to recover. And that is no small thing.

Now, under Hatch-Feinstein, the manufacturers, State governments, the Castano litigants, and the Federal Government voluntarily execute a binding and enforceable contractual agreement, so that tobacco companies will have agreed, voluntarily to meet the requirements of the bill.

Similarly, with the industry voluntarily consenting to the agreement, this obviates any constitutional problems with the look-back provision.

We have included several limited liability provisions, which is the one prerequisite to the industry voluntarily agreeing to a bill; this will give the industry greater predictability in their financial exposure due to lawsuits, and which in turn will provide the Federal Government with a more predictable revenue stream to operate its new antitobacco program.

Now, with respect to the limited liability provisions, we settle all Federal, State and local suits, including class actions, in line with the settlement nature of the legislation. That is what the attorneys general did. Shutting off the State litigation allows us to provide the States, counties and cities with guaranteed payments of up to $204 billion, without the need for costly and time-consuming litigation and without Federal Medicaid recovery.

Specifically, we provide $204 billion to the States. Forty percent of the State funds are untied; 60 percent of the State funds are targeted for 14 specific programs.

We fully preserve all individuals' rights to pursue their injury claims, and all individual suits will be preserved and allowed to proceed except for those making claim for treatment only of addiction or dependency.

We settle all past punitive damages in exchange for an unprecedented $100 billion which will be used for biomedical and behavioral research. Future judgments against the industry, with the exception of claims for addiction and dependence, will be subject to punitive damages, but they will also be subject to a cap on total awards during any given year.

May I ask, Mr. President, how much of my time is remaining?

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Utah has 8 minutes remaining.

Mr. HATCH. Let me just proceed a few minutes more before I turn to my colleagues, and then I will reserve the remainder of my time.

The Hatch-Feinstein-Breaux bill contains many provisions that mirror those contained in the proposed settlement of June 20 of last year.

We are trying to accomplish the art of the impossible. We want to enact this astounding settlement, this unprecedented agreement wherein the tobacco companies voluntarily concur in making large annual payments in exchange for unprecedented new advertising bans and future look-back penalties.

If we cannot maintain the consensual nature of the original settlement, then we lose the ability to accomplish many of the key elements of any comprehensive anti-tobacco legislation.

I want us togo home this year proud that we have enacted a good bill, not ashamed of our inaction or our action on a faulty bill.

I thank my colleagues for being willing to support this bill. On the Republican side it is myself, the Senator from Oregon, Mr SMITH, Senator JEFFORDS, Senator GORTON, Senator BENNETT, Senator HUTCHISON, Senator KEMPTHORNE, and Senator DEWINE; on the other side, Senators FEINSTEIN, TORRICELLI and BREAUX. Let me reserve the remainder of my time.

The PRESIDING OFFICER. Under the previous agreement, the Senator from California has up to 20 minutes.

The Senator from California is recognized.

Mrs. FEINSTEIN. I thank the Chair. I would ask that I be notified when 10 minutes of my time has gone by, and I will try to share it with the distinguished Senator from Louisiana.

Mr. President, Senator HATCH and I have prepared our bill based on some ten hearings in the Judiciary Committee and is based on, we believe, would create a consensus to create a bill which would do the following: Create a pure tobacco bill with no additional tax measures, no drug enforcement programs, no voucher programs, but which would provide some incentives for the tobacco industry to agree, while increasing the per-pack price, and this is a gross figure, to about a $1.50 over 10 years. This would include excise and State taxes, wholesale and retail markups, manufacturers take. This bill would also ban all tobacco advertising geared toward children and ensures that the FDA has the necessary regulatory authority to regulate the consents, and to limit nicotine. It would also provide, as Senator HATCH has just said, some $92 billion over 25 years for tobacco-related public health programs, and $100 billion over 25 years for research, with tough look-back provisions that require the industry to reduce youth smoking by 67 percent in 10 years.

It would also require States to negotiate an allocation of tobacco funds to counties that filed lawsuits before the June 20, 1997, deadline.

As you know, the McCain bill as it came out of the Commerce Committee, required a total payment of $516 billion over 25 years. The Hatch-Feinstein proposal requires $428.5 billion over the same period. Under the McCain bill, as amended, it would have diverted about half the funds to programs unrelated to tobacco or public health. Under the McCain bill, there was less money going to public health programs and to the States than under Hatch-Feinstein, since 26 percent of the funds right off the top went to an election year tax cut. For instance, for the first five years, $47.2 billion would be left over after the tax cut, the Coverdell amendment then takes the great bulk of funds available for public health programs and uses it for drug enforcement, border patrol and school vouchers. That bill allocated 40 percent of the remaining funds available for State programs, while Hatch-Feinstein allocates 50 percent of the funds directed to the State.

Under our proposal during the first five years, there would be $10 billion more money for Federal public health research and antitobacco programs. There would also be $7 billion more money for State public health and antitobacco programs. The public health aspect, we believe, is the most important part of this legislation. Additionally, one of the most critical areas which must be addressed for any tobacco legislation to be successful in reducing youth smoking, I believe, is advertising. The tobacco industry knows that millions of smokers quit annually and approximately 400,000 Americans die from smoking-related diseases each year. They also understand that 89 percent of all new smokers are adolescents, and for their market share to continue they must continue to market cigarettes to children, and they do.

So, advertising plays a central role in leading young people to smoke.

We know that tobacco companies can no longer advertise on television or radio, so they use alternative forms of advertising and promotion to persuade teens to start smoking. We know that, despite endless promises by the tobacco companies that they have not and would not market to children, that they would not use advertising to appeal to children, they have done exactly what they promised not to do. And the evidence is staggering.

Mr. President, 87 percent of adolescents could recall seeing one or more tobacco advertisements and half could identify the brand name associated with one of four popular cigarette slogans. As a matter of fact, in 1986 Camel cigarettes ranked seventh in popularity among the youngest age group of smokers, with less than 1 percent of all children smoking Camels. One year after Joe Camel was introduced, the brand jumped to No. 3 among teenage smokers—from No. 7 to No. 3—because of Joe Camel. This shows a clear relationship between advertising and teen smoking.

Three months ago, I saw a tape of a television news report where a beautiful 3-year-old girl was able to match the cartoon Joe Camel with the photo of a cigarette. It was chilling. Even a 3-year-old could associate Joe Camel with cigarettes, and it was a positive association. Some have even said more children recognize Joe Camel than Mickey Mouse. It should not be this way in the United States of America.

Our provisions in this bill with respect to advertising are as follows: The companies would have to agree to ban all outdoor advertising; all Internet advertising; all stadium/arena advertising; sponsorship of athletic, music, and other cultural events; human images in ads; cartoon characters in ads; product placement in movies, TV, video games, youth publications, and live performances; placing tobacco logos on nontobacco merchandise such as hats and T-shirts; color and image advertising except for adult-only locations; all adult magazines and newspapers; music and sound effects in audio and video advertising.

So, if a company wants to advertise in media other than periodicals, promotional material, and point-of-sale materials, it must give a 30-day notice to the FDA. These are broad, far-reaching restrictions which will severely limit exposure of children to tobacco advertising.

Senator HATCH has laid out the liability provisions very well. Something I think we have all learned from this debate is that there should be some form of liability cap. That is the incentive—part of it—for the tobacco companies to comply. Our bill caps liability at $5.5 billion. As Senator HATCH stated, it would terminate all Federal, State, and local suits, Castano action, class action, individual preventive addiction and dependency claims.

But all individual suits will be preserved and allowed to proceed, with the exception of those making addiction or dependency treatment claims for past conduct by the companies. They could continue the addiction and dependency treatment as long as an illness was related. Consolidation would be allowed by court action or by motions to join cases filed by individuals.

Additionally, as I have mentioned, the Joe Camel suit was actually brought by a county, and yet that suit was jettisoned in the prior legislation. So we require that the states with those counties who have filed suit before 6/20/97—San Francisco, Los Angeles, Cook County, New York City, and Erie county—that they would all be recognized and provided for in this particular bill.

I want to speak to the look-back provisions for a moment, because we set tough industry targets to reduce youth smoking and they are the following: 15 percent in 3 years, 30 percent in 5 years, 50 percent in 7 years, and 67 percent in 10 years. And the penalties are actually stronger in our bill. The McCain bill, for example, had $40 million penalty per point when the industry is 1 to 5 percent short; we would have $100 million per point. Under McCain, if an industry is 6 to 20 percent short, their penalty would be $120 million per point plus $200 million. Ours impose $200 million per point. Under McCain, it imposes a penalty cap of $2 billion per year industry-wide and $5 billion per year company-specific cap; in our bill, it is $5 billion per year for 5 years and $10 billion thereafter industry-wide.

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

Mrs. FEINSTEIN. If I might have 1 minute to sum up and then yield to the distinguished Senator from Louisiana?

Another provision in our bill that I want to speak to is the antismuggling provision. I heard so many people say, you don't have to worry about a black market, it is not going to happen. There is a black market today in California based on the present $2-per-pack price. The trick really is how the bill phases in per-pack pricing increases plus FDA's regulation of content and nicotine to see that it is done in a way that does not create an increased black market or increased smuggling. We provide in our bill an additional $9.4 billion over 25 years for enforcement of antismuggling provisions.

So, if the ultimate goal of tobacco legislation is to reduce teen smoking and smoking overall, we believe this bill will pass scrutiny by our colleagues. We offer to work with anyone who cares to work with us.

I would like very much to thank the chairman of the Judiciary Committee. I very much enjoyed working with him on this bill.

I now yield the remainder of my time to the distinguished Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, I thank my colleague for yielding some of her time. As well, I thank Chairman HATCH for the work that he did on this legislation. I think the two previous speakers really need to be congratulated for bringing to the Senate a commonsense approach to what has become a very tragic situation. I would like to make just a few comments about it.

You know, in Louisiana, where I am from, there is an old saying that if you like the end product, there are two things you should never watch being made; one is sausage, and the other is laws; because if you like the end product, you don't like the process that you go through to make either laws or sausage. If you observe it too carefully, you will never like the end product, perhaps is what they are trying to say.

The point I am trying to make today is, what has happened on the tobacco legislation, I think, is indeed very,

very tragic, because what started out with very good intentions has ended up with a very serious loss for all Americans who are concerned about trying to do something about tobacco. There was a poll by one of the television networks on Friday night. It said that 47 percent of the American people were pleased that the tobacco legislation that came up in the Senate was defeated; 46 percent said that they were disappointed it was defeated. The American people have to be horribly confused about the situation, where we are and what has transpired.

Do you know what we are engaged in now? We are now engaged in Monday morning quarterbacking. Members of both parties are trying to figure out how we can blame each other for the defeat of something that started off so pure and so good, with the best of intentions. Now all you see is spinmeisters saying, well, it is the Republicans' fault, because they are trying to load it up with marriage penalties and vouchers and they made it a tax bill and then they decided it was too loaded up after they loaded it up.

There are some on our side who said, ''Well, no, this legislation wasn't nearly enough and wasn't tough enough on tobacco. We can be tougher on the tobacco companies than anybody else. Just watch what we can do when we want to be tough on tobacco companies.'' So we started with a product that was a good product in the beginning. Then, we made it so difficult that you broke the cooperation between all of the parties that is essential to get any kind of good agreement.

I suggest there is plenty of blame to go around on both sides. That is why 47 percent of the American people believe they are glad the tobacco bill is defeated; 46 percent do not feel happy, that the Senate should have passed it. The American people have to be horribly confused. I think now we have to take a look at where we are. What do we do? Do we continue to play the blame game for the rest of the year? Do we continue to see who can get the most political advantage? Or do we try to make one last desperate but incredibly important effort to put something together that we can pass and that will work?

It is really interesting if you look at what happened. You have to start from where we started. The June 20 attorneys general agreement was a compromise that really got the job done. People have come to the floor of the Senate and said, ''I can't be for that because this bill was written by the health groups.'' Others have said, ''I can't be for this bill because this bill was written by the tobacco companies.'' Or they can't be for this because it was written by the attorneys general or it was written by the plaintiffs' lawyers.

The truth, in fact, is the reason the June 20 attorneys general agreement was so good is because it was written by everyone involved. It was written by the attorneys general, who filed suit on behalf of 40 States against the tobacco companies. It was written by the tobacco companies, who were the ones being sued. It was written by the lawyers for all of the injured plaintiffs who had suffered injuries from smoking-related activities. That is why it worked, because it was not written by just one group, but it was written by everybody who had an interest in trying to get a realistic settlement passed.

Now, all of the people who have now said that what we had on the floor was not nearly enough, I think they thought the June 20 agreement was pretty good. I was just looking at some of the old press releases about the June 20 agreement. One caught my attention the most. It was from the Campaign For Tobacco-Free Kids, which has been one of the strongest advocates for more, more, more, more, more. I understand where they are coming from, and I understand their position.

But when the June 20 agreement came out with the attorneys general and the tobacco companies, which was far less than the bill they opposed on the floor from their perspective, here is what they said about the June 20 agreement:

> The agreement with the tobacco industry announced by the state Attorneys General has the potential to save millions of lives, prevent children from starting to smoke, and help break the cycle of addiction for both children and adults.

They continued:

> This agreement has the potential to achieve more than could be realistically gained by any other means. The agreement can be a historic turning point in the decades-old fight to protect children from tobacco addiction and bring about a fundamental change in the role of tobacco and the tobacco industry in our lives.

They continued by saying:

> The agreement goes well beyond the provisions of the FDA Rule in terms of reducing youth access to tobacco products and curbing tobacco marketing.

It goes on and on and on praising the June 20 agreement. The bill on the Senate floor was far better than this agreement, which they said such wonderful things about, yet because of a desire for more and more and who can be tougher, we ended up getting less and less and less. And where we are today is very unfortunate.

Where we are today is, there is no settlement of any of the lawsuits. No plaintiff has ever put a nickel in their pocket as a result of suing a tobacco company. This would have provided that. No settlements because of where we are; no money for the States for their Medicaid programs; no money for the States for tobacco-related expenses; no money for the National Institutes of Health to do research in this area; no additional authority for FDA to regulate nicotine as a drug; no advertising and marketing restrictions; no targets for reducing teen smoking, with penalties if these targets are not met. There is no help for farmers for getting out of the business.

And what we have now is a debate about whose fault it is. We are arguing about failure. We are arguing that, ''It's your fault nothing was done''; ''No; it's your fault nothing was done,'' instead of trying to put together a compromise where we can argue about success, where we can argue about a bill that would provide all of these things that I have just outlined, and the distinguished chairman of the Judiciary Committee outlined and about which the Senator from California spoke. We have none of that now. And we have none of that because of this rush to see who can be tougher and tougher and tougher.

I am suggesting that what Senator HATCH and Senator FEINSTEIN have brought before the Senate is a major undertaking. And we are at the point where it is time for cooler heads to prevail. We have had the political debate. We have had the political arguments. We have had the pollsters talk about who comes out the best. And in fact, the truth is we all come out, I think, looking pretty bad.

So I conclude by thanking Senator HATCH and Senator FEINSTEIN for doing what they are doing. The status of the tobacco legislation now, because of the Senate's action, is that it has been sent back to the Commerce Committee. I think we ought to take this legislation and bring it back to the full Senate.

Now that we have had the political discussion, perhaps we can find a way to come together and do something where everybody can get credit. Both sides can get credit, and the American people will win. Right now we have a situation where I am afraid that everybody is a loser. This is a good, solid, balanced approach that needs to be enacted. Thank you.

Mr. HATCH. I am happy to yield the last couple minutes of my time to the distinguished Senator from California, if she would like.

Mr. President, let me just bring one other point to the Senate's attention. Press articles in the past few days make it abundantly clear the need to enact a national settlement.

Yesterday, the Washington Post had a front page article: ''Tobacco Pays for Crusade Against Itself.'' Think about that for a minute. This article highlights what it calls an ''all-fronts attack'' on tobacco, a massive counteradvertising campaign paid for by the industry itself. Those potent tools would be used by all 50 States if we enacted a national settlement. The article highlights the strong counteradvertising message that is being delivered in Florida because of the settlement.

Then today, the Post ran another article that was entitled: ''Appeals Court Voids Award in Tobacco Suit.'' This article describes the Florida court of appeals action to overturn a $750,000 judgment against the Brown and Williamson tobacco corporation for a smoker who lost part of his lung to cancer.

Experts agree that the ruling, which overturned a judgement termed by the AMA as a ''milestone,'' has important national implications. This jury award was just the second jury award against a tobacco company in all of our history in this country.

Now, you can go back to the 1960s, when I became a young lawyer in Pittsburgh, PA. The first antitobacco cigarette cancer case in the history of the world was brought to the Federal district court by none other than Jimmy McArdle, one of the greatest plaintiffs' attorneys who ever lived, the lead partner in the law firm McArdle, Harrington, Feeney, and McLaughlin.

That was a big battle. This case was publicized all over the country. It was the first loss of literally hundreds of cases.

The ruling in the Florida case was just the second awarded against tobacco companies, and its reversal once again demonstrates how hard it is to successfully sue the tobacco industry.

This ruling affirms the vitality of the common law doctrine of assumption of risk which bars recovery if the plaintiff knew the risk of his action. Because of the assumption of risk doctrine, the tobacco companies win almost all their cases.

A national settlement bill, such as Hatch-Feinstein, would assure an orderly and rational payout of funds by earmarking annual payments. It would avoid the so-called ''race to the courthouse'' that has so many of us concerned.

These two Washington Post articles point out the need for a ''global'' approach in the words of the Attorneys General.

I would happily yield the remainder of my time to my friend from California.

Mrs. FEINSTEIN. I thank the chairman. And I thank him very much for all his work in this area.

I think, just to summarize—and I recognize there is a lot of territorial imperative resounding around this issue. And I hope that can be put into perspective and that we can look to find something around which we can rally.

True, this is a compromise proposal. I hope it will not be dismissed out of hand. It has a liability cap, yes. It has strong look-back provisions. It provides $428 billion over 25 years. It does divide the money 50–50 to federal and state. The money that goes to the State can be used for 14 specific programs. The money that goes to the federal fund is used for tobacco-related research and public health programs. It does have the FDA provisions. It does have strong advertising provisions.

Now, as I have talked to people, there is a kind of purist attitude that ''Unless a bill is this or that, I won't vote for it.'' Well, there are a lot of strong feelings on behalf of all of us. I could say—and it is true—my calls on tobacco reform have run dominantly in the negative, those people opposed to reform. And yet I think there isn't a Member in this body who does not understand that tobacco reform is something that is important, just forged from one statistic—and that is 3,000 young people a day beginning to smoke, and 1,000 of them dying from tobacco-related illnesses.

We know we have to do something. We do know when you raise the price, teenagers stop or are deterred from buying. If you combine that with a strong no-advertising provision and a strong look-back provision to keep the companies honest, I think you have a bill that is about as good as one can get.

So I'm very pleased and proud to join with the chairman of the Judiciary Committee, once again, to offer to work with whomever in this body so that we might be able to introduce a bill that will be looked upon with favor by a majority.

I thank Chairman HATCH and I yield the floor.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FAIRCLOTH). Without objection, it is so ordered.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. The order of June 18, 1998, in regard to H.R. 4060 has been executed.

The bill is passed, and the conferees have been appointed.

(Pursuant to the order of June 18, 1998, the Senate passed H.R. 4060, making appropriations for energy and water development for the fiscal year ending September 30, 1999, after striking all after the enacting clause and inserting in lieu thereof the text of S. 2138, Senate companion measure, as passed by the Senate. Also, pursuant to the order of June 18, 1998, Senate insisted on its amendment, requested a conference with the House thereon, and the following conferees were appointed on the part of the Senate: Senators DOMENICI, COCHRAN, GORTON, MCCONNELL, BENNETT, BURNS, CRAIG, STEVENS, REID, BYRD, HOLLINGS, MURRAY, KOHL, DORGAN, and INOUYE. The passage of S. 2138 was vitiated and the measure was indefinitely postponed.)

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BURNS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

NATIONAL DEFENSE AUTHORIZATION ACT OF 1999

The Senate continued with the consideration of the bill.

Mr. BURNS. Mr. President, parliamentary inquiry: What business are we in?

The PRESIDING OFFICER. The Senate is on division I of amendment No. 2137.

Mr. BURNS. Mr. President, I ask unanimous consent that be laid aside.

The PRESIDING OFFICER. Is there objection?

Mr. LEVIN. Reserving the right to object, I ask the Senator to withhold that, if he would, for another few minutes, to see if we can work out a unanimous-consent agreement, pursuant to which he would be able to proceed. Otherwise, I think we would have to object on this side, and perhaps on your side, without that unanimous-consent agreement. We are trying, however, very hard to work out a unanimous-consent agreement to permit the Senator to proceed.

So I ask the Senator to withhold just for a few more minutes to see if we can do that. In the absence of that, I would have to object.

Mr. BURNS. I appreciate the suggestion of the manager of the bill. I will do that.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BAUCUS. Mr. President, I ask consent to speak as in morning business.

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

PARTISAN FIGHTING OVER FOREIGN RELATIONS POLICY

Mr. BAUCUS. Mr. President, we are here to debate one of the most significant components of our foreign relations policy, and that is the Department of Defense authorization bill.

There is often a great temptation to exploit foreign policy debates for partisan political purposes. We all are tempted. But I believe that when we do—that is, on a foreign policy debate—it is a mistake. Such partisan fighting over critical issues of worldwide importance is both dangerous and counterproductive, and that is why I see engaging in congressional debates over China policy at this time, particularly amendments which are perceived as mischievous, is not a good idea. Although China does not manage its affairs as we would like, it makes little sense to base our relationship entirely on that concern. We should base our relationship, rather, with China on a clear view of United States interests, a

foundation of basic American values, and appropriate methods that will secure those interests and advance those values.

China is the fastest growing country in the world. It is the world's most populous country.

It has the largest army in the world, is a nuclear power. China is a force to be reckoned with. And of all the areas our foreign policy must address—peace and security in Asia, prosperity and open trade, environmental protection, the prevention of climate change, and human rights—we will achieve our goals more easily through a cooperative relationship with China than with a destructive one of confrontation, one that seeks common ground and addresses differences frankly rather than through a policy limited to sanctions and confrontations. That is an approach that has succeeded with China over the past 25 years.

China is a large country. The most progressive regions of the country are those engaged in trade with the West. That is no accident. Our presence in China has an enormously positive influence—one that would be lost if we cut off trade or cut off discussions with China.

This relationship with China has grown out of the foresight and the cooperative efforts of those who have gone before us.

Our modern relationship with China began over 25 years ago with a visit to China by President Nixon. President Nixon anticipated the difficult nature of this relationship. But he also recognized the importance of establishing a sound working relationship with the most populous nation in the world.

As Envoy to China, former President Bush continued the efforts to open China to the rest of the world. His work set the stage for the U.S.-China relationship we have today. Perfect, it is not. But it is a relationship, and it can be improved. And it calls to mind other relationships which we have encouraged over the years.

Fifty years ago, we had no relationship with Japan. Since then we forged an enduring alliance with that important nation. It is the work of statesmen like Douglas MacArthur and Yoshida Shigeru after the end of World War II; Dwight Eisenhower and Kishi Nobusuke, who steered the U.S.-Japan Security Treaty through the Senate and Diet in 1960; and Montana's own Mike Mansfield, who served for years as our Ambassador to Japan.

This relationship was not—and is not—a partisan issue. Its champions came from the Democratic Party and the Republican Party. And we have all benefited from their hard work.

This relationship has weathered great adversity in the last half century—the Chinese Revolution, the Korean war, Vietnam, and 40 years of the cold war. Through it all, this relationship has helped many of the nations in the Pacific give their people better lives.

It is important to remember that we spent years engaged in a standoff with the former Soviet Union. But by engaging that nation, we witnessed the end of the cold war, the end of the conflict and the birth of a new relationship with Russia. It took hard work and cooperation to make this new Russia a reality. The same is true in our dealings with China.

A policy of engagement—tough, frank, hard-nosed engagement—is correct, not because it is in the interest of China, but because it is in the interest of America.

There are still great strides to be made with China, particularly on human rights. It is a mistake to focus only on our differences and to ostracize China.

We must ask ourselves whether we should seek to reform China by continuing engagement in a positive manner, or, instead whether we should seek to force the Chinese to change course by isolation.

I think we ought to pursue the first choice—engagement.

Mr. President, some have suggested that we are appeasing, even coddling, China, that we are ignoring their human rights abuses and other egregious acts, that somehow they are being given undue special treatment. I disagree.

Obviously, there are problems with the way China cracks down on political dissent and treats its dissidents. However, I think the insinuation that there is double standard for China is not correct.

We must continue to speak up when China acts contrary to international norms. Simply put, we cannot and should not look the other way when China disregards its commitments.

However, we cannot have much say in these matters if we do not talk—if we do not engage in constructive dialogue. After all, China's most repressive periods have occurred when China was isolated from the rest of the world.

During the debate on this bill, as we consider amendments we should ask ourselves one question.

Does the amendment strengthen America's hand, and improve our relationship, or will it make things worse?

If the latter, I would urge my colleagues to vote it down.

Let me apply this question to the pending, divided, amendment.

The distinguished Senator from Arkansas has proposed a series of amendments to the DOD authorization bill which aim to change China's behavior through a series of minor but bothersome sanctions.

I deeply appreciate the Senator's reservations with some of China's policies. We all have reservations with some of China's policies. But, I believe this amendment goes about changing them in the wrong fashion.

Surely every member of Congress would take issue with forced abortions—I would; we all would—religious persecution the same, and the imprisonment of individuals for the expression of political beliefs. That is clear.

Americans hold as their most cherished freedoms the right to worship as they please and speak their minds. It is a measure of the country's greatness that we are allowed to speak freely.

We expect this freedom on this Senate floor and indeed we have it. We expect it in our homes and throughout our workplaces.

It is therefore natural that we extend these freedoms to peoples in other lands. We object strongly when those rights are denied. Clearly, there are other issues concerning China that Americans can disagree with.

Despite significant progress, today's China is still too repressive and too restrictive. Those who would speak out against the government still risk imprisonment, house arrest and the denial of political rights. I wish to change that. We all wish to change that, and change that eventually with the right policies we will.

We must hold China accountable to the human rights agreements it has signed, most notably the universal Declaration of Human Rights.

But alienating China will not convince China. Ostracizing China will not endear it to the practices we would most like to see implemented.

We can continue to facilitate China's transformation through engagement and dialogue or we can give in to the isolationist sentiments that these amendments represent.

As we near the President's departure for China tomorrow, I urge the Senate to express its support for continued engagement of the Chinese Government.

No doubt about it, the President has much to discuss when he gets to Beijing. But it is both important and appropriate that the discussions occur. They must occur. Frank discussions of necessary improvements in China should be forthcoming.

The success of the trip will be enhanced with the endorsement of this body.

Mr. President, today's debate illustrates an even more important point—the need for a bipartisan approach to foreign policy. It has been said that politics ends at the water's edge. When it comes to foreign policy there are no Democrats, there are no Republicans, there are only Americans.

In this world today, there are many serious, global issues: India and Pakistan exploding nuclear bombs, the expansion of NATO, the collapse of the Asian economy. To the maximum extent possible, we must work together to address these issues. But often, partisan actions hinder progress on important issues of national importance.

One such instance is the conflict over funding for the International Monetary Fund.

The attempt to link family planning policy and international financial assistance is an effort to conduct a debate for the benefit of a domestic constituency. If a debate on the IMF is in

order, then we should debate the IMF on its merits. But to stall the passage of this important legislation may weaken the hand of the U.S. Government and it may allow real problems to get worse. This is a situation where cooperation is critical.

Last week, I invited my colleagues to join me in an effort to establish a more cooperative, bipartisan approach to our foreign policy matters.

I, along with Senator HAGEL of Nebraska, am working to focus more energy seeking constructive solutions to American foreign policy problems. We intend to work together, to help reduce the rancor that partisan bickering tends to produce.

Just as engagement is the proper way of working with China, so too must we engage each other in order to better articulate Americans' interests and needs aboard.

We are many voices. We represent many ideas. Making progress requires constructive dialogue by all parties, and I encourage my colleagues engage in that discussion.

One final note, Mr. President. When President Clinton travels—when any American President travels overseas—he is the President of the United States of America. He is not a Republican President. He is not a Democratic President. He is the American President. When he travels, we in the U.S. Senate and the House of Representatives must give him our full cooperation. There are other times when he returns when we can debate what our foreign policy should be. But when it comes to foreign policy, we Americans will do much better, our stature in the world will be much higher, if we work out these differences among ourselves so that in the end we truly have a bipartisan foreign policy, a foreign policy that the Congress and the President have worked out together so that we stand taller and get more done than we otherwise might.

There is plenty of room here in domestic politics for partisanship. There is more than enough here for partisanship in domestic politics. I deplore most of it, even in domestic policy, but when it comes to foreign policy, we must stand together.

I urge Senators who have amendments to think twice before offering them, and perhaps bring up that issue when the President returns from his trip to China, because then the country is much better off.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

The Senate continued with the consideration of the bill.

Mr. LOTT. Mr. President, I understand that Senator HUTCHINSON is now in a position to have the pending China human rights issue withdrawn.

However, before the Senator is recognized, let me put the Senate on notice as to where the bill is going, hopefully, for the next few days, which will take some cooperation, but I believe we are going to get it. I certainly hope so.

Following the withdrawal of the China issue and a statement by Senator HUTCHINSON—and I believe he is on the floor and ready to proceed—the Senate will resume consideration of the DOD authorization until approximately 5 p.m. At that time, the Senate will turn to the Coverdell A+ conference report for approximately 2 hours of debate tonight. The Senate will resume the conference report consideration on Wednesday at 9:30 and, therefore, the vote on final passage will occur around 11:30 on Wednesday on the Coverdell A+ education bill.

The Senate will then resume the DOD authorization bill. It is the hope of both leaders that the bill can move forward and be concluded by the close of business on Wednesday. I realize that is a big order, but we are calling on our leadership.

Mr. LEVIN. Wednesday of this week?

Mr. LOTT. Wednesday of this week, or Thursday at the latest, because we do have a lot of other work to do.

I realize there are some, I don't know, 150 amendments pending. Who are we kidding? That is not only not serious, that is totally laughable. This is the Department of Defense authorization bill which we need to do for our country. This is a bill that the Armed Services Committee has already done the bulk of the work on. While I realize there are a lot of policy issues, a lot of amendments that Senators would like to offer, I hope they will cooperate and we can get this bill completed in a reasonable period of time. This is the fifth day that we have been on the DOD authorization bill. Tomorrow will be the sixth day. So we need to get it concluded. I do now put the Senate on notice that I intend to call up H.R. 2358, relative to the China human rights issue, sometime after July 6, 1998. I will notify all Members when the date has been finalized so all Members will have time to prepare for it. This is an important issue for our country. Senators on the Democratic side have said we should not debate this while the President is going to China. I think, as a matter of fact, that the reverse is the case—that we should make our point, express the Senate's concern on these very important issues before the President goes, but not necessarily while he is there. It is an issue that we need to address further, and we are going to do that sometime after July 6.

Mr. President, I ask unanimous consent that, following a brief statement by Senator HUTCHINSON, the motion to recommit be automatically withdrawn.

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

The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I thank the majority leader for the opportunity to work with him on this issue. I believe the China amendments I have offered have great value. The debate has been healthy, and the debate has been necessary. I, frankly, am willing to stand here and talk about human rights in China in general this week and next week, or as long as it takes. My great objective is to see these provisions become the public policy of this land.

In my opinion, the opponents of these amendments do not have a substantive leg to stand on. The only reason they have brought up to oppose these amendments involves the timing of the offering of these amendments. I remind my colleagues, once again, that I offered these and filed these amendments over a month ago. They have sought to obfuscate the issues, obscure the motivations, and place obstacles in the path of clean and substantive votes. The hollowness of the administration's policy is evident in their unwillingness to embrace these very modest human rights amendments.

Mr. President, if I might say again, the hollowness of the administration's China policy is evident in their unwillingness to embrace even those modest human rights amendments, and the length to which they have gone to block them from a vote on their merits, I think, speaks to the weakness of the policy. The policy has failed. The lack of outrage by this administration over the news today that China denied visa approval for Radio Free Asia reporters, I think, gives powerful testimony to the kind of acquiescence and concessionary spirit that characterizes this administration's policies. It is all too typical.

These issues will not go away, I assure you. Slave labor conditions, forced abortions, forced sterilizations, religious persecution, and proliferation of weapons of mass destruction are real issues. They are not fiction or partisan weapons; they are not used for some kind of political brownie points or ''got-you'' points. These are real issues that need to be debated, and we need to change our foreign policy in relation to these abuses that are ongoing in China.

If history teaches us anything, history teaches us that appeasement never works. The fact that this administration has refused even to offer the annual resolution at the U.N. convention in Geneva on human rights, I think, is indicative that even the smallest stands for human rights have gone by the wayside. I think it was Edmund Burke who said, ''All that is necessary for evil to triumph is for good men to do nothing.''

What the Senate has done today on China policy is nothing. The fact that these bills passed overwhelmingly in the House of Representatives, the fact that this body voted not to table them by 80-plus votes, indicates there is strength in their appeal. I want to express my appreciation to the majority

leader for the commitment he has made today to bring up H.R. 2358 in July for a vote and that the China issue will be addressed, and that whether it is Senator ABRAHAM or Senator WELLSTONE, or others, who have issues regarding bills regarding China, they will have an opportunity to debate them and to offer them. I compliment and commend the majority leader for that public commitment today. I will continue to press for votes on these provisions. I will look for legislative vehicles, if necessary.

These concerns that I have expressed are not, as they have been portrayed, partisan politics. This afternoon, I attended a press conference in which there were more Democrats than Republicans expressing their concern about the human rights policy of this administration toward China. This is not partisan politics. This has nothing to do with Republicans trying to make points. I probably have as much difference on some of them on my side of the aisle as I do on some of them on the other side of the aisle. So people can stand and say that we should not use foreign policy as an instrument of partisan politics. Well, this is not. This is a bipartisan concern about human rights abuses in China that have not improved under the policy of this administration.

There is much more that we need to do, on a bipartisan basis, to press the cause of basic human rights and democracy in China. It is my sincere hope that President Clinton will take every opportunity to elevate these issues during his trip, which he embarks on tomorrow.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The motion to recommit is withdrawn.

The motion to recommit was withdrawn.

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

AMENDMENT NO. 2407, AS MODIFIED

Mr. BROWNBACK. Mr. President, I believe my amendment No. 2407 is now the pending business. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BROWNBACK. Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 2407), as modified, is as follows:

In lieu of the matter proposed to be inserted by the amendment, insert the following:

SEC. ___. SENSE OF SENATE ON NUCLEAR TESTS IN SOUTH ASIA.

(a) FINDINGS.—The Senate finds that—

(1) on May 11 and 13, 1998, the Government of India conducted a series of underground nuclear tests;

(2) on May 28 and 30, 1998, the Government of Pakistan conducted a series of underground nuclear tests;

(3) Although not recognized or accepted as such by the United Nations Security Council, India and Pakistan have declared themselves nuclear weapon states;

(4) India and Pakistan have conducted extensive nuclear weapons research over several decades, resulting in the development of nuclear capabilities and the potential for the attainment of nuclear arsenals and the dangerous proliferation of nuclear weaponry;

(5) India and Pakistan have refused to enter into internationally recognized nuclear non-proliferation agreements, including the Comprehensive Test Ban Treaty, the Treaty on the Non-Proliferation of Nuclear Weapons, and full-scope safeguards agreements with the International Atomic Energy Agency;

(6) India and Pakistan, which have been at war with each other 3 times in the past 50 years, have urgent bilateral conflicts, most notably over the disputed territory of Kashmir;

(7) the testing of nuclear weapons by India and Pakistan has created grave and serious tensions on the Indian subcontinent; and

(8) the United States response to India and Pakistan's nuclear tests has included the imposition of wide-ranging sanctions as called for under the Arms Export Control Act and the Nuclear Proliferation Prevention Act of 1994.

(b) SENSE OF SENATE.—The Senate—

(1) strongly condemns the decisions by the governments of India and Pakistan to conduct nuclear tests in May 1998;

(2) supports the President's decision to carry out the provisions of the Nuclear Proliferation Prevention Act of 1994 with respect to India and Pakistan and invoke all sanctions in that Act;

(3) calls upon members of the international community to impose similar sanctions against India and Pakistan to those imposed by the United States;

(4) calls for the governments of India and Pakistan to commit not to conduct any additional nuclear tests;

(5) urges the governments of India and Pakistan to take immediate steps, bilaterally and under the auspices of the United Nations, to reduce tensions between them;

(6) urges India and Pakistan to engage in high-level dialogue aimed at reducing the likelihood of armed conflict, enacting confidence and security building measures, and resolving areas of dispute;

(7) commends all nations to take steps which will reduce tensions in South Asia, including appropriate measures to prevent the transfer of technology that could further exacerbate the arms race in South Asia, and thus avoid further deterioration of security there;

(8) calls upon the President to seek a diplomatic solution between the governments of India and Pakistan to promote peace and stability in South Asia and resolve the current impasse;

(9) encourages United States leadership in assisting the governments of India and Pakistan to resolve their 50-year conflict over the disputed territory in Kashmir;

(10) urges India and Pakistan to take immediate, binding, and verifiable steps to roll back their nuclear programs and come into compliance with internationally accepted norms regarding the proliferation of weapons of mass destruction; and

(11) urges the United States to reevaluate its bilateral relationship with India and Pakistan, in light of the new regional security realities in South Asia, with the goal of preventing further nuclear and ballistic missile proliferation, diffusing long-standing regional rivalries between India and Pakistan, and securing commitments from them which, if carried out, could result in a calibrated lifting of United States sanctions imposed under the Arms Export Control Act and the Nuclear Proliferation Prevention Act of 1994.

Mr. BROWNBACK. Mr. President, we have a short period of time to be able to discuss this, because at 5 o'clock we go to the Coverdell amendment. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. WARNER. Mr. President, if the Senator will yield. I think there is some discussion going on now that would enable 10 or 12 minutes on this very important amendment. I would like to take 2 minutes to join with my colleagues who are opposed to it. I would like to speak to it a little bit.

Mr. LOTT. Mr. President, first of all, have the yeas and nays been ordered on this issue?

The PRESIDING OFFICER. No, they have not.

Mr. LOTT. On the Brownback amendment, the yeas and nays have not been ordered?

The PRESIDING OFFICER. That is correct.

Mr. LOTT. I understand there is a possibility we can go ahead and complete action on the Brownback issue after a statement by the Senator from Kansas and Senator WARNER, and perhaps Senator LEVIN would have something to say. If we can get that completed in a reasonable period of time, we can complete that and then go over to the Coverdell education issue.

Do we have any agreement on the time?

Mr. LEVIN. I don't know the length. I want to make inquiry on the yeas and nays issue. Is it not correct that the yeas and nays were ordered on the Feinstein first-degree amendment?

The PRESIDING OFFICER. That is correct.

Mr. LEVIN. So the question is, if there is a need for the yeas and nays, we would leave it. If there is no need for a rollcall vote on that, we would need to vitiate, as I understand it, the yeas and nays on the first-degree Feinstein amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. LOTT. Mr. President, I urge the leadership of the committee to pursue this issue and, hopefully, get to a conclusion, and then we would go to the Coverdell education conference report immediately after that.

Mr. LEVIN. Mr. President, is there a need for the yeas and nays on the first-degree Feinstein amendment? I ask whether the leader would have any objection, if there is no need for it, to vitiating the yeas and nays on the underlying Feinstein first-degree amendment.

Mrs. FEINSTEIN. Mr. President, in response to the comment of the Senator from Michigan, there is no need for the yeas and nays.

Mr. LOTT. Mr. President, let me inquire again about the time so we can get a time agreement. Do we have some indication of how much time is needed? The Senator from Kansas needs how much?

Mr. BROWNBACK. I think we can do all of this in 15 minutes, with all parties being able to speak. That would be

my sense. I think I can get my comments done in about 7 minutes or so.

Mr. LOTT. Mr. President, it sounds to me like 20 minutes, equally divided, should be sufficient.

I ask unanimous consent that the time be limited to 20 minutes, equally divided, on this issue.

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

Mr. LEVIN. I have an inquiry of the Chair. Then there are no yeas and nays requested on either the first- or second-degree amendments at this time?

The PRESIDING OFFICER. The yeas and nays have not yet been vitiated.

Mr. LEVIN. Would the leader have objection to vitiating the yeas and nays on the Feinstein amendment at this time?

Mr. LOTT. No.

Mr. LEVIN. Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

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

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. BROWNBACK. Mr. President, if I could inquire briefly of the Senator from Virginia who asked to speak on this amendment how much time he might desire on this?

Mr. WARNER. Three minutes.

Mr. BROWNBACK. Mr. President, I ask that I be yielded 7 minutes of the 10 minutes allotted.

The PRESIDING OFFICER. The Senator may proceed.

Mr. BROWNBACK. Mr. President, last month, following India's nuclear tests, I offered legislation to repeal section 620(e) of the Foreign Assistance Act of 1961 (otherwise known as the Pressler amendment). The Pressler amendment concerns restriction on the provision of military assistance and other transfers to Pakistan. When Pakistan blundered into responding to India's nuclear tests with tests of its own, this amendment not only became pointless symbolically, but because of existing sanctions law it was no longer relevant.

How rapidly events change. Last month when I proposed to repeal Pressler, the world was reacting in stunned disbelief to India's nuclear tests. At the time it seemed our only hope in stalling an all out nuclear arms race in South Asia was to offer Pakistan some security assurances, while at the same time urging them in the strongest terms not to be drawn into this dangerous display of nuclear saber rattling. Unfortunately, Pakistan did test, and we are now imposing sanctions rather than lifting them.

The month of May 1998 will be remembered as a time of nuclear anxiety. Tensions were high as the world watched India and Pakistan play nuclear roulette. June has brought some respite; India and Pakistan have declared a moratorium on further nuclear testing, and they are discussing bilateral talks this month. I pray that this nuclear nightmare will pass.

The question of South Asia's regional security and our future relations with India and Pakistan remain issues of abiding concern. What has happened in South Asia is in many ways an indictment of the administration's failed foreign and nonproliferation policies. Consider that, at this very moment Congress is investigating the administration for its export control policies, particularly as they relate to China. These policies have made possible the wholesale proliferation of missile and nuclear technology, not only to Pakistan, but to others, such as Iran.

Mr. President, the testing of nuclear weapons by India and Pakistan, and the resulting security crisis in South Asia should be of grave concern to all of us. We must continue to condemn India and Pakistan's nuclear tests, and urge them to enact confidence and security building measures to reduce the likelihood of armed conflict. We must encourage a more involved role by the United States in seeking a diplomatic solution, and in providing leadership to resolve the conflict over the disputed territory in Jumma Kashmir. We should urge India and Pakistan to roll back their nuclear programs, and to come into compliance with the NPT. In addition the United States should develop policies which will promote stable, democratic, and economically thriving economies in India and Pakistan.

Last week the administration implemented sanctions against India and Pakistan. Although the scope of these sanctions is limited—ending economic aids, loans, and military sales—they will cast a negative pall on our relations until they are lifted. We should not underestimate the symbolic and economic impact of these sanctions. In India, America-bashing has taken the form of boycotting American products and vandalizing establishments selling them. There are reports that foreign capital is fleeing India and Pakistan, and financial markets there have already been badly hurt.

It is premature today to talk about lifting these sanctions, but I don't believe it is too early to begin planning for their gradual removal. For that reason I am considering legislation which could provide for the conditional removal of sanctions against India and Pakistan, based upon progress as outlined in the Geneva Communique.

I think the communiques issued after the P–5 meeting in Geneva, and the G–8 meeting in London are reasonable appeals to India and Pakistan by the nuclear powers. Eighty other nations have joined the P–5 and the G–8 in denouncing these nuclear tests and calling for action by India and Pakistan. But, these appeals will not be met by India and Pakistan simply because they were announced in official communiques.

The Geneva communique said that confidence building measures, incentives, disincentives, and other actions are steps the international community can take in its relations with India and Pakistan. There are a number of actions we in Congress can take to move this process forward. Here are just a few.

We can listen to the concerns put forward by the Indian and Pakistani people. This week I will be leading a delegation to India and Pakistan to hold meetings with their leaders. My goal in visiting India and Pakistan is to hear, first hand, the views and concerns of their leadership. I also want to give assurances that this issue is very much on the front burner for the U.S. Congress. As I said in a hearing two weeks ago, it would be folly to isolate India and Pakistan at this time. We must be engaged. Unfortunately, in recent years U.S. foreign policy in India and Pakistan has been one of estrangement, not engagement.

We can work closely with the administration. This week I plan to invite the State Department Special Coordinator for India and Pakistan and interested members to a round table to explore how we might constructively engage India and Pakistan. I look forward to the results of those meetings.

In all of this—our meetings, our travel to the region, and our discussions with allies—our goal is to halt the proliferation of nuclear weapons in South Asia, restore regional security, and put our bilateral relationships with India and Pakistan back on track. We should settle for no less.

Mr. President, at the appropriate time I will ask for the passage of these bills. I do not believe that we will need a rollcall vote.

Mr. President, how much time is left on our side?

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator has 4 minutes.

Mr. BROWNBACK. Mr. President, I would like to retain the remainder of that.

PRIVILEGE OF THE FLOOR

I ask unanimous consent that Terry Williams, a fellow in my office, be permitted privilege of the floor today.

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

Mrs. FEINSTEIN. Mr. President, although the Senator didn't say this, I am a cosponsor.

I want to speak briefly about it. I don't believe in the last decade that there has been a more disturbing fact and change of events on the subcontinent of Asia than the detonation of these nuclear tests. They have taken two countries, and indicated to the world that each has a lethal capacity which is far in excess of the bomb that exploded at Hiroshima.

This morning I detailed the unclassified analyses of what each of these countries has in the type of nuclear weapons, the type of launching devices, the type of plane, and the potential damage in terms of loss of life of humans that could occur. And it is quite mind-boggling.

This resolution essentially calls upon all freedom-loving countries, all members of the international community, to support the United States in its sanctions against both India and Pakistan. It calls for the Governments of India and Pakistan to commit to no further additional nuclear test, and it urges them to take immediate steps bilaterally, and under the auspices of the United Nations, to reduce tensions between them.

This morning I indicated how easy these tensions could increase. I mentioned the bomb on a train. I mentioned 25 people killed at a Hindu wedding, a product of Moslem terrorists. Any one of these events could bring about a miscalculation and produce a nuclear holocaust.

We also in this resolution urge India and Pakistan to take immediate binding and verifiable steps to roll back their nuclear programs and come into compliance with internationally accepted norms regarding proliferation of weapons of mass destruction. And we urge our country to reevaluate our bilateral relationship with India and Pakistan in light of the new regional security realities in south Asia with the goal of preventing further nuclear and ballistic missile proliferation, diffusing longstanding regional rivalry between India and Pakistan, and securing commitments from them, which, if carried out, could result in a calibrated lifting of U.S. sanctions imposed under the Arms Export Control Act and the Nuclear Proliferation Prevention Act of 1994.

Mr. President, I believe that this resolution has been cleared on all sides. I would certainly urge its passage by voice vote.

Mr. WARNER addressed the Chair.

Mrs. FEINSTEIN. I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I likewise ask to be made a cosponsor of this amendment. I think it is a very responsible effort by our distinguished colleagues, the principal sponsors, and I think the Senate will endorse this, as it will in a voice vote momentarily.

But I would just bring to the attention of colleagues, if we do not handle responsibly this crisis—we, the United States—together with our principal allies, it will signal to other nations that they should begin to look towards the development of weapons of mass destruction. In all likelihood, they cannot afford the expense associated with nuclear weapons, but it will propel them into further areas of chemical and biological.

So that, to me, is the seriousness of this problem, if we do not handle it fairly, evenhandedly, and with a note of understanding. And that brings me to my question, because section (b)(3) urges other nations to impose sanctions. I just wondered, listening very carefully to the Senator from Kansas, who said he is going to travel over there to try to work out greater confidence-building measures and also to try to increase engagement, am I misreading that section as being possibly in conflict with what I hear my two distinguished colleagues as saying?

Mr. BROWNBACK. If I may respond to the Senator from Virginia, it was our intent that the United States has put on a set of sanctions via the GLENN amendment that were automatic, and we thought it important to state that if we are going to take that position, we should be urging other nations to do so as well. Yet, in the longer term, as we get further out here, I think we should be dealing in a dialog of, how do we get these lifted on a step-by-step, confidence-building measure?

At the present time, we are in a unilateral sanctions position, and I think we should urge other nations to join us in that statement, but at the same time I want us to start building the confidence and moving away from those if we can't get other nations to join us in this effort.

Mr. WARNER. I would certainly urge that be done because, in reality, we are not here to say who is at fault; both bear a heavy sense of culpability. Unfortunately, India initiated it. I don't know—as time goes on, perhaps there will be an answer—what recourse Pakistan had. Had not the current leadership taken that action, they might well have been either run out of office or forced out of office. So we cannot be unmindful of the political instabilities in these nations and the reality that if one did it, what recourse the other had other than to do it.

Now, two wrongs do not make a right, but I will listen carefully, and I hope that this section does not send a signal of any rigidity as we should be pursuing greater engagement.

I hope the international community would offer to arbitrate the complexity of the Kashmir problem. It has been there for a long time, and very often, an outside, unbiased, objective collection of nations could come in and render some helpful assistance to alleviate that problem, which is an absolute crisis. Talk about human rights and suffering. There is a war taking place every day—shelling, killing—and it must be brought to a stop.

So I wish to associate myself with the remarks of my two colleagues from Kansas and California. I congratulate them. I think it is a very important measure for the Senate to adopt. But I do hope that you will, on your mission, and others will do what we can to increase engagement and provide for solutions.

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. I appreciate the comments and wisdom of the Senator from Virginia. We are attempting further engagement.

I also want to recognize my colleague from California, Senator FEINSTEIN, who has been a leader in this overall effort, as well as Senator HARKIN and Senator ROBB. The whole Senate, hopefully, will be engaged in this matter.

Mr. President, if no one else seeks to speak—I guess perhaps there is somebody else. I yield the floor.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. LEVIN. Mr. President, how much time on our side?

The PRESIDING OFFICER. The Senator has 6 minutes 30 seconds.

Mr. LEVIN. I will not use it all. I just want to congratulate the Senators from California and Kansas for their energy, for their persistence, their efforts. It is a very significant statement for the Senate and, I believe, for the world. The concern that is reflected in this resolution—this amendment now—is very significant in terms of what our fears and concerns are. These tests have not brought security to India and Pakistan; they have brought insecurity to the region. They have made the world a lot less secure place. And now we must both state that and seek to try to put this genie back in the bottle to the extent that those tests have helped to release it.

The modifications are important modifications to make sure this is an evenhanded resolution, which it is, following the tests by the two countries. And our staffs have worked very closely with your two staffs. We wish to thank you again for your efforts in pursuing this, and we hope that this resolution is promptly and totally adopted by this Senate.

Mr. MACK. Mr. President, I rise today to express my concern with the pending amendment.

I deeply regret the circumstances regarding India's decision to detonate nuclear devices. But the increased instability in South Asia has been caused by China's proliferation policies, a U.S. foreign policy which favors China over India, and the licensing of technologies by the United States which enhances China's military capabilities.

So I wonder why we would consider strongly condemning the Indian government—the democratically elected Indian government—for taking legal actions in its perceived self interest. And I further question this amendment occurring on a day in which the Senate could not vote to express our concerns with the reprehensible actions taken by the communist party officials running the People's Republic of China.

Mr. President, India has broken no international laws or agreements by choosing to test nuclear devices, and India is not a known proliferator of weapons or weapons technology. We know, however, that China is a proliferator. Of particular concern is Chinese proliferation of weapons and technologies to Pakistan. But today the Senate will vote to condemn India and fail to vote to condemn China.

India and China went to war in 1962. To this day, China continues to occupy 15,000 square miles of Indian territory

in Ladakh and it claims sovereignty over the entire 35,000 square miles of India's Northeastern most province. The pending amendment rightly points out that India has not joined the Nuclear Nonproliferation Treaty. But the amendment fails to recognize that the NPT seeks to ensure the current five nuclear powers alone are able to possess nuclear weapons. This means that China can maintain its arsenal, but India cannot. India has not signed the Comprehensive Test Ban Treaty for similar reasons.

Mr. President, there appears to be a serious contradiction represented in our foreign policy which makes no sense to me. It is for this reason that I cannot support this amendment and will vote against it. I yield the floor.

Mr. BROWNBACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. I urge adoption of the amendment.

Mr. LEVIN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment.

The amendment (No. 2407), as modified, was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the first-degree amendment.

The amendment (No. 2405), as amended, was agreed to.

Mr. BROWNBACK. Mr. President, I just say one final thing. I appreciate the committee working with us, the ranking member and chairman of the committee; I thank them very much.

Mr. LEVIN. Mr. President, I did not hear whether there was a motion to reconsider. If not, I move to reconsider that vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. As I understand, we are due back on this bill at 12 o'clock tomorrow. Is that correct?

The PRESIDING OFFICER. That has not yet been ordered.

Mr. THURMOND. The defense authorization bill.

The PRESIDING OFFICER. It has not yet been ordered.

Mr. THURMOND. Do we anticipate being back at 12 o'clock tomorrow?

The PRESIDING OFFICER. That is the answer to the question.

Mr. THURMOND. I would like for Members who have any amendments to offer to come down and offer these amendments. We have got to push this bill. This is a vital bill. It concerns every citizen in this country. This defense bill is very, very important, and we do not want to be delayed in carrying it on and on. Let's act promptly and show the world that we stand for a strong defense.

I yield the floor.

Mr. LEVIN. Mr. President, let me join the chairman of the committee in urging our colleagues to bring amendments to the floor tomorrow, as we anticipate, when we return to this bill at around noon. We now have removed a major roadblock to considering other amendments, so the floor will be open at that time for other amendments to be considered, and we hope our colleagues will bring those to the floor.

I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

EDUCATIONAL SAVINGS AND SCHOOL EXCELLENCE ACT OF 1998—CONFERENCE REPORT

Mr. COVERDELL. Mr. President, I now ask that the Chair lay before the Senate the conference report to accompany H.R. 2646, the Coverdell A+ education bill, and it be considered under the provisions of the earlier consent agreement.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2646), have agreed to recommend and do recommend to their respective Houses this report, signed by majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of June 15, 1998.)

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, first I would like to commend the conferees. I would like to commend Chairman ARCHER of the conference committee. I believe they have brought to the Senate, as they did the House, a sweeping education reform proposal that will affect millions upon millions of American children trying successfully to obtain a quality education. They have obtained a bipartisan approach that has been embraced by some of the more distinguished Members of the other side who will speak to this. To paraphrase Senator LIEBERMAN in the press conference at the announcement of the conference report, he said it was clear to him that the Republican leadership had reached out to his party and to the President, and he thought the time had come for their side to reach out as well. And, therefore, we now begin a discussion of the conference report on education reform in the United States.

Mr. President, first I would like to talk, just briefly, about the number of people who will be affected if what is clearly going to pass the Senate with a very strong vote and has passed the House already and will be sent to the President to consider, is signed by the President. In the first case, some 14 million families will open education savings accounts who are the parents of 20 million children. Think about it. That is about half of the school population in kindergarten through high school that would be the beneficiary—half of the school population of the United States. These are precarious times. As we come to a new century, we have a new tool to use to help parents see to the needs of their children.

What has always been amazing to me about this proposal—which the other side has pointed out almost ridiculously, but I will come to that—is that it is a very modest form of tax relief because it allows the interest buildup on these savings accounts to accrue without being taxed so long as the account is used for an educational purpose. The tax relief, therefore, for these education savings accounts over the next 5 years, is a little over $1 billion, $1 billion to $1.3 billion.

What is amazing is how little incentive it takes to make Americans do huge things, because that limited tax relief will cause those 14 million families on behalf of their 20-plus million children to save over $5 billion. Over 10 years it will cause them to save over $12 billion. It is just amazing.

I was just reading a report where the savings rate in the United States has plunged to 3.9 percent, one of the lowest levels in a half a century. So this becomes win/win, because not only does it cause Americans to save, and large sums of money, but it is for education, the Nation's No. 1 problem by everybody's account as we come to the new century.

It does a lot of other things as well. The conference report will help over 1 million students deal with the costs of higher education because it helps qualified State tuition programs and protects them from tax burdens, and that makes them more valuable. Over 1 million students will benefit from this; 21 States already have these plans and 17 have them under consideration. It has a component in the conference report which came out of the Senate Finance Committee, which will help over 1 million employees expand their continuing education. It will help 1 million employees seek continuing education because it will allow employers to spend up to $5,250 on behalf of an employee's continuing education, and it is not seen as taxable income to the employee. So over a million employees will benefit from it.

It has an arbitrage rebate exception for public school bonds, which will help the construction of public schools.

The provision that was inserted in the Finance Committee from Senator GRAHAM, which I believe is a very good provision which would be broader on school construction, did not become a

part of the conference report, I am sorry to say. I hope I will be able to work with the Senator from Florida to expand that at another day.

It includes a provision that was adopted by the Senate with 100 votes, the Reading Excellence Act, which authorizes a literacy program which focuses on training teachers to teach reading with scientifically proven methods like phonics. The House passed similar language unanimously, and the President of the United States endorsed this bill. So here we have a provision that received total bipartisan support and has been endorsed by the President of the United States.

It retains the same-sex school provision of Senator KAY BAILEY HUTCHISON of Texas, which makes it an allowable use of Federal education dollars to fund education reform projects that provide same-gender schools and classrooms as long as comparable educational opportunities are offered for students of both sexes.

It keeps the Senate-passed measure, Teacher Testing Merit Pay, by the Senator from New York; Dollars to the Classroom, which requires 95 percent of Federal education dollars to find their way to the classroom, by the Senator from Arkansas, Senator HUTCHINSON; the Student Improvement Grant Program, offered by the Senator from Idaho, Senator KEMPTHORNE; a multilingualism study, by Senator MCCAIN; and SAFE Schools, by Senator DORGAN.

Mr. President, in deference to the chairman of the Finance Committee, who has now arrived, I yield the floor.

Mr. ROTH. Mr. President, I thank very much the distinguished Senator from Georgia for his courtesy. Let me once again applaud and congratulate him for the leadership he has provided in this matter of education, of helping us to show our parents throughout this country it is within reach financially. I think this legislation would never have reached this point had it not been for his active leadership.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, the Federal Government has a responsibility to promote policies and programs that make quality education accessible to students, to their parents, and to their families. Today, students and parents are under an enormous burden when it comes to paying for education. There is serious and legitimate concern about the accessibility of quality schools and teachers and materials necessary for success.

And costs continue to rise.

With the Taxpayer Relief Act of 1997 we succeeded in helping parents and students prepare for and even offset some of the escalating costs associated with higher education. For example:

We created an education savings IRA to allow parents to save for higher education.

We expanded the tax-deferred treatment of State-sponsored prepaid tuition plans.

We restored the tax deduction on student loan interest.

We extended the tax-free treatment of employer-provided educational assistance.

And, we established tax credits—the HOPE scholarship and the Lifetime Learning Credite—for students to use in connection with their education.

Each of these measures goes a long, long way toward helping our students and their families handle the financial burden associated with college life.

But, Mr. President, we did not go far enough. Personally, I would like to have seen more powerful measures. The Senate version of the Taxpayer Relief Act of 1997 actually contained stronger provisions, but they were dropped as part of the conference agreement.

I firmly believe in those stronger measures and so I introduced them as a separate bill on the very day that we passed the Taxpayer Relief Act. My objective then was the same as it is today—to help American families afford the costs of a quality education.

I proposed to push the education IRA from its $500-a-year limit to $2,000 a year, and to allow withdrawals for elementary and secondary school; to make tax-free treatment of employer-provided educational assistance permanent and to reinstate it for graduate education; and to make State-sponsored prepaid tuition programs tax free, not just tax deferred. These were my objectives as 1997 came to a close, and I am happy to say that we have succeeded in adopting many of them with this bill, the Education Savings and School Excellence Act of 1998.

This bill comes out of the Senate Finance Committee with bipartisan support. As I already indicated, the distinguished Senator from Georgia has played a leading role in helping shepherd this important piece of legislation through the Senate. Our bill allows families to increase their contributions to education IRAs from $500 to $2,000 per year. Not only will the $2,000 per year IRA contributions be available for college, but they can be used for students at any level—from kindergarten all the way through college.

As such, the education IRA will be a tremendous asset to parents and students in grade schools and high schools. The money will be available to help cover the costs associated with both public and private schools. And the money can be used for a multitude of necessities—from buying school uniforms or books to purchasing a new computer.

The bill also makes prepaid tuition programs tax free, meaning that students will be able to withdraw on a tax-free basis the savings that accumulate in their prepaid tuition accounts. Parents will have the incentive to put money away today, and their children will have the full benefit of that money tax free tomorrow.

These innovative proposals will be a boon to higher education—to our students and families. Already, 44 States have prepaid tuition programs in effect.

The other six have legislation to create a State plan, or they have implemented a feasibility study. Such programs will become increasingly more attractive to parents and students, as will individual retirement accounts that allow them to meet the educational needs of their family.

As I have said before, these measures are an important step forward. They are important for our families—for our students—for the future. With this legislation, Congress is demonstrating its leadership on education.

It is a very, very important step in the right direction. And I urge my colleagues to support it.

Again, let me thank my distinguished colleague for his leadership and his courtesy in letting me make my statement at this time.

Mr. COVERDELL. Mr. President, I also extend my thanks to the chairman of the Finance Committee for his untiring support and patience throughout the long deliberations and for his contributions not only to this education program we have before us but in the area of financial relief and encouragement to American families for years and years and years.

Mr. ROTH. Thank you.

Mr. COVERDELL. Mr. President, I am going to yield up to 10 minutes to my distinguished colleague from New Jersey. Let me just say, as the principal cosponsor of this education reform package we now have before the Senate, he has worked tirelessly, and not always under the best of circumstances, and has been a remarkable contributor to both the form and the shape and the final substance of the legislation we now have before us.

I yield up to 10 minutes to my distinguished colleague and friend from New Jersey.

Mr. TORRICELLI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I thank the Senator from Georgia for yielding me time, but more than that, for his leadership in the course of this Congress to bring to the floor of the Senate, in its final form, the A+ savings accounts.

I also congratulate the conferees for settling what were some real differences in bringing now, in this final form, the A+ savings accounts in such a manner, I believe, that on a bipartisan basis Senators can be both pleased and proud to lend their support in final passage.

Mr. President, upon passage in the Senate of the A+ savings accounts, seven Democratic Senators joined with me in writing the majority leader, expressing our concern that amendments offered by Senator ASHCROFT and Senator GORTON presented some real difficulties to Democratic Members of the Senate in being able to vote for the conference report.

These two amendments would have either prohibited national school testing, which has been a priority of the Clinton administration, or transformed educational funding by the Federal Government into block grants to the States.

Many of us have believed that block granting many of these worthwhile programs would have placed in jeopardy important Federal initiatives in secondary education. And eliminating testing would have prevented milestones in education which the Clinton administration thought were so important.

It is important for Democratic Senators to know both amendments, in an effort to obtain genuine, broad-based bipartisan support, both amendments are not contained in the conference report. The conference report for A+ savings accounts now is the Coverdell-Torricelli bill as originally proposed. That is why I believe, as we are coming to a vote tomorrow, this legislation deserves bipartisan support.

There is nothing here that every Democratic Member of this Senate cannot enthusiastically support and embrace. Indeed, with all respect to my friend, the senior Senator from Georgia, in its purist form this is an idea consistent with Democratic Party philosophies. It is, in fact, everything that President Clinton offered last year with regard to the financing of higher education. Senator COVERDELL is simply now applying that to grade school and secondary school education.

What a simple idea. How basic. American families can save their own money, in their own savings accounts, without taxation, to educate their own children in the school of their choice. What possible argument could anyone have with that proposal? And yet people have found reason to object: first, that it undermines the public schools. On the contrary, not only does it not undermine the public schools, the Joint Committee on Tax is arguing that 70 percent of all of the families who will save money in these accounts for their own children will use it on behalf of public school students. As designed by Senator COVERDELL, this money will be available for afterschool tutoring of public school students, ironically, hiring public schoolteachers, afterschool activities, computers, school supplies, uniforms of public school students.

This does not only not undermine the public school system, it strengthens it by bringing new resources.

The second argument is that, if this is done, it may not hurt the public schools but it is done to help a privileged few. On the contrary; the income limitations used in this legislation of $110,000 to $140,000 are the same the Senate used last year in establishing savings accounts for colleges. It is believed that 75 percent of all the money in these savings accounts will be saved by families with incomes of less than $70,000 a year. This is a middle-income program to help working families educate their children—public or private.

Then the argument is made, maybe it doesn't undermine the public schools, maybe it isn't just for a privileged few, but it doesn't help everybody. It doesn't help everybody. It doesn't help high-income people who are not below the income limitations, and if truth be told, families with no income, the very poor, will not be able to save money.

One warning I received upon entering a career in the U.S. Congress is, never make the perfect the enemy of the good. I know of no legislation in any form, in any endeavor, by any Senator, which helps everybody all the time. Any Senator who comes to this floor looking for that legislation will live a frustrated life in the U.S. Senate.

Suffice it to say, millions of American families, millions of modest background who simply have a child in a public school but would like them to have a home computer, their child is in public school but they would like them to be able to stay in after school and participate in activities that cost money; they are in an urban school but they would like, under mandatory programs, to get their child a school uniform, buy extra books—this program does work for them. And for those 10 percent of American families that send their child to a private school, a parochial school, the yeshiva, because they believe that is best for their circumstances, it helps to ease the burden of their tuition, it is straightforward, it is direct, and, mostly, it is right for the country.

I will concede that, while I enthusiastically support this proposal, this Congress has not been everything it should have been for education. The President challenged the Senate that, from school testing to the reconstruction of our schools to class size, this Congress should have dedicated itself to improving the quality of American education. And it did not. But it has produced this one idea. It may not be the best idea, it is certainly not the only idea, it will not transform American education, but that does not mean it is not a good idea that can help.

I have often believed, in the current state of American education, that everybody has something to offer and there are many good ideas. Everything is defendable in American education except one thing—the status quo. This challenges the status quo. For the first time in a long time, we are opening the possibility that American families can all see themselves as involved again. If you could change one thing, in my judgment, in education today, it would be the belief that families are relevant again to educating their own children. This is no longer simply something in the hands of government, a school board, a union, Washington, or a State capital; we are responsible for the education of our own children.

Senator COVERDELL has established that on every child's birthday, every grandparent, every aunt and uncle, can be relevant again. They can look at a child they care about and, rather than a meaningless toy, rather than some worthless gift, there is an account. Perhaps you would like that child to have a computer, reading materials, participate in afterschool activity; they are struggling in math or science and they would like to have a tutor. Put money in their account, at Christmas or at any time of the year. Let the extended family be involved on the front lines of educating that child.

Beyond that family, when a labor union sits across the table from a great American industrial employer and they have settled on pension benefits and they have settled on health benefits, let that labor union leader have one more question: How about a contribution to the savings account to help educate the children of my membership?

No, it is not going to solve every problem, but we estimate that this proposal will bring $12 billion of private resources to the education of American children. That can't be wrong. It cannot be wrong—$12 billion of new money is now available to help our children in their secondary school education.

If, at the end of the day, its critics are right and all this money is not used for public education or private education but remains in these accounts, then we believe, our critics taken at face value, the worst that could happen is, this money is rolled over into savings accounts for college—meaning that not only will we be provided this option for secondary school education, but the money will then become available for college education—ironically, in accounts established under the leadership of President Clinton and supported on a bipartisan basis in this Senate.

I believe this will pass the Senate. But more significantly, Senator COVERDELL has introduced this Senate into an important and dramatic new debate. We Democrats and Republicans, liberals and conservative, will be in a competition in the redesign of American education. No better opportunity, no more timely debate, could be visited upon this Congress than this new competition. It is important. It is worthwhile. If we succeed, we will redesign American education.

Senator COVERDELL has made a valuable addition in beginning this debate. I congratulate him for it. I look forward tomorrow, when we both will return to this floor, to introduce this final debate in enacting A+ savings accounts.

I yield the floor.

Mr. COVERDELL. Mr. President, before the Senator from New Jersey leaves, there has been no more eloquent spokesperson for these reforms than he.

You alluded, Senator, to the gift from the grandparent, but you introduced the debate with the suggestion this could be a form of union negotiations, which I think it would.

I just want to point out two points: The $12 billion we cite is not a calculation of the first dollar that would come from outside sources, which makes this savings account unique—that a union, a company, a neighborhood, a church, anything, could adopt a child with a savings account. None of that money is in the calculation of the $12 billion, and there is no way to estimate, but I believe it will match ultimately the parents' contribution of the $12 billion.

The second point I make is that those who have more difficulty saving because of their income strata will have these outside sources, which is one of the reasons for the sponsor contributions that will help open those accounts for those families who have more difficulty.

As the Senator said, we will not get to all of them, no, but a lot that otherwise would have no opportunity for one of these kinds of accounts to be opened.

The last thing I mention, you talk about parent involvement. What better reminder to the parent about the condition of the child than when they get that booklet and look at it once a month and get a notice from the savings and loan, or from the bank, that says how much is in the account, how much is building up for Johnny or Susie, once a month or once a quarter? Fourteen million-plus families will be reminded that we have some work to do here. I think the benefits of that cannot be calculated, and that the bonding begins to occur every time one of those accounts is open. I thank the Senator.

I yield up to 10 minutes to the distinguished Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. Mr. President, I commend Senator TORRICELLI for his comments on this bill and for his efforts, as well, throughout this entire process. I say to my friend, Senator COVERDELL, again, that this would not have happened if it hadn't been for his commitment to this idea, his persistence, and his willingness to, in essence, say it will never end until we pass it. So I commend him for the effort he has made all throughout these months.

This bill will enable working families to keep more of what they earn, and it includes a number of other important education provisions.

My focus during this debate has been on providing every classroom in America with a competent, caring, and qualified teacher. In my opinion, teachers make all the difference in the learning process.

America's classrooms are staffed with many dedicated, knowledgeable, and hard-working teachers. Nevertheless, in classrooms all over America, teachers are being assigned to teach classes for which they have no formal training.

Consider these statistics: Twenty percent of English classes were taught by teachers who did not have at least a minor in English literature, communications, speech, journalism, English education, or reading education. That is one out of five. Twenty-five percent of mathematics classes were taught by teachers without at least a minor in mathematics or mathematics education. That is one out of four. Thirty-nine percent of life sciences or biology classes were taught by teachers without at least a minor in biology or life science. Fifty-six percent of physical science classes were taught by teachers without at least a minor in physics, chemistry, geology, or earth sciences. More than 50 percent of history or world civilization classes were taught by teachers who did not have at least a minor in history. Students in schools with the highest minority enrollments have less than a 50-percent chance of getting a science or mathematics teacher who holds a license and a degree in the field that he or she teaches.

The amendment I introduced, along with Senator D'AMATO, provides incentives for States to test their teachers on the subject matter they teach and to pay their teachers based on merit and proven performance. In light of the statistics I mentioned before, it is clear that teacher testing is necessary and important.

Our amendment passed the Senate by a vote of 63–35, and I am pleased that it is included in this conference report. The Congress should be proud of this bill and the efforts we have made to promote responsible education policy. I hope this bill will receive broad bipartisan support.

Again, I thank the Senator from Georgia for his hard work and dedication on this bill.

I thank the Chair and yield the floor.

Mr. COVERDELL. Mr. President, I thank the Senator from Florida for his contribution to the legislation that passed the Senate and the legislation before us in the conference report. He has made the point repeatedly that the No. 1 tool for effectiveness in a classroom is a teacher. His work, with regard to perfecting who that teacher is, is to be noted. I thank the Senator from Florida.

Mr. President, I now yield up to 10 minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ALLARD. Mr. President, I rise in support of the conference report to the Educational Savings and School Excellence Act. First of all, before I make my comments, I recognize the leadership of the Senator from Georgia, as my previous colleagues have done. I think he has done a tremendous job in bringing forward the issue of education and what we can do as parents, as Senators, what we can do as school board members, as State legislators, or whatever, to begin to think of innovative ways in which we can improve our educational system. There is no doubt in my mind that we need to have some innovative solutions.

The reason I am supporting this conference report is because this is an innovative approach that involves parents, as well as school board people. It is going to broaden the effort in education. It is going to benefit all schools, whether it is private schools or public schools.

I want to take a few moments to sort of review the history of the A+ accounts. Maybe my colleague has already done that, but I think it is very important that we do that. In doing this, I am going to urge my colleagues to join me in supporting these new opportunities that we are going to be creating for children and their families to receive the best possible education.

Now, reviewing the history a little bit, last year, we authorized educational savings accounts for those individuals who were going to post-secondary education, going on to colleges and vocational schools after graduating from high school. Beginning last June, we introduced this opportunity to more American families by adopting an amendment to the Taxpayer Relief Act, which established education savings accounts. Now, this amendment passed, but it was dropped from the Taxpayer Relief Act bill, due to a veto threat.

Senator COVERDELL's A+ savings account was introduced as a separate bill, and it was passed this spring by a vote of 56–43. I was delighted with the outcome of that vote. Following the recent conference agreement on the Educational Savings and School Excellence Act, I am confident that we have before us a bill that makes sense for all families and children—those who seek private or public education.

The conference report was passed by the House last week, and it is our turn to pass this bill and hand the President a new opportunity to improve education.

I would like to go over a few provisions of the Educational Savings and School Excellence Act, putting forth the A+ accounts. Our legislation increases the dollar amount from $500 to $2,000, the amount that parents can set aside to save for their children's education for both public and private elementary and secondary school expenses.

With the education savings account, the money is never Government money, so issues of Government intervention and the constitutionality of using Government funds for religious schools is not a real argument in this debate.

This bill would empower parents with the financial tools to provide for all of the needs they recognize in their children—needs that teachers or administrators should not be trusted to address in the same way that a parent can.

This bill would allow families, single parents, or anyone earning less than $95,000 annually to deposit up to $2,000 per child in after-tax income into those interest-bearing savings accounts each year.

The option for using these funds are simply endless. Raising a child is expensive—we all know that as parents—

whether the child is attending a private school or a public school. My children happen to have attended public schools and I will be the first to admit that education is expensive. This bill will help parents save for computers, tutoring expenses—if you have a child with special needs—uniforms, transportation—if you are in rural areas and you have special transportation needs out there—SAT prep courses, so they can get ready for higher education, postsecondary education, or even tuition for private schools.

Now I would like to go over a few reasons why I am supporting this legislation. I think this bill is simply good news for all students—especially those in public schools.

This legislation does not ignore any school whatsoever. Numerous provisions have been included to improve public education, as well as private education. It assists smaller schools by increasing the amount of school construction bonds that smaller school districts can use. It provides incentives for public schools to strive for higher academic achievement. It encourages teachers to improve literacy programs by training them to use proven methods, such as phonics. It will help students stay in school by authorizing a national dropout prevention program. To make schools more safe, we have included a provision that allows weapons brought to school to be used as evidence in any internal school disciplinary proceedings.

In addition, the bill includes the provision to make savings in qualified State tuition plans completely tax free. These tuition plans are powerful incentives for parents to save for their children's college education.

My State of Colorado is one of 21 States that has already implemented this kind of program. I can tell you from what I have observed in my State of Colorado, it is catching on, and it is popular.

This bill would free up plan holders from having to pay Federal tax on interest buildup. This means more savings for tuition, room, board, and books or supplies. Tax relief for these plans offers yet one more reason to support this conference report.

This bill is about freedom. It is about education. Let's take a step forward in improving our Nation's education system for all American children. I encourage my colleagues to join me in passing the Education Savings and School Excellence Act today and to support the conference report.

Thank you, Mr. President.

Mr. COVERDELL. Mr. President, will the Senator yield?

Mr. ALLARD. I yield to the Senator from Georgia.

Mr. COVERDELL. The Senator was describing the chronology of the account. He hit on a very important point that I want to reinforce. The Senator from New Jersey did it well. That is, last year, with the President's cooperation, Congress initiated and he signed an education savings account that was only $500, and only for higher education. This proposal, according to the description of the Senator from Colorado—which is correct, I might add—says that we will make the $500 go up to $2,000. You can save four times as much. You can use it for higher education or for any grade, kindergarten through high school.

This has taken what we celebrated with bands and celebrations on the White House Lawn last year and made it broader. It is not just $500 for higher education now, it is $2,000. It is not just for higher education, it can be used for kindergarten all the way through high school, or higher education. We use the identical criteria that we used to determine which middle-class families could use it. It is the same.

Am I properly describing the point that the Senator made?

Mr. ALLARD. The Senator has properly described it.

Again, the thing that excites me so much about this particular piece of legislation is, it is for all students. Traditionally, this has always been thought of in terms of postsecondary—actually, through graduation from high school. But now in this particular piece of legislation, we are thinking in terms of kindergarten, first grade, second grade, which gives a lot of flexibility to parents to decide what is the best educational plan for their students, by bringing this plan and incorporating the money that can be used for many, many different purposes. It might be that there is a special-education student out there who needs some special help because of some deficiencies, needs some special help because of deficiencies in hearing or maybe sight; maybe a rural family has some problem with transportation.

This flexibility is going to help education, whether it is private or public schools. I think it is going to improve the general educational effort. The real benefactor in all of this is going to be public education, because it is going to be supportive of what we are already doing in education. It doesn't take away from public education, it adds to it.

I want to compliment the Senator from Georgia on working so very hard on this issue and his leadership. I think it is something that we can all be proud of.

Thank you, Mr. President.

Mr. COVERDELL. I thank the Senator from Colorado.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, just to expand on what the Senator from Colorado said, we talked earlier about the 14 million families that would save up to $12 billion. And those dollars can be used for any educational purpose. As the Senator from Colorado alluded, it can be a computer, it can be a special learning problem that requires special attention, or it can be an afterschool program. I call this money ''smart money.'' What I mean is that this money will ultimately go right to the target of the child's needs. A lot of money in public education can't do that, understandably, with buildings, turning on lights, and paying salaries. But this money will be guided almost like a missile system right to the problem the child has. And it is being guided by those who know best what that problem is—their parents. So the exponential value of this money is much greater than most education dollars can achieve.

Mr. President, I would like to take just a few minutes to sort of underscore why education has become the No. 1 issue in our country and take us back 15 years ago to Secretary Bell, who was President Reagan's first Education Secretary. He had this Department of Education publish a book that became known as ''A Nation At Risk.'' That is the name of the publication. It described a general condition and warned the Nation that we are developing a vast problem in our academic system. But it focused primarily on kindergarten through high school.

It is interesting to look at where we have come since he notified America and the education community that we have a problem.

In that report, ''A Nation At Risk,'' it said international comparisons of student achievement reveal that on 19 academic tests, American students were never first and never second; and, in comparison with other industrialized nations, we were last seven times.

In 1998, 15 years later, a recently released study shows that American 12th graders ranked 19th out of 21 industrialized nations in mathematics and 16th out of 21 in science. In other words, we were never first 15 years ago, we were never second, and we were last seven times. After 15 years of effort, we are 19th out of 21; we are not even close to first or second. And we are 16th out of 21. In other words, we have gone backwards.

Fifteen years ago, 23 million American adults were functionally illiterate, according to the report. And in 1992, 20 percent of the adult population had only rudimentary reading and writing skills. That is going in the wrong direction. Fifteen years ago, 13 percent of all 17-year-olds in the United States were considered functionally illiterate, and functional illiteracy among minority youth may run as high as 40 percent. The literacy level of young adults aged 15 to 21 dropped 11 points from 1984 to 1992, and 25 percent of all 12th graders scored below basics in reading on the 1994 National Assessment of Educational Progress.

Fifteen years ago, ''A Nation At Risk'' reported that between 1975 and 1980 remedial mathematics courses in public 4-year colleges increased 72 percent and then constituted one-quarter—25 percent—of all mathematics

courses taught in these institutions. They were saying, in 4-year colleges, one quarter of all mathematics courses dealt with remedial education. In 1995, 30 percent of first-time college freshmen enrolled in at least one remedial course and 80 percent of all public 4-year universities offered remedial courses.

In other words, Mr. President, in every one of these categories, one after the other, the warning given to us in 1983, 15 years ago, has not caused us—I know it has caused us to spend millions and billions of our dollars, but the point is, as the Senator from New Jersey said a moment ago, the status quo is unacceptable, and the status quo produced results, after having received the warning 15 years ago, that are worse than they were 15 years ago. It is very alarming, the recent study that said only 4 out of 10 students in inner-city schools can now pass a basic math exam, and if you take all the schools and put them together, we get it up to only 6 out of 10.

We cannot accept this. Innovation is being begged for.

If we allow this to continue, for the first time in America—America has never had a caste system. There has always been massive mobility in economic achievement—people on the bottom rung moving up, people on the top moving down. It has been the story of America. But if we keep putting people on the street who cannot read and write, and if we spend another 15 years like we have the last 15, we will produce a permanent economic caste system in the country and we will forever change the nature of this great Republic. We will forever change it if we ever accept a condition by which thousands upon thousands, millions of students come out of high school and cannot effectively read or write.

How much time remains on our side?

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Georgia has 1 hour remaining on his side.

Mr. COVERDELL. That cannot be correct. We had 2 hours equally divided, and I think we began at about 5:20. So I would estimate we have about 5 minutes remaining on our side.

The PRESIDING OFFICER. The Senator is correct. Today he has 5 minutes remaining. Tomorrow he has 1 hour.

Mr. COVERDELL. I see. OK. I understand the point. Tomorrow we have another 2 hours equally divided.

The PRESIDING OFFICER. The Senator is correct.

Mr. COVERDELL. I see we have been joined by the distinguished Senator from Massachusetts, who will be arguing the other side, and for his benefit I will go on another several minutes here.

Mr. President, the Senator from Massachusetts will endeavor to infer that this undermines public education, and the Secretary of the administration has inferred as much. It is just absolutely incorrect. Mr. President, 70 percent of the 14 million families, 11 million families who open these accounts will have students in public schools, as the Senator from New Jersey noted. Because they are in public schools at the end of the day and this money is divided, the families who have children in public schools will represent about half the $12 billion that is saved over the next decade, and the families who have children in private schools will save the other half.

That is understandable, because the families who have made a decision to send their child to a private school know they have to save more. But the bottom line is, 70 percent of the families will have kids in public schools, 30 percent in private. Fifty percent of the money will support children in public schools, and 50 percent will support children in private schools or home schools.

The other side will try to infer that this is a voucher. Vouchers are the redistribution of public money. The money going into these savings accounts is aftertax dollars, and the only tax benefit available is that the interest earned would be forgiven of tax so long as the dollars were used for an educational purpose. This is not a voucher.

Several people on the other side have suggested that this is insignificant, that it is not a great amount of money, and they are right. The tax incentive is minimal over the 10-year period, but what is stunning about it is how much it causes these American families to save on their own—new money. No board of education has had to raise the millage rate. There is no new State income tax. There is no new Federal income tax. This is the flow of the volunteer money to help students in public, private, and home schools.

The other side likes to infer from time to time that this only benefits the wealthy. Seventy percent of the money would go to families earning $75,000 or less, and we get into all kinds of arguments over which families are what. But I would only make this point, that the determination of who can open these accounts and who benefits from them is middle class driven, and in this legislation we are discussing in the Chamber right now, the criteria are identical to the criteria that were designed by the other side last year, for what really was a minimal savings account of up to $500 to help families for higher education only. And we have said, well, let's expand that; let's let them at least save $2,000, and let's let them use it for any school year—kindergarten all the way through college; let's give them more opportunity and more flexibility.

But the families involved are identical to the families who celebrated last year on the White House lawn when the President signed legislation that created a $500 savings account just for college. And here we are today, saying, let's make it $2,000 for college or any other grade.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from the great State of Massachusetts.

Mr. KENNEDY. Mr. President, I want to congratulate the Senator from Georgia in bringing the legislation to where it is at the present time out of the conference. I admire his persistence, but I believe he is fundamentally wrong in his approach to education.

I want to just mention very briefly, when I arrived over here, the good Senator was talking about the Nation At Risk report. I was in the Senate when the Nation At Risk study was done. We had very extensive hearings on it. The Nation At Risk was primarily a report done by a superb group of education leaders. While I was listening to my friend from Georgia, I was harkening back to the various recommendations of those who had done that extensive study to which the Senator referred.

The fact of the matter is, the Nation at Risk report authored by a bipartisan commission, made recommendations that mirror the recommendations that were made by the President of the United States this year. With all respect to the Senator from Georgia, there is no reference in there about the tax breaks and voucher programs that he has described. What was recommended in the report is the hard work that has been recommended by, not only the Nation At Risk panel, but most of the educators since that time.

What we need is more and better teachers. This is very important, particularly given the fact we are going to need some 2 million more teachers over the period of the next 10 years. The Nation At Risk commission thought that upgrading the skills of teachers is one of the most important things we can do. They also said that raising standards for children so they will be challenged to meet their highest educational ability, instead of dumbing down the curriculum to the lowest expectations.

The Nation At Risk report recommended that we devote more time for learning. That means afterschool programs and extended day programs. And we know that spending more time on learning works. In my own State of Massachusetts, the Timility Middle School in Roxbury, MA, was long known for its low test scores and high suspension rates for students. Under Project Promise, the school extended learning time by 90 minutes 4 days a week and opened for 3 hours on Saturday. The result is more students receive the help they need, parents are more involved, student attendance is up, student absence is down, reading and math scores have improved—by investing in public schools, not abandoning them.

In addition, there is general recognition that you cannot teach children in antiquated schools or schools that are falling apart—yet so many of the nation's schools are. In fact, the GAO

found that over $100 billion is needed for help and assistance to rebuild and modernize our schools in our cities, suburbs, and rural communities.

But the Coverdell bill will spend $1.6 billion over 10 years. Is that going to solve all of the problems that have been outlined by my friend from Georgia? That is quite a stretch, particularly because it doesn't help the public schools.

The Coverdell bill is not trying to give support for these kinds of initiatives that are facing communities across this country, with many of these children who are sons and daughters of working families who do not have the ability and resources to be able to put aside the money that would be necessary in this program.

In Waltham, MA, 215 math teachers are learning innovative techniques in teacher training programs. They are working with bankers, engineers, high-tech experts, and college math professors to learn more about math, how to teach it well, and how to link it to the real-world experience of the students.

The early indications are that when these teachers go back to their schools, they are seeing improved academic achievement from the students. But under the Coverdell bill, we won't get any kind of help and assistance for these kinds of innovative programs that are taking place. This legislation does nothing to support innovative programs like these. It does nothing to strengthen public schools. Instead, it uses a regressive tax policy to subsidize vouchers for private schools and gives no significant financial help to working families and no help to children in the Nation's classrooms. What it does is provide an unjustified tax giveaway to the wealthy and to private schools.

Public education is one of the great success stories of American democracy. It makes no sense for Congress to undermine it. Yet this bill turns its back on the Nation's longstanding support for public schools and earmarks tax dollars for private schools. It is an unwarranted step in the wrong direction for education, for public schools, and for the Nation's children. It would spend the $1.6 billion over the next 10 years on subsidies to help the wealthy pay the private school expenses they already pay and do nothing to help the children in the public schools get a better education.

It is important to continue the national investment in children and their future. We should invest more in improving public schools by repairing crumbling facilities, by recruiting more and training better teachers, by reducing class size, by developing responsible afterschool activities, and by taking many other steps.

If we add $1.6 billion to spend on elementary and secondary education, we should spend it wisely on these problems, not waste it on bad education policy and bad tax policy. We should rebuild our public schools, not build new tax shelters for the wealthy.

According to the Joint Tax Committee, over half of the benefits—$800 million—will go to 7 percent of the families with children in private schools. Did you note when my friend from Georgia was here he said: 70 percent of the families that can use this tax break will be making under $70,000. But let's find out where the money is going, Senator. We are not just talking about who may be able to use the program. Let's look at what the Joint Tax Committee says. Let's read the next line. Let's ask where the money is going, not who ''may benefit.'' I heard that out here four or five times in the last hour, look who is going to benefit, all of these families below $70,000—''may benefit.'' May benefit. The fact is, the Joint Tax Committee has indicated that $800 million, half of all the money, will go to the 7 percent of families whose children are already in private schools.

If you are going to fight for a particular program, at least have the intellectual honesty to state what it is going to do and try to defend it. I can understand why those who support this program run from all the details, try to really say it's doing something that it does not do. With all respect, when I listen to those who have been supporting the program, I have to wonder how this program is going to solve the education problems for the young people? Proponents use the National at Risk as a starting point, but they, again, don't tell you the next line. The Nation at Risk gave recommendations on how to improve education, but they are not the ones included in the Coverdell bill. Here it is. The Joint Tax Committee: 93 percent of the children in the country go to the public schools; 7 percent go to private schools; and 48 percent of the monetary benefit that will come from here will go to the public schools; but 52 percent—more than half—will go to the 7 percent of the children who go to the private schools.

You can say 70 percent of the families that are eligible for this tax break go to the public schools. But that's not where the money goes. And we all know that where the money goes is what counts around here. The money goes to families who already send their children to private school. We believe that we should not abandon the public schools. We ought to commit ourselves to helping and assisting the public schools and the children who attend them.

The bottom line is clear. The scarce tax dollars should be targeted to public schools. They don't have the luxury of closing their doors to students who pose special challenges, such as children with disabilities, limited English-proficient children, or homeless students. This bill will not help children who need help the most.

Parental choice is a mirage. Private schools apply different rules from public schools. Public schools must accept all children. Private schools can decide whether to accept a child or not. The real choice belongs to schools, not to the parents. It belongs to schools, not to the parents. Public schools must accept all children and develop programs to meet their needs. Private schools only accept children who fit the guidelines of their existing policy. So, if we are talking about public funds that are contributed from working families, we ought to be using those funds where the children of those working families go to school.

And that means supporting the public schools. But the majority of the money goes to the seven percent of families sending their children to private schools.

We have a series of recommendations that have been made by the top education community in this country. They are common-sense recommendations: Smaller classrooms, modernizing schools, upgrading teacher training, and expanding afterschool programs. These have all been outlined here, and they were all rejected on the floor of the U.S. Senate. Then we are asked to accept this bill to support private schools or nothing. We are asked to accept this or nothing.

We even had a modest rehabilitation program by our friend and colleague, the Senator from Florida, Senator GRAHAM, that was dropped in the conference, to try to increase assistance for school construction.

Another program that the President talked about is the Educational Opportunity Zones to provide support to those school districts that are willing to invest in major restructuring, reorganization, and innovation in order to improve student academic achievement. The program provides some incentives for those exciting programs.

You can say, what is an example where that program would work? Chicago is the example for that. Chicago is really doing a very important and effective job to try to give some help and assistance to its schools and to its parents and teachers who are trying to do the job of educating children, to do it right. We recognize that there are many communities that are trying to improve their schools, and we should support them.

I am proud of what the city of Boston is doing, Mr. President. We saw just yesterday the Boston Globe was reporting on the most recent math and reading tests in that city and how, for the first time in many years, there was increased performance of students across the board in reading and math, and in some of the most difficult schools with high suspension rates, dropouts rates—the most troubled schools—how they have been able to see a significant improvement in academic achievement and accomplishment.

That is happening in the public schools among some very needy children in a major city. Why? Because we have had a superintendent and a mayor who are committed to providing resources and discipline to enhance the education of the public schools—not abandon them.

We have nothing against the private schools. There are many wonderful private schools. But we are talking about, in a budget with scarce resources, funds paid in by working families through their taxes. And, in the consideration of the budget, after the President's programs—smaller class size, upgrading the skills for teachers, modernizing our schools, expanding after-school programs—have been defeated, we are forced to consider this program that does what? Benefits the private schools—benefits the private schools.

So, Mr. President, this proposal does not deserve to go into law. The President is right to veto this proposal. He is right to send it back to the Congress and say, ''Start over again. Start over again.'' We have time to do that. We have been fussing around here for 4 weeks debating the tobacco bill and then find that the point of order was made on it. It could have been made 4 weeks earlier in order to dismiss that as a result of big tobacco.

We are not debating the education priorities of the American people. We are not debating the health care priorities of the American people, such as the Patients' Bill of Rights. People in this country want to see the reform of our health care system to eliminate the abuses of HMOs. Managed care too often means mismanaged care. The American people want these decisions made, that are affecting their health, by doctors and not insurance company accountants. We ought to be debating that. But we cannot debate that. It is nowhere on the Republican leader's schedule.

And we ought to start over here, after the President's veto, and debate, what we can do as a legislative body, with scarce resources, that will make the best, most effective impact on improving the quality of education and achievement and accomplishment for the 90 percent of children in the public schools? Public money for public schools—that is the central challenge. And this particular measure fails on all accounts.

So I hope, Mr. President, that we can get about the business in the remaining days of this Congress and support what we know is being done in rural, urban, and suburban communities, with scarce resources, by creative, dedicated people who are absolutely committed to their children in those communities, who are working tirelessly, exhaustively, to raise academic achievement and improve public schools.

Do we have a ways to go? Yes. Will $1.6 billion solve the whole problem? No, and we should invest more—much more—in improving our public schools. But the question for us today is, Is this the best way to spend $1.6 billion of the American taxpayers' dollars to improve public schools? The answer is no. And for that reason, I believe that this measure should not win the support of the Members of this body.

Mr. President, I know we are under a time fix. Whatever time remains on our side I yield to the good Senator from Minnesota.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota has 16 minutes 30 seconds.

Mr. WELLSTONE. I thank the Chair.

Mr. President, in the spirit of debate, let me just say to my colleagues on the other side of the aisle that I just do not think this passes the credibility test as an education program for our country.

The PRESIDING OFFICER. If the Senator from Minnesota will yield for a minute, the Chair misspoke. The Senator from Minnesota has approximately 40 minutes.

Mr. WELLSTONE. I thank the Chair.

Mr. President, we are talking about a $1.7 billion initiative, and that is over a period of 5 years. The idea is that you can take $2,000 and you can put it in a special account, education account.

Now, for those who are following this debate, I would ask this question: How many families are in a position to take $2,000 out and put it in a savings account for education? This just kind of misses the essence of the reality of the vast majority of families in this country. And that is why the Joint Tax Committee said that this $1.7 billion, over 5 years, which is touted as a major education program for our children, will amount to about $96 for wealthy parents for private schools, and this bill will give the rest of the parents about $7.

So there is the question as to whether or not we want to take public taxpayer money and put it into private schools, but there is also the question, as my colleague from Massachusetts was focusing on, as to who exactly it is going to benefit.

Mr. President, above and beyond the problem that the vast majority of families get no benefit from this, there is another problem. This is, again, a kind of tax policy; it is not an education program. I will get to that in a moment. And the tax benefits go, by and large, to the wealthiest citizens. I guess this is my Republican colleagues' definition of justice or fairness. But I do not think most of the people in the country agree with that.

Where this proposal, however, I think is really most flawed has to do with what it does in education. I have tried to, to the best of my ability as a Senator from Minnesota, about every 2 weeks, to be in a school teaching somewhere. And I see nothing at all in what my colleagues on the other side of the aisle call an education proposal that deals with the real needs.

Will there be any funding to rebuild crumbling schools? No. And, by the way, let me say this again on the floor of the Senate: I have seen too many schools in the South, in the East, in the North, and in the West, where the ceilings are crumbling, they are asbestos laden, with decrepit toilets, without adequate heating systems; and we are not putting any money to help rebuild these crumbling schools.

I would say the pages who are here, the students—what kind of message do we communicate to students who go to those schools about whether we value them or not? There is not one penny in this legislation that does anything about these crumbling schools. That would really be a commitment to public education.

Is there any funding in this amendment—which is, by the way, pitifully inadequate in the first place—that will do anything to reduce class size? Well, no.

If you were to believe that students know a little bit about their own education—I haven't been to one school anywhere in Minnesota or in the country where when I asked students, What do you think would be some of the best things we could do to make education better for you, that students haven't talked about smaller class sizes. Is there anything in this pitifully inadequate proposal in the first place that deals with reducing class size? No.

By the way, colleagues, I have been to too many high schools where students tell me that they are in classes with 45 students. I was in a Los Angeles meeting with some wonderful high school students. They said, ''Part of the problem is we are not even missed. Nobody even knows we are there.'' The school is so overcrowded, the class size is so large, how can any teacher do a good job with 45 students in a class?

Is there anything here that reduces class size? No. Is there anything here that will help make schools safer? No. Is there anything in this legislation that will help train teachers to use new technologies? No. Is there anything in this piece of legislation that will invest in some funding for summer institutes where teachers can meet, compare notes, fire one another up, talk about new ways of teaching and learning? No. Is there anything in this education proposal, or what my colleagues call an education proposal that deals with the learning gap that tries to come to terms with students, by the time they come to kindergarten they are ready to learn; she knows how to spell her name; she knows the alphabet; he knows colors, shapes and sizes; he has been read to widely, and they have that readiness to learn? No. Is there anything in what is called this education legislation that makes a commitment to early childhood development? No. Is there anything in this legislation that helps working families—after all, as my colleague from Massachusetts said, it is their taxpayer money—is there anything in this legislation that speaks to the ordeal that so many young families go through?

I thought we had made some progress. But we really haven't. When Sheila and I were first married, age 19—I don't advise that, by the way, for everyone; we had our first child when we were barely 20, about a year and a half later, David. We had hardly any money. I do advise it—we have been married 35 years; it can work well. My

point is—as I get myself in more trouble as I speak—we had our child David, and we hardly had any income. After, I think, six weeks, Sheila had to go back to work.

Now we have family medical leave, but it is unpaid leave. If you don't have much money, you have to work. It was a wrenching experience, a wrenching experience to not be able to spend more time with your infant. She had to work, and I was a student and I was working. So then what happens? As it turns out, we look for what we can afford. There was a woman, a child-care giver, and she takes care of children, and we take him to her. We thought she would be good. But then after a couple of days of picking him up and he was just sort of limp, he had no expression in his face, and he had been so lively before, so we don't know what has happened. So I drop by this home in the middle of the day, and I see all these infants in playpens with pacifiers. They are not being picked up. They are not being touched. I felt so guilty I called my mom and dad and said I am going to quit school; I am going to work. I can't have him put in this situation. And we got some help from my parents. They were able to help us. I don't know how they did it on their income.

Do you think that young parents who have the same experience today like the fact that they know they have no other choice but to drop their infant off in a child-care center? They know that maybe the people there aren't real well trained. People make precious little money that are involved in this area, but what choice do they have? They can't afford $12,000 a year if they have two small children.

Is there anything in this piece of legislation or anything my Republican colleagues are doing in this session, in the Senate, that speaks to this question of how parents can do better by their children; how we can make sure that children come to kindergarten, ready to learn? That is a big education initiative. The answer is no. What do we have instead? $1.7 billion over 5 years, amounting to about $7 per family, and that is called a major education initiative?

Is there anything in this piece of legislation that speaks to afterschool care? Let's have some sympathy with parents—single parents or both parents. Do you think parents like the fact that their 11-year-old—it is astounding, and I forget the percentage, how many 11 and 12-year-olds are home alone; it is a very high percentage. Do you think the parents like the fact they both have to work—they have no other choice—in order to have income. Some of them are working two jobs. They don't even have enough time to be with their children at home they are working so hard.

Do you think a person likes the fact that his or her daughter age 11 or age 7, goes home alone and watches trash TV talk shows and eats junk food and there is nobody to take care of them? Do you think a parent likes the fact when we hear so many things that are not so good that happen between 3 o'clock in the afternoon and 6 p.m.—do you think the parents like that? Wouldn't they like to have some really good school programs, some community programs, where their kids could be doing positive things and wouldn't be home alone, and the only reason they are home alone is because both parents have to work? No, they don't like it. So why don't we help these parents with a real education initiative. There is not a thing in this piece of legislation that deals with that at all.

Mr. President, I have to say that this proposal, which is supposed to be the major education initiative of the Republican Party, provides help in inverse relationship to need, does zero for public education, does practically zero for working families, doesn't represent a step forward, but represents a great leap backward. The President is right to veto this piece of legislation. We must start all over again.

I will just say to my colleagues that I think you are playing with fire. You are playing with fire with a piece of legislation that you tout as a major education reform bill that does next to nothing to make sure that we expand educational opportunity for all of our children in our country.

I thought that children were 100 percent of our future. So I want to know, colleagues, where is our commitment to making sure that there is really good care for children before they even get to kindergarten? Where is our commitment to making sure if we are to follow the advice of all these studies that are coming out, all of this medical evidence about the development of the brain, to make sure that children have really good developmental child care? The answer is there is no commitment here. My colleagues in the majority of the Republican Party have no initiative at all.

Where is the commitment to rebuild the crumbling schools and to have the teacher training and to have smaller class size and to make sure that the Internet and all this new technology means that all the schools are wired and teachers know how to work with it and children and young people become literate in this area? The answer is there is no commitment whatsoever.

Mr. President, I have come to the floor to speak against this piece of legislation. I hope my colleagues will vote against it. I hope the President will veto it. Then we must come back to education again.

Colleagues, it is not enough to be giving speeches about this. I apply that to myself, as well. It is not enough to have photo opportunities with small children. We all love to have our pictures taken with children. It is not enough to be in the schools once in a while. And it is not enough to say that young people are our future. If we don't make the commitment, backed by solid legislation, with resources to get to communities so we can do well for all the children in our country, then from my point of view, we will not have been honest. We will not have done all that we should do. By the way, when I say ''honest,'' I don't mean as in personally honest. Senator COVERDELL, the author of this bill, is a friend and I respect him. But I think in terms of the effect of this, it doesn't honestly reach children in our country; it doesn't honestly contribute to public education; it doesn't honestly contribute to the education of the vast majority of young people in the United States of America. Therefore, colleagues ought to vote against it.

Mr. President, how much time do we have left?

The PRESIDING OFFICER. The Senator has approximately 30 minutes remaining.

Mr. WELLSTONE. Mr. President, before reserving the balance of our time, I want to just comment on one other matter, which I have tried to speak on every week.

I ask unanimous consent that I may speak as in morning business.

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

NOMINATION OF JAMES HORMEL

Mr. WELLSTONE. Mr. President, it has been—I am trying to remember now—almost a year since James Hormel was voted out of Foreign Relations Committee by a 16–2 vote. I have said this a number of times on the floor of the Senate, and I want to keep saying it.

James Hormel, I think, is eminently qualified to be Ambassador to Luxembourg. He has a very, very, very distinguished record as an educator, as a businessman, as a philanthropist, and as somebody who has given to many, many communities in our country. I see no reason whatsoever why we do not have an up-or-down vote on this on the floor of the U.S. Senate.

Mr. President, I have said it to colleagues directly. I don't say it indirectly. I want to make terribly sure that the reason Mr. James Hormel's nomination has not been brought to the floor is not because of discrimination against him because of his sexual orientation. I hope that is not the case, but I do believe that we need to have an honest discussion about this nomination. We need to have a full-scale debate, and we need to have an up-or-down vote.

I think we should judge people by the content of their character. I think we should judge people by their vision and by their leadership ability. It is my fervent hope that the majority leader will bring this nomination to the floor. I have said that I am looking for a vehicle—we have things kind of snarled up here right now—on which to bring an amendment out that in one way or another will put an even sharper focus on this question.

I do intend to speak out and I intend to use whatever leverage I have as a Senator to continue to push on this question. If Senators have reasons for objecting to Mr. Hormel's nomination, let them come out here and speak. Let us have an honest debate. If, God forbid, there are objections to him based upon his sexual orientation, then I think the U.S. Senate needs to look at itself in the mirror, because I think we can do better than that.

I yield the floor and reserve the balance of our time.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

MORNING BUSINESS

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

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

75TH ANNIVERSARY OF CLEMENT AND JESSIE STONE

Mr. THURMOND. Mr. President, I rise today to mark a special date in the lives of two of my friends, Clement and Jessie Stone, who celebrated their 75th wedding anniversary this past weekend.

Mr. Stone is well known to people throughout the world as a successful executive, a generous philanthropist, and for his writings on topics related to business, management, and positive thinking. Millions of people have read his inspirational books, and his insightful advice on the above topics has changed countless lives for the better. Few people are as well known, well read, or well regarded, as Clement Stone and he can truly be proud of all that he has accomplished in his rich and long life.

Despite his considerable wealth, his many awards and recognitions, and his international fame, I am certain that the one thing Clement Stone values and treasures more than anything else in life is his marriage to his high school sweetheart, a union that has lasted three-quarters of one century. It is almost unheard of for two people to be married for 75-years, but Jessie and Clement have not only done so, but I am told that their affection and regard for one another has not waned one bit since they exchanged vows on June 16, 1923. Without question, they are an inspiration to one and all.

As Clement and Jessie mark this auspicious milestone in their lives and their marriage, they will be doing so with friends and family, including a large number of grandchildren and great grandchildren. I join all of them in wishing the Stones a happy anniversary and many more years of health and happiness.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, June 22, 1998, the federal debt stood at $5,496,659,912,687.35 (Five trillion, four hundred ninety-six billion, six hundred fifty-nine million, nine hundred twelve thousand, six hundred eighty-seven dollars and thirty-five cents).

Five years ago, June 22, 1993, the federal debt stood at $4,299,889,000,000 (Four trillion, two hundred ninety-nine billion, eight hundred eighty-nine million).

Ten years ago, June 22, 1988, the federal debt stood at $2,526,369,000,000 (Two trillion, five hundred twenty-six billion, three hundred sixty-nine million).

Fifteen years ago, June 22, 1983, the federal debt stood at $1,303,008,000,000 (One trillion, three hundred three billion, eight million).

Twenty-five years ago, June 22, 1973, the federal debt stood at $453,584,000,000 (Four hundred fifty-three billion, five hundred eighty-four million) which reflects a debt increase of more than $5 trillion—$5,043,075,912,687.35 (Five trillion, forty-three billion, seventy-five million, nine hundred twelve thousand, six hundred eighty-seven dollars and thirty-five cents) during the past 25 years.

THE VIOLENT AND REPEAT OFFENDER ACT

Mr. LEAHY. Mr. President, since S. 10 was voted out of the Judiciary Committee almost one year ago, I have spoken on the floor of the Senate and at hearings on numerous occasions to urge its Republican sponsors to work with me in a bipartisan and open manner to improve this juvenile crime bill. Instead of dialogue, the sponsors of this legislation have played games of ''Hide and Seek'' with the revisions they were making to the bill.

I am delighted to see reflected in the brief ''DRAFT'' summary circulated by the sponsors of the bill that they are finally and belatedly making certain changes that they voted down during the Committee's consideration of this bill. The ''devil is in the details'', however, so I and my Democratic colleagues are eager to see the full text of this revised bill.

Unfortunately, the sponsors of this bill were not willing to work with me last year when we would have had a much better chance of moving this important legislation. Now, as we head toward the end of this Congress and still face a number of vital appropriations matters to consider, time is running out to complete action on a juvenile crime bill. Those who will suffer from the dilatory manner in which this bill was handled are the children of this country and America's law enforcement officers and prosecutors who are eager for the additional resources available in this bill.

I am delighted to see that the legislation is being revised to include changes proposed by Democrats that the Republican sponsors previously rejected, including:

Retention of State Presumption to Prosecute Juveniles: The revised S. 10 will apparently preserve the ''presumption in favor of state prosecution'' for juveniles who face concurrent state and federal jurisdiction over the offense committed. This language is clearly based on amendments I and others proposed to avoid the federalization of juvenile crime that has prompted expressions of concern by Chief Justice Rehnquist and the Judicial Conference States have had primary responsibility for handling juvenile cases, and they should continue to do so.

Death Penalty: The new S. 10 apparently would not subject juveniles to the federal death penalty, another policy which Democratic members of the Committee insisted upon during Committee debate. As introduced, S. 10 allowed the imposition of the death penalty for juveniles as young as sixteen.

Increased Flexibility for the Incentive Block Grant program: The strict earmarks in this block grant for building more juvenile facilities, drug testing juveniles and enhancing State recordkeeping systems would have imposed a one-size-fits-all strait jacket on the States. The sponsors of the bill, apparently, have finally recognized how critical it is to provide flexibility to the States because State and local officials are much better able to determine how to reduce juvenile delinquency rates in their own communities.

Revised Recordkeeping Provisions: For over a year, I have repeatedly told my colleagues that no State in the nation would be eligible for S. 10's Incentive Block Grant, since none currently complies with the strict recordkeeping requirements. Moreover, at my request, the Department of Justice conducted a study which concluded that the extensive recordkeeping requirements in this bill would cost States ''hundreds of millions of dollars.'' I urged the authors of this bill to narrow the focus of the recordkeeping to those juveniles who are most likely to be repeat offenders, namely, those who commit acts which would be a felony if committed by an adult. The sponsors have apparently finally heeded these common sense concerns and promise to correct these flaws—even though they voted down amendments I proposed to make these corrections.

Increased Funding for Prosecutors: The sponsors have also finally agreed to double the funds available to prosecutors. It is unfortunate that they refused to work this out in Committee last year so that additional prosecutors could be at work right now.

Improved Sight and Sound Separation Requirement: Last year, I joined with Senators BIDEN and KOHL and other Democrats to urge the adoption of the more protective federal standards for juveniles in State detention facilities but the Republican sponsors of S. 10 rejected these changes to the bill. I am delighted to see that this mean-spirited provision may be modified, and that juveniles held in state facilities will have the same protections from adult inmates as juveniles in federal custody.

Dedicated Prevention Funding: Despite being repeatedly rebuffed when I and my fellow Democrats insisted that prevention programs needed dedicated funding, I am pleased that the sponsors of S. 10 apparently have changed their tune and are promising to dedicate funding to prevention programs. A dedicated fund of $50 million per year is a start.

Revisions to the Federal Firearms Code: I warned my colleagues over a year ago that certain provisions the ''Federal Gang Violence Act,'' incorporated in Title II of S. 10, would lead to the largest increase in the federal regulation of firearms in the history of our nation. No one heeded my advice then, but the sponsors of this bill have apparently finally realized they need to modify these provisions. The revised S. 10 has more than halved the number of firearm offenses that can serve as predicates for gang-related offenses or under the RICO statute.

I remain eager to review the actual text of this revised bill. I also remain hopeful that the sponsors of S. 10 will commit to working openly with me and other Democrats to craft common sense, reasonable approaches to reduce juvenile crime while there is still time in this Congress.

OMNIBUS PATENT ACT OF 1997

Mr. LEAHY. Mr. President, now that we have passed legislation to implement the WIPO copyright treaties, it is time for the Senate to consider another bill of critical importance to America's businesses: The Omnibus Patent Act of 1997, S. 507.

The patent bill has been stalled by Republican holds for over a year. It is time that the Senate turn to it and reform our patent laws. The patent bill was based on a proposal submitted by the Clinton Administration several years ago. It was reported out of the Senate Judiciary Committee on May 22, 1997, with a favorable vote of 17–1 and has the support of every Democrat on the Committee. Its co-sponsors, in addition to myself, include Senators DASCHLE, BINGAMAN, CLELAND, BOXER, HARKIN and LIEBERMAN.

The patent bill would reform the U.S. patent system in important ways. It would slash red tape in the Patent and Trademark Office (PTO); ensure that American inventors are not disadvantaged as compared to foreign inventors by requiring patent applications to be published in the U.S. at the same time they are published abroad; reduce legal fees that are paid by inventors and companies; and require the PTO to develop statewide computer networks with remote library sites to enhance access to electronic patent information for independent inventors and small businesses in rural states.

In Vermont, we have a number of independent inventors and small companies. It is, therefore, especially important to me that this bill be one that helps them just as much as it helps the larger companies. I talked to independent inventors and representatives of smaller companies to see what reforms they recommended. I invited the President of the Vermont Inventors Association to testify before the Senate Judiciary Committee on this bill, and I have tried to make sure that the sound recommendations of small businesses and independent inventors were incorporated in the Hatch-Leahy substitute that the Judiciary Committee reported to the Senate over one year ago.

The White House Conference on Small Businesses, which consists of over 2,000 delegates elected from hundreds of thousands of active small businesses nationwide; the National Association of Women Business Owners; the Small Business Technology Coalition; National Small Business United; the National Venture Capital Association; and the American Small Business Coalition for Patent Reform have concluded that, if enacted, this bill will be of great benefit to small businesses.

What is holding up floor consideration of the bill? I think it is time to debate this bill on the merits. The Senate Republican leadership should schedule prompt action on this important measure.

Our nation's economic prosperity in the coming years will depend on our abilities to invent and protect those inventions through our intellectual property laws. American innovators face global competition, and they need updated laws to continue to lead the world. This modernization of our patent laws is an important component of that essential effort. Along with the legislation the Senate recently approved to implement the WIPO copyright treaties, this bill goes a long way to protecting American ingenuity in the next century. Democrats have been ready to proceed to consider this measure for over a year. With less than 53 legislative days left in this session, I urge the Republican leadership to work with us to schedule action on this important bill.

I ask unanimous consent that a list of letters of support for the patent bill and a few examples from those letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIST OF LETTERS OF SUPPORT OF THE OMNIBUS PATENT ACT OF 1997, S. 507

White House Conference on Small Businesses.

The National Association of Women Business Owners.

The Small Business Technology Coalition.

National Small Business United.

The National Venture Capital Association.

21 Century Patent Coalition—signed by CEOs of 48 American companies.

The Chamber of Commerce of the United States of America.

Pharmaceutical Research and Manufacturers of America, PhRMA.

American Automobile Manufacturers Association.

The Software Publishers Association.

Semiconductor Industry Association.

3M.

IBM.

Intel Corporation.

Caterpillar.

AMP Incorporated.

THE WHITE HOUSE
CONFERENCE ON SMALL BUSINESS,
May 7, 1998.

Hon. PATRICK LEAHY,
U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: The White House Conference on Small Business consists of over 2000 delegates elected from hundreds of thousands of active small businesses nationwide. We are the elected technology chairs of the WHCSB and we are charged with, among other things, representing the interests of small business on matters of intellectual property protection.

The issue of patent reform is one of great concern to small manufacturers and technology enterprises. Over the past two years, we have been working to make modifications to the patent reform bills in both Houses so that they are small-business friendly.

We are pleased to hear that an amendment has been offered addressing our concerns with S. 507. We believe that S. 507, as amended, will lower the litigation costs for small business, make it easier to know what areas of technology are open for innovation, and will go a long way towards giving us a more level playing field vis-a-vis our foreign competitors. We wholeheartedly support passage of the bill and appreciate the attention and support you have given to small business.

Sincerely,

The White House Conference on Small Business Technology Chairs: Pat McDonnell, Region I; Ed Wenger, Region II; Jim Woo, Region II; Bill Budinger, Region III; Wanda Gozdz, Region IV; Rob Risser, Region V; Wayne Barlow, Region VIII; Marianne Hamm, Region IX; Chuck Harlowe, Region X.

NATIONAL ASSOCIATION OF
WOMEN BUSINESS OWNERS,
Silver Spring, June 23, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: Attached please find a copy of the April 28 letter sent to Senator Orrin Hatch by NAWBO leadership. This letter expresses the position of NAWBO, on behalf of our membership, regarding S.507 and its impact on small business. The letter contains a series of proposed amendments that NAWBO feels are in the best interest of small business owners and for which we would greatly appreciate your support in the upcoming debate on this legislation.

On behalf of NAWBO members and other small business owners, thank you for your time and efforts regarding this issue. If we may be of further assistance please feel free to contact Debra Hickerson in our national office at (301) 608–2590.

Sincerely,

DIAHANN W. LASSUS, CPA, CFP,
President.

NATIONAL ASSOCIATION OF
WOMEN BUSINESS OWNERS,
Silver Spring, MD, April 28, 1998.

Hon. ORRIN HATCH,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HATCH: The National Association of Women Business Owners (NAWBO) and its alliance The Small Business Technology Coalition (SBTC) met with the White House Conference on Small Business (WHCSB) Technology Chairs to review S. 507 and its impact on small business. NAWBO supported intellectual property protection as one of the issues at the White House Conference.

The issue of patent reform is one of great concern to small manufacturers and technology enterprises and to all small businesses in general. When a new patent is filed it provides the potential for a new product to come to market. This in turn gives small and medium size businesses the opportunity to be awarded contracts that generate and provide jobs that stimulate our economy.

America's 8 million women business owners are primarily small and medium size companies that generate $2.3 trillion dollars in sales and employ 18.5 million people in the United States. Therefore, in order to insure the growth of the American economy we need to protect our inventors.

It is, therefore, our belief that the proposed series of amendments to S. 507 which if enacted, would make this bill of great benefit to small businesses.

There are three amendments:

1. Title IV—Prior Domestic Commercial Use. We offer an amendment in the form of a substitution. The amendment reorganizes, clarifies and simplifies the wording. The substantive difference is that the amendment removes the opportunity which is presently in S. 507 to use a PDCU defense when the prior user has only made ''effective and serious preparation'' to commercialize the invention. With this section removed, the prior use defense only applies to technology that was actually reduced to practice at least one year prior to the patent priority date and in commercial use before the patent's priority date. With this amendment, PDCU performs its important function of preventing patents from being mis-used to take the property of others.

2. A new title adding language to 102(g)—Section 104 of the existing U.S. patent law arguably allows a foreign inventor to dodge the restrictions that 102(g) places on a U.S. inventor. The suggested change to 102(g) will make it clear that foreign inventors are also subject to the restriction of 102(g) so that they cannot claim priority dates to inventions that they have abandoned, suppressed or concealed.

3. Title I—The make-up of the Management Advisory Board. We add language to ensure that the proportion of representatives on the board from small and large entities reflects their respective proportion of patent applications filed.

With these changes, we believe that S. 507 will lower the litigation costs for small business, make it easier to know what areas of technology are open for innovation, and will go a long way toward giving us a more level playing field vis-a-vis our foreign competitors.

With these changes, we will enthusiastically support S. 507.

Sincerely,

Barbara Kasoff, VP, Public Policy Council; Carol Barrows, Secretary, Public Policy Council; Janie Emerson, Director, Public Policy Council; Joan W. Frentz, Director, Public Policy Council; Terry Neese, NAWBO Corporate and Public Policy Consultant; Judith F. Framan, Director, Public Policy Council; Wanda E. Gozdz, Director, Public Policy Council; E. Jill Pollack, Director, Public Policy Council.

SMALL BUSINESS
TECHNOLOGY COALITION,
Washington, DC, May 7, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: The Small Business Technology Coalition is made up of research-intensive, technology-based small business leaders. We serve as a voice for the interests of small high-technology firms both in Washington, DC and throughout the United States.

The issue of patent reform is one of great concern to our members. Since our formation 2 years ago, we have spent a great deal of time examining the various patent bills in both Houses. We have met with several groups including the IPO, 21st Century Patent Coalition, NAM and AIPLA and have come to consensus on issues surrounding the bill.

We understand that an amendment has been offered and believe that S. 507, as amended, will lower the litigation costs for small business, make it easier to know what areas of technology are open for innovation, and will go a long way towards giving us a more level playing field vis-a-vis our foreign competitors. We wholeheartedly support passage of the bill and appreciate the attention and support you have given to small business.

Sincerely,

JAMES T. WOO,
Chairman.

NATIONAL SMALL BUSINESS UNITED,
Washington, DC, May 21, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: National Small Business United is America's oldest, bipartisan, advocacy association and represents the interests of 65,000 small businesses. Many of our member companies are in the high-technology sector. The issue of patent reform is one of great concern to small manufacturers and technology enterprises. We have worked closely with both the White House Conference on Small Business (WHCSB) Technology Chairs and the Small Business Technology Coalition, and share their views on pending patent reform legislation.

We are pleased to hear that an amendment, incorporating the changes requested by the WHCSB Technology Chairs, has been offered addressing small business concerns with S. 507. We believe that S. 507, as amended, will lower the litigation costs for small business, make it easier to know what areas of technology are open for innovation, and will go a long way towards giving American small business a more level playing field vis-a-vis our foreign competitors.

Again, as a representative of small business who rely on the patent system, NSBU wholeheartedly supports and urges the passage of the bill and appreciates the attention and support you have given to small business.

Sincerely,

TODD MCCRACKEN,
President.

NATIONAL VENTURE
CAPITAL ASSOCIATION,
May 29, 1998.

Hon. RICHARD C. SHELBY,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR SHELBY: Over the past several years the National Venture Capital Association has actively worked to enhance the existing patent term in a manner that would permit biomedical companies to enjoy full 20 year patent protection. In this regard, NVCA has long supported S. 507, the patent reform bill which, in part, would give biomedical companies a greater opportunity to fall within the full 20 year patent protection granted under the GATT/TRIPS law enacted in 1994.

A significant portion of venture capital investments in the United States are made in the biopharmaceutical and medical device fields. In fact, almost one-quarter of the $12 billion invested by venture capitalists last year in emerging companies went into these fields. These companies are the cutting edge of biotechnology and medical innovation. They are giving new and renewed hope for people across virtually the entire spectrum of diseases and afflictions.

To venture capitalists, patents play a fundamental and critical role in the availability of capital and our willingness to invest in biotechnology and medical devices. The reason for such dependency upon patents is that they provide the favorable economics required to justify substantial capital investment for successful product development. The lack of, or the shorter the term of, a patent decreases the attractiveness of a company from the investors' perspective.

S. 507, voted out of the Senate Judiciary Committee on a 17–1 vote, gives the NVCA members the confidence to invest in medical-based companies. The bill is vital to biotechnology patents. NVCA, as well as many in the high technology and inventor communities believe that the few remaining issues can be quickly resolved. Questions regarding contentious matters such as prior user rights can be addressed and debated on the Senate floor through a carefully planned time agreement. Moreover, the prior user rights provision could be modified on the Senate floor to address the concerns of those who still have questions about the provision. However, none of this can be accomplished without an agreement to bring S. 507 to the Senate floor for debate and a vote.

It was unfortunate that S. 507 could not have been part of the highly successful Senate ''Technology Week'' that Majority Leader Lott orchestrated several weeks ago, as S. 507 truly is of concern to the high technology community. Moreover, the overwhelming support witnessed in the House combined with the clear mandate the Senate Judiciary Committee voiced in approving this patent legislation demonstrates the wide and bipartisan support for patent reform.

On behalf of emerging growth companies, we urge you to support S. 507 and work to see that it can be brought to the Senate floor for debate and a vote as soon as possible.

Sincerely,

M. KATHLEEN BEHRENS,
President.

21ST CENTURY
PATENT COALITION,
Washington, DC, October 22, 1997.

Hon. TRENT LOTT,
Senate Majority Leader, Capitol Building, Washington, DC.

DEAR SENATOR LOTT: We, the chief executives of 48 American companies, are writing to express our strong support for S. 507 (Hatch/Leahy), the ''Omnibus Patent Act of 1997'', and to urge you to schedule a vote before the Senate adjourns this fall.

S. 507 makes several major improvements in U.S. patent law that will greatly benefit American companies and inventors. The bill (1) insures at least 17 years of exclusive rights to diligent patent owners, (2) eliminates wasteful duplication of R&D by requiring early publication of patent applications

that are also published in foreign countries, (3) protects investments in processes and factory equipment of American manufacturers by creating a prior user defense, (4) provides a low-cost, speedy alternative to district court litigation by strengthening the Patent and Trademark Office's reexamination procedure, and (5) improves efficiency of the Patent and Trademark Office.

The substance of this bill has been debated in many Congressional hearings since the beginning of the 104th Congress. The House passed a companion bill earlier this year and S. 507 was favorably reported by the Senate Judiciary Committee by a vote of 17 to 1.

S. 507 enjoys strong bipartisan support, despite the substantial misinformation that has surrounded it. It is time for the Senate to vote on this bill, which will strengthen the U.S. economy and keep jobs in America.

Sincerely,

Grant Saviers, Chairman, CEO and President, Adaptec, Inc.; H.A. Wagner, Chairman of the Board, President, and Chief Executive Officer, Air Products and Chemicals, Inc.; John R. Stafford, Chairman, President and Chief Executive Officer, American Home Products Corp.; John I. Shipp, President, Apollo Camera, L.L.C.; Carol Bartz, Chairman, President and CEO, Autodesk, Inc.; Clateo Castellini, Chairman of the Board, President and CEO, Becton, Dickinson and Co.; Donald V. Fites, Chairman and CEO, Caterpillar Inc.; William J. Hudson, President and Chief Executive Officer, AMP Inc.; James C. Morgan, Chairman and Chief Executive Officer, Applied Materials, Inc.; William H. Williams, President and Chief Executive Officer, Bear Creek Corp.; Gregory Bentley, President, Bentley Systems, Inc.; Frank Baldino, Jr., Ph.D., President and CEO, Cephalon, Inc.; Dominique Goupil, President, Claris Corp.; Hans W. Becherer, Chairman and Chief Executive Officer, Deere & Co.; John A. Krol, Chairman and Chief Executive Officer, E. I. du Pont de Nemours and Co.; George M. C. Fisher, Chairman, President, and Chief Executive Officer, Eastman Kadak Co.; Alex Trotman, Chairman of the Board, Ford Motor Co.; Eckhard Pfeiffer, President and CEO, Compaq Computer Corp.; William S. Stavropoulos, President and Chief Executive Officer, The Dow Chemical Co.; Earnest W. Deavenport, Jr., Chairman and Chief Executive Officer, Eastman Chemical Co.; Robert N. Burt, Chairman of the Board and Chief Executive Officer, FMC Corp.; John D. Opie, Vice Chairman, General Electric Co.; Phillip W. Farmer, Chairman and Chief Executive Officer, Harris Corp.; Thomas F. Kennedy, President and Chief Executive Officer, Hoechst Celanese Corp.; Gordon E. Moore, Chairman, Intel Corp.; Richard A. McGinn, President and Chief Executive Officer, Lucent Technologies; William H. Gates, Chairman and Chief Executive Officer, Microsoft Corp.; Lewis E. Platt, Chairman, President, and Chief Executive Officer, Hewlett-Packard Co.; Louis V. Gerstener, Jr., Chairman and Chief Executive Officer, IBM Corp.; Jeff Papows, President, Lotus Development Corp.; William W. George, Chairman and Chief Executive Officer, Medtronic, Inc.; L. D. DeSimone, Chairman of the Board and Chief Executive Officer, Minnesota Mining and Manufacturing Co.; Edward J. Mooney, Chairman and CEO, Nalco Chemical Co.; William C. Steere, Jr., Chairman of the Board and CEO, Pfizer, Inc.; Charles S. Johnson, Chairman, President and CEO, Pioneer Hi-Bred International, Inc.; H.W. Lichtenberger, Chief Executive Officer, Praxair, Inc.; Jeremiah J. Sheehan, Chairman and Chief Executive Officer, Reynolds Metals Co.; Eric Schmidt, Chairman and CEO, Novell, Inc.; W.W. Allen, Chairman of the Board and Chief Executive Officer, Phillips Petroleum Co.; Gary DiGamillo, Chief Executive Officer, Polaroid Corp.; John E. Pepper, Chairman and CEO, Procter & Gamble; Bill Budinger, Chairman and Chief Executive Officer, Rodel, Inc.; Larry Wilson, Chairman and Chief Executive Officer, Rohm and Haas Co.; Scott McNealy, Chairman of the Board of Directors, President and Chief Executive Officer, Sun Microsystems, Inc.; Melvin R. Goodes, Chief Executive Director, Warner-Lambert Co.; Alan F. Shugart, Chairman, Chief Executive Officer, and President, Seagate Technology; William H. Joyce, Chairman and Chief Executive Officer, Union Carbide Corp.; Ernest H. Drew, Chief Executive Officer, Industries and Technology Group, Westinghouse Electric Corp.

MESSAGES FROM THE HOUSE

At 3:26 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2411. An act to provide for a land exchange involving the Cape Cod National Seashore and to extend the authority for the Cape Cod National Seashore Advisory Commission.

H.R. 3303. An act to authorize appropriations for the Department of Justice for the fiscal years 1999, 2000, and 2001; to authorize appropriations for fiscal years 1999 and 2000 to carry out certain programs administered by the Department of Justice; to amend title 28, United States Code with respect to the use of funds available to the Department of Justice; and for other purposes.

H.R. 4059. An act making appropriations for the military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes.

H.R. 4060. An act making appropriations for energy and water development for the fiscal year ending September 30, 1999, and for other purposes.

H.J. Res. 113. Joint resolution approving the location of a Martin Luther King, Jr., Memorial in the Nation's Capital.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 288. Concurrent resolution expressing the sense of Congress that the United States should support the efforts of Federal law enforcement agents engaged in investigation and prosecution of money laundering associated with Mexican financial institutions.

The message further announced that pursuant to the provisions of 22 U.S.C. 276h, the Speaker appoints the following Members of the House to the Mexico-United States Interparliamentary Group, in addition to Mr. KOLBE of Arizona, Chairman, and Mr. GILMAN of New York, Vice Chairman, appointed on April 27, 1998: Mr. DREIER, Mr. BARTON, Mr. BALLENGER, Mr. MANZULLO, Mr. BILBRAY, Mr. SANFORD, Mr. HAMILTON, Mr. FILNER, Mr. DELAHUNT, and Mr. REYES.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 2411. An act to provide for a land exchange involving the Cape Cod National Seashore and to extend the authority for the Cape Cod National Seashore Advisory Commission; to the Committee on Environment and Public Works.

H.R. 3303. An act to authorize appropriations for the Department of Justice for the fiscal years 1999, 2000, and 2001; to authorize appropriations for fiscal years 1999 and 2000 to carry out certain programs administered by the Department of Justice; to amend title 28, United States Code with respect to the use of funds available to the Department of Justice; and for other purposes; to the Committee on the Judiciary.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 288. Concurrent resolution expressing the sense of Congress that the United States should support the efforts of Federal law enforcement agents engaged in investigation and prosecution of money laundering associated with Mexican financial institutions; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following joint resolution was read the first and second times, and placed on the calendar:

H.J. Res. 113. Joint resolution approving the location of a Martin Luther King, Jr., Memorial in the Nation's Capital.

The following bill was read the second time and ordered placed on the calendar:

H.R. 4059. An act making appropriations for the military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5653. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, the report of a financial guarantee for the sale of aircraft to Hainan Airlines in the People's Republic of China; to the Committee on Banking, Housing, and Urban Affairs.

EC–5654. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, the report of a financial guarantee for the sale of aircraft to Air Pacific Ltd. of Fiji; to the Committee on Banking, Housing, and Urban Affairs.

EC–5655. A communication from the Director of the Office of Regulatory Management

and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule regarding residue tolerances for the pesticide tebufenozide; to the Committee on Environment and Public Works.

EC–5656. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, the report of a cost comparison of base supply functions at Kirkland Air Force Base, New Mexico; to the Committee on Armed Services.

EC–5657. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, the report of a cost comparison on communications functions at Vandenberg Air Force Base, California; to the Committee on Armed Services.

EC–5658. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, the report on goods and services provided to the multinational coalition to restore democracy to Haiti; to the Committee on Foreign Relations.

EC–5659. A communication from the Secretary of Agriculture, transmitting, a report on Administration views regarding Committee action on USDA funding and allocations for fiscal year 1999; to the Committee on Appropriations.

EC–5660. A communication from the Executive Director of the Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting, pursuant to law, a report of additions and deletions to the procurement list dated June 10, 1998; to the Committee on Governmental Affairs.

EC–5661. A communication from the Chief of Staff, Office of the Commissioner, Social Security Administration, transmitting, pursuant to law, the report of a rule regarding the extension of expiration dates on listings of medical criteria used to determine certain types of disability received on June 19, 1998; to the Committee on Finance.

EC–5662. A communication from the Chief of the Regulations Unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Treatment of Hybrid Arrangements Under Subpart F'' (Notice 98–35) received on June 22, 1998; to the Committee on Finance.

EC–5663. A communication from the Chief of the Regulations Unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Low-Income Housing Credit'' (Rev. Rul. 98–31) received on June 22, 1998; to the Committee on Finance.

EC–5664. A communication from the Director of the Office of Surface Mining Reclamation and Enforcement, Department of Interior, transmitting, pursuant to law, the report of a rule entitled ''Missouri Abandoned Mine Land Reclamation Plan'' [MO–034–FOR) received on June 22, 1998; to the Committee on Energy and Natural Resources.

EC–5665. A communication from the Director of the Office of Surface Mining Reclamation and Enforcement, Department of Interior, transmitting, pursuant to law, the report of a rule entitled ''Mississippi Regulatory Program'' [MS–014–FOR) received on June 22, 1998; to the Committee on Energy and Natural Resources.

EC–5666. A communication from the Director of the Office of Surface Mining Reclamation and Enforcement, Department of Interior, transmitting, pursuant to law, the report of a rule entitled ''Virginia Regulatory Program'' (VA–112–FOR) received on June 22, 1998; to the Committee on Energy and Natural Resources.

EC–5667. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Tobacco Inspection; Growers' Referendum Results'' (Docket TB–97–16) received on June 19, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5668. A communication from the Chairman and Chief Executive Officer of the Farm Credit Administration, transmitting, pursuant to law, the report of a rule entitled ''Assessment and Apportionment of Administrative Expenses; Technical Change'' (RIN–3052–AB83) received on June 22, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5669. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled ''Study on Health, Safety, and Equipment Standards for Boxing''; to the Committee on Labor and Human Resources.

EC–5670. A communication from the Chairman of the National Skill Standards Board, transmitting, the annual report for calendar year 1997; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–487. A resolution adopted by the Senate of the Legislature of the Commonwealth of Pennsylvania; to the Committee on Appropriations.

SENATE RESOLUTION NO. 216

Whereas, The Delaware River represents one of Pennsylvania's and one of the nation's most important water resources, serving as a water supply for 17 million persons in the states of New York, Pennsylvania, New Jersey and Delaware; and

Whereas, The Delaware River is an interstate stream forming the boundary between states for its entire length of 330 miles; and

Whereas, Two major sections of the Delaware River have been designated under the Wild and Scenic Rivers Act; and

Whereas, The remaining section of the Delaware River has been studied and is now in the process of being designated under the Wild and Scenic Rivers Act; and

Whereas, The Delaware River and the Pennsylvania tributaries serve as a major recreational facility for the large population of the New York/Pennsylvania Metropolitan Area; and

Whereas, The Congress of the United States created the Delaware River Basin Compact (Compact) in recognition of the need to coordinate the efforts of the four states and Federal agencies and to establish a management system to oversee the use of water and related natural resources of the Delaware River Basin; and

Whereas, The Compact was enacted by the legislatures of New York, Pennsylvania, New Jersey, and Delaware and by Congress and was signed into law on September 27, 1961, to provide a mechanism to guide the conservation, development and administration of water resources of the river basin; and

Whereas, The Compact established the Delaware River Basin Commission (Commission) as the agency to coordinate the water resources efforts of the four states and the Federal Government and provided the Commission with authority for management and protection of flood plains, water supplies, water quality, watersheds, recreation, fish and wildlife and cultural, visual and other amenities; and

Whereas, The Commission has provided for equitable treatment of all parties without regards to political boundary; and

Whereas, The Commission includes both the Delaware River and Delaware Bay, which serve the port of Pennsylvania, a port that handles the largest volume of petroleum of all United States' ports; and

Whereas, Sections 3.3 and 3.4 of the Compact specifically provide for the Commission, with the consent of the parties in the matter of state of New Jersey v. state of New York et al. 347 U.S. 995 (1954) to apportion the water to and among the states; and

Whereas, The Commission has successfully negotiated all disputes or conflicts between parties without any appeal to the United States Supreme Court; and

Whereas, Section 13.3 of the Compact calls for the adoption and apportionment of the Commission's annual expense budget among the signatory parties to the Compact; and

Whereas, The United States is a duly constituted signatory party to the Compact; and

Whereas, In fiscal years 1996, 1997 and 1998, the Commission duly submitted its approved budgets to the President's Office of Management and Budget (OMB) and Congress; and

Whereas, The Federal Government failed to provide full funding in fiscal year 1996 and failed to provide any funding in fiscal years 1997 and 1998 for the Commission's current expense budget and has, therefore, not met the funding requirement of section 13.3 of the Compact; and

Whereas, The Commission also has adopted and duly submitted to OMB a current expense budget for fiscal year 1999 that includes an apportionment for the Federal Government in the amount of no dollars; and

Whereas, The fair share apportionment of the Commission's annual expense budget for the Federal Government for fiscal year 1999 is $628,000; and

Whereas, The cumulative shortfall of Federal funding for the Commission since fiscal year 1996 to $1.716 million; and

Whereas, The Commission pays the Federal Government approximately $1.3 million per year to purchase storage in the Blue Marsh and Beltzville multipurpose reservoirs; and

Whereas, The Commission is the agent of Congress in the allocation of the waters of the basin among the signatory states; and

Whereas, The Commission, through its regulations and programs, protects interstate waters and the Delaware Bay and provides a forum for the prevention and settlement of interstate disputes that arise over the use of interstate waters; and

Whereas, Through these interstate functions and many other programs and activities, such as the coordination of the basin flood and drought forecasting and warning system, the Commission saves the Federal Government time, resources and money, thus advancing the welfare of the nation; therefore be it

Resolved, The the Senate of Pennsylvania urge the President of the United States and Congress to provide the Commission with funding in an amount equal to what is owed for the Federal Government's share of the Commission's operating budgets for fiscal years 1996, 1997, 1998 and 1999; and be it further

Resolved, That the Senate of Pennsylvania urge the President of the United States and Congress to fulfill the Federal Government's obligation under the Delaware River Basin Compact to annually contribute the apportioned share of the Commission's future operating budgets; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM–488. A resolution adopted by the Senate of the Legislature of the commonwealth of Pennsylvania; to the Committee on Appropriations.

SENATE RESOLUTION NO. 183

Whereas, The Susquehanna River represents one of Pennsylvania's and one of the mid-Atlantic region's most important water resources, draining an area of 27,510 square miles and flowing through the states of New York, Pennsylvania and Maryland; and

Whereas, The Susquehanna River provides 50% of the freshwater flowing to the Chesapeake Bay and is classified by the Federal Government as a navigable waterway, factors which emphasize its significance to state, regional and national interests; and

Whereas, The Congress of the United States created the Susquehanna River Basin compact in recognition of the need to coordinate the efforts of the three states and Federal agencies and to establish a management system to oversee the use of water and related natural resources of the Susquehanna River; and

Whereas, The Compact was enacted by the legislatures of New York State, Pennsylvania and Maryland and Congress and was signed into law on December 24, 1970, to provide a mechanism to guide the conservation, development and administration of the water resources of the river basin; and

Whereas, The Compact established the Susquehanna River Basin Commission as the agency to coordinate the water resources efforts of the three states and the Federal Government and provided the Commission with authority for management and protection of flood plains, water supplies, water quality, watersheds, recreation, fish and wildlife, and cultural, visual and other amenities; and

Whereas, Section 14.3 of the Compact calls for an equitable apportionment of the Commission's annual expense budget among the signatory parties to the Compact; and

Whereas, The United States of America is a duly constituted signatory party to the Compact; and

Whereas, In Fiscal Years 1996, 1997 and 1998, the Commission duly submitted its approved budgets to the President's Office of Management and Budget (OMB) and Congress; and

Whereas, The United States failed to provide full funding in Fiscal Year 1996 and failed to provide any funding in Fiscal Years 1997 and 1998 for the Commission's current expense budget and has therefore not met the ''equitable'' funding requirement of section 14.3 of the Compact; and

Whereas, The Commission also has adopted and duly submitted to OMB a current expense budget for Fiscal Year 1999 that includes an apportionment for the Federal Government in the amount of $400,000; and

Whereas, The cumulative shortfall of Federal funding to the Commission since Fiscal Year 1996 is $1.218 million; and

Whereas, The Commission pays the Federal Government approximately $3.8 million per year to purchase storage in the Cowanesque and Curwensville Flood Control Reservoirs; and

Whereas, The Commission is the agent of Congress in the allocation of the waters of the basin among the signatory states; and

Whereas, The Commission, through its regulations and programs, protects interstate waters and the Chesapeake Bay and provides a forum for the prevention and settlement of interstate disputes that arise over the use of interstate waters; and

Whereas, Through these interstate functions and many other of its programs and activities such as the coordination of the basin flood forecasting and warning system, the Commission saves the Federal Government time, resources and money, thus advancing the welfare of the nation; and

Whereas, On January 15, 1998, the members of the Commission adopted Resolution No. 98–01, authorizing the Commission to offset from payment of moneys made to the Federal Government a sum not to exceed the amount apportioned to the United States in the Commission's officially adopted current expense budget and unpaid by the Federal Government since Fiscal Year 1996; and

Whereas, Resolution No. 98–01 provides that this offset authority will continue in force as long as the United States fails to fund the amount apportioned to the Federal Government in the Commission's current expense budget; and

Whereas, Resolution 98–01 stipulates that the amount to be withheld in the current fiscal year is $1.218 million; therefore be it

Resolved, That the Senate of Pennsylvania support the Commission's decision is withhold from the Federal Government a portion of its reservoir storage payments equal to the amount owed by the Federal Government for its share of the Commission's operating budgets for Fiscal Years 1996, 1997, 1998 and 1999 until such time as the Federal Government provides these funds; and be it further

Resolved, That the Senate of Pennsylvania urge the President of the United States and Congress to provide the Commission with funding in amount equal to what is owed for the Federal Government's share of the Commission's operating budgets for Fiscal Years 1996, 1997, 1998 and 1999; and be it further

Resolved, That the Senate of Pennsylvania urge the President of the United States and Congress to fulfill the Federal Government's obligation under the Susquehanna River Basin Compact to annually contribute an equitably apportioned share of the Commission's future operating budgets, and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM–489. A resolution adopted by the Council of the City of Miami Springs, Florida relative to renaming the Everglades National Park; to the Committee on Energy and Natural Resources.

POM–490. A resolution adopted by the Senate of the Legislature of the Commonwealth of Pennsylvania; to the Committee on Energy and Natural Resources.

SENATE RESOLUTION NO. 218

Whereas, The Marine Corps' Iwo Jima Memorial honors the marines who fought on that island during WWII; and

Whereas, The memorial depicts six men as they struggle to raise an American flag atop a mountain, signaling defeat to their enemy and hope to their comrades below; and

Whereas, The battle was the most costly in Marine history. The 36 days of fighting led to 25,851 casualties, over a third of the landing force, including more than 1,000 dead per square mile. More Medals of Honor were won on Iwo Jima than during any other battle in United States history. Admiral Nimitz remarked that among the sailors and marines on Iwo Jima, ''uncommon valor was a common virtue''; and

Whereas, The Iwo Jima Memorial may be obscured by an Air Force Memorial—a sprawling 20,000 square-foot, five-story, high-tech, interactive multimedia complex. Such a structure would be appropriate in front of the heavily trafficked Air and Space Museum, the site first approved for the structure; and

Whereas, During National Capital Planning Commission (NCPC) hearings, the location changed abruptly to ground 500 feet in front of the Marines' memorial. Though the NCPC originally noted twice, 7–4 against the site, it reversed its decision in a little-publicized meeting; and

Whereas, The Marine Corps was only informed after the fact. No public hearings were held. The proposal clearly violates a United States law that says, ''A commemorative work shall (not encroach) upon any existing commemorative work.''; therefore be it

Resolved, That the Senate of Pennsylvania urge the Congress of the United States to consider and pass S–1284, HR–3188 or HR–2313, each of which would prohibit future memorials in the area desired by the Air Force; and be it further

Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM–491. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Finance.

SENATE CONCURRENT MEMORIAL 1006

A Concurrent Memorial urging the President and the Congress of the United States to refuse to authorize, endorse, ratify or adopt any international treaty or federal designation that would usurp the authority of the states to establish their own environmental standards.

To the President and the Congress of the United States: Your memorialist respectfully represents:

Whereas, the environmental side agreement to the North American Free Trade Agreement (NAFTA) creates the Commission for Environmental Cooperation (CEC), which is charged with promoting sustainable development, encouraging improved pollution prevention policies, enhancing compliance with environmental laws and regulations and facilitating cooperative environmental efforts among the NAFTA parties. A nongovernmental organization has requested the CEC to prepare a report addressing the cumulative effects of groundwater pumping, grazing and mining on the San Pedro River, the San Pedro Riparian National Conservation Area and the wildlife species that live in this southeastern Arizona area. The CEC has agreed to this petition and has undertaken an independent report examining alleged water problems in the San Pedro River watershed; and

Whereas, this study of the San Pedro River watershed does not in any way relate to the trade relations between Canada, Mexico and the United States that are the stated purpose of the NAFTA environmental arm. Further, the Congress of the United States specifically addressed the San Pedro watershed in 1988 when it passed federal legislation establishing the San Pedro Riparian National Conservation Area to protect the riparian habitat and the area's wildlife, scientific, educational and recreational resources; and

Whereas, although the objectives behind NAFTA are sound and the agreement will continue to create tremendous economic opportunity for this state, the NAFTA environmental side agreement, or any other international treaty or negotiation, should not place states' environmental rights under international authority nor override the states' jurisdiction over their own environmental matters. the CEC study and report represent an unnecessary intrusion of an international environmental entity into state matters that excessively limits the use of both private and public lands in this state; and

Whereas, in 1997 President Bill Clinton established, by Executive Order 13061, the American Heritage Rivers Initiative with three objectives, including natural resource

and environmental protection. The initiative requires executive agencies to coordinate federal plans, functions, programs and resources to preserve, protect and restore rivers and their associated resources that are important to our nation's history, culture and natural heritage; and

Whereas, various federal and state authorities are already charged with regulating water resources within the State of Arizona, and numerous grassroots organizations across the nation have been founded to protect and conserve the nation's rivers and watersheds. Designation of additional areas subject to federal involvement in land use management would be unduly restrictive on both the privately and publicly owned land bordering rivers, much of which is already restrictively managed for perceived environmental benefits through designation or proposed designation as wilderness areas, primitive areas, critical habitat or potential habitat for endangered species, conservation areas, areas of critical environmental concern and wild or scenic rivers; and

Whereas, riparian and general conservation efforts are best administered and managed at state or local levels of government, not by an international council or federal entity that is neither familiar with nor affected by the areas in question.

Wherefore your memorialist, the Senate of the State of Arizona, the House of Representatives concurring, prays:

1. That the Congress of the United States take any steps within its power to rectify the situation in southeastern Arizona regarding the intrusion by the international CEC into the affairs of the San Pedro River watershed.

2. That the Congress of the United States refuse to ratify or adopt future treaties making the states of this nation subject to international intrusion or authority over states' environmental matters.

3. That the President of the United States not authorize or endorse the designation of any river, watershed or river segment within the State of Arizona as an American Heritage River.

4. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from the State of Arizona.

POM–492. A resolution adopted by the Legislature of the Commonwealth of Pennsylvania; to the Committee on Foreign Relations.

RESOLUTION—

Whereas, The United States is a signatory to the 1992 United Nations Framework Convention on Global Climate Change (FCCC); and

Whereas, Protocol to expand the scope of the FCCC was negotiated in December 1997, in Kyoto, Japan (Kyoto Protocol), requiring the United States to reduce emissions of greenhouse gases by 7% from 1990 levels during the period 2008 to 2012, with potentially larger emission reductions thereafter; and

Whereas, The Kyoto Protocol would require other major industrial nations to reduce emissions from 1990 levels by 6% to 8% during the period 2008 to 2012, with potentially larger emission reductions thereafter; and

Whereas, President William J. Clinton pledged on October 22, 1997, that ''The United States will not assume binding obligations (in Kyoto) unless key developing nations meaningfully participate in this effort''; and

Whereas, On July 25, 1997, the United States Senate adopted Senate Resolution No. 98 by a vote of 95–0 expressing the Sense of the Senate that, inter alia, ''the United States should not be signatory to any protocol to, or other agreement regarding, the Framework Convention on Climate Change . . . which would require the advice and consent of the Senate to ratification, and which would mandate new commitments to mitigate greenhouse gas emissions for the Developed Country Parties, unless the protocol or other agreement also mandates specific scheduled commitments within the same compliance period to mitigate greenhouse gas emissions for Developing Country Parties''; and

Whereas, Developing nations who are exempt from greenhouse gas emission limitation requirements in the FCCC refused in the Kyoto negotiations to accept any new commitments for greenhouse gas emission limitations through the Kyoto Protocol or other agreements; and

Whereas, The Kyoto Protocol fails to meet the tests established for acceptance of new climate change commitments by President Clinton and by United States Senate Resolution No. 98; and

Whereas, The United States relies on carbon-based fossil fuels for more than 90% of its total energy supply; and

Whereas, Achieving the emission reductions proposed by the Kyoto Protocol would require more than 35% reduction in projected United States carbon dioxide emissions during the period 2008 to 2012; and

Whereas, Developing countries exempt from emission limitations under the Kyoto Protocol are expected to increase their rates of fossil fuel use over the next two decades and to surpass the United States and other industrialized countries in total emissions of greenhouse gases; and

Whereas, Economic impact studies by the Federal Government estimate that legally binding requirements for the reduction of United States greenhouse gases to 1990 emission levels would result in the loss of more than 900,000 jobs in the United States, sharply increase energy prices, reduce family incomes and wages and cause severe losses of output in energy intensive industries such as aluminum, steel, rubber, chemicals and utilities; and

Whereas, The failure to provide for commitments by developing countries in the Kyoto Protocol creates an unfair competitive imbalance between industrial and developing nations, potentially leading to the transfer of jobs and industrial development from the United States to developing countries; and

Whereas, Increased emissions of greenhouse gases by developing countries would offset any environmental benefits associated with emissions reductions achieved by the United States and by other industrial nations; therefore be it

Resolved (the House of Representatives concurring), That the General Assembly memorialize the President of the United States not to sign the Kyoto Protocol; and be it further

Resolved, That in the event he signs the Kyoto Protocol, the President promptly submit the Kyoto Protocol to the Senate of the United States for its timely consideration; and be it further

Resolved, That the Senate of the United States reject any proposed protocol or other amendment to the FCCC that is inconsistent with this resolution or that does not comply fully with United States Senate Resolution No. 98; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM–493. A resolution adopted by the Legislature of the Commonwealth of Pennsylvania; to the Committee on the Judiciary.

RESOLUTION—

Whereas, During the 104th Congress, Second Session, H.R. 3328 was introduced in the United States House of Representatives; and

Whereas, The legislation, also referred to as the Collegiate Athletics Integrity Act of 1996, prohibited sports agents from influencing college athletes; and

Whereas, The legislation was not enacted by the Congress of the United States; and

Whereas, In the current session of the 105th Congress, legislation needs to be enacted that will prohibit sports agents from influencing college athletes; and

Whereas, It is appropriate to urge Congress to enact such legislation; therefore be it

Resolved (the House of Representatives concurring), That the General Assembly of the Commonwealth of Pennsylvania memorialize Congress to enact legislation prohibiting sports agents from influencing college athletes; and be it further

Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM–494. A resolution adopted by the Board of Trustees of Worth Township, Illinois relative to a constitutional amendment protecting the American flag; to the Committee on the Judiciary.

POM–495. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on the Judiciary.

HOUSE CONCURRENT RESOLUTION NO. 42

Whereas, In many situations, the difficulties facing family farming operations are numerous and challenging. The number of farms has declined steadily for many years, both in Michigan and throughout the entire country. For Black farmers across this nation, however, the obstacles to survival are staggering. Recent investigations through the Congressional Black Caucus and organizations like the National Black Farmers Association have revealed the extent of discrimination against African American farm operations. These civil rights violations were contained in recommendations of a task force within the United States Department of Agriculture; and

Whereas, Access to capital, vital component of any farming operation, has been denied to many Black farmers. When not denied outright, through loans refused and ultimate foreclosures, loans for Black farmers often take far longer to be approved. The result of a delay for a farm loan is often financial ruin; and

Whereas, According to the National Black Farmers Association, the USDA foreclosed on 1,000 Black farms in the last several months. Black farmers are losing land at a rate of 9,000 acres a week. At this rate, according to the chair of the Congressional Black Caucus, Black farms will vanish by the year 2000; and

Whereas, The USDA, through it civil rights study group, has identified specific legislative changes to combat discrimination in its policies and programs. Any delay in implementing needed changes and in revamping the department's response to Black farmers is too long; and

Whereas, In April 1998, the Justice Department ruled that most of the approximately 2,000 cases brought by Black farmers with complaints of discrimination between 1983 and 1996 would expire due to the statute of limitations. It is essential that Congress take actions to enable the federal government to respond appropriately to the legitimate claims of these citizens; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we urge the United States Department of Agriculture to take strong steps to halt all discrimination against Black farmers, to settle pending claims, and to memorialize the Congress of the United States to enact legislation to waive the statute of limitations for the discrimination cases brought against the Department of Agriculture between 1983 and 1996; and be it further

Resolved, That copies of this resolution be transmitted to the United States Department of Agriculture, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JEFFORDS, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1754. A bill to amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health professions and disadvantaged health education programs, and for other purposes (Rept. No. 105–220).

By Mr. HELMS, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 237. A resolution expressing the sense of the Senate regarding the situation in Indonesia and East Timor.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

Louis Caldera, of California, to be Secretary of the Army.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HELMS, from the Committee on Foreign Relations:

Nancy E. Soderberg, of the District of Columbia, to be an Alternate Representative of the United States of America to the Sessions of the General Assembly of the United Nations during her tenure of service as Alternate Representative of the United States of America for Special Political Affairs in the United Nations, to which position she was appointed during the last recess of the Senate.

Nancy E. Soderberg, of the District of Columbia, to be Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador, to which position she was appointed during the last recess of the Senate.

Vivian Lowery Derryck, of Ohio, to be an Assistant Administrator of the Agency for International Development.

Shirley Elizabeth Barnes, of New York, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Madagascar.

Federal Campaign Contribution Reports

Nominee: Shirley E. Barnes.

Post: Madagascar.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knolwedge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee

1. Self: none.
2. Spouse: not married.
3. Children and Spouses: no children.
4. Parents: deceased.
5. Grandparents: deceased.
6. Brothers and spouses: deceased.
7. Sister: none.

Charles Richard Stith, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Tanzania.

Nominee: Charles Richard Stith.

Post: Ambassador to Tanzania.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knolwedge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee

1. Self: $500, 12/7/93, Alan Wheat; $250, 2/17/94, Ted Kennedy.
2. Spouse: $1000, 12/17/96, Clinton/Gore; $100, 10/17/96, Harvey Gant.
3. Children and Spouses: Percy & Mary, none.
4. Parents: Dorothy McLean (Father deceased) none.
5. Grandparents: deceased.
6. Brothers and spouses: deceased.
7. Sisters and spouses: Rebecca Fanning, none.

Eric S. Edelman, of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Finland.

Nominee: Eric Steven Edelman.

Post: Republic of Finland.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee

1. Self: none.
2. Spouse: Patricia D. Edelman, none.
3. Children and spouses: Alexander, Stephanie, Terence, Robert, none.
4. Parents: Milton and Frederica Edelman, none.
5. Grandparents: Abraham and Molly Edelman (deceased); Abraham and Cecile Aubry (deceased), none.
6. Brothers and spouses: Marc Edelman and Luanne Fisi: $500,[1], 1994, Steve Stockman[2]; $200, 1995, Pat Hallisey[3]; $6,000, 1996, Pat Hallisey; $100, 1996, NRA Victory Fund; $3,200, 1997, Jeff Harrison.[5]

[1] Gifts in Kind.
[2] Congressional Candidate, Texas.
[3] Mayoral Candidate, League City, Texas.
[4] Gifts in Kind.
[5] City Council Candidate, At-Large seat, League City Texas.

7. Sisters and spouses: Alexandra Edelman, none.

Nancy Halliday Ely-Raphel, of the District of Columbia, a Career Member of the Senior Executive Service, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Slovenia.

Nominee: Nancy Halliday Ely-Raphel.

Post: Slovenia.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee

1. Self: Nancy Ely-Raphel, none.
2. Spouse, N/A.
3. Children and spouses: John Duff Ely, Sigrid Mueller, Robert Duff Ely, Stephanie Joyce Raphel, none.
4. Parents: Margaret Merritt Halliday, Thomas Clarkson Halliday (deceased), none.
5. Grandparents: Thomas Clarkson Halliday, Petranella Halliday (deceased); William John Merritt, Anna M. Merritt (deceased).
6. Brothers and spouses: Thomas Clarkson Halliday III, Brenda Halliday, none.
7. Sisters and spouses: N/A.

Edward L. Romero, of New Mexico, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

Edward L. Romero, of New Mexico, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Andorra.

Nominee: Ed L. Romero.

Post: U.S. Ambassador to Spain.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: see exhibit A.
2. Spouse: see exhibit B.
3. Children and Spouses: see exhibit C.
4. Parents: Isaac Romero (deceased), and Ramona Romero, none.
5. Grandparents: Faustin Romero (deceased), Talpita Romero (deceased); and Lucas Pacheco (deceased), Juanita Pacheco (deceased).
6. Brothers and Spouses: Isaac Romero, none; Jean Malone, none; Randolph Romero, none; and Mary Ann Romero, none.
7. Sisters and Spouses: Elizabeth Martinez, none; and Benjamin Martinez, none.

EXHIBIT A: EDWARD L. ROMERO, FEDERAL CAMPAIGN CONTRIBUTIONS, 1993–PRESENT

Recipient and election	Amount	Date
E. Shirley Baco for Congress (General)	$200	10/21/96
People for Domenici (Primary)	1,000	9/08/95
A Lot of People Who Support Jeff Bingaman (2000 Election) (Primary)	200	8/22/96
Pastor for Arizona (Primary)	1,000	8/02/96
Keefe for Congress 1996 (Primary)	500	07/30/96
John Wertheim for Congress (General)	1,000	03/27/96
Wyden for Senate (General)	500	01/25/96
Senator Gene Green Cong. Campaign (Primary)	500	12/01/95
People for Patty Murray, U.S. Senate Campaign (Primary)	500	07/24/95
Clinton/Gore '96 Primary Comm. (Primary)	1,000	06/14/95
Committee for Congressman Ronald V. Dellums (General)	1,000	10/18/94
Leadership for the Future (Democratic National Comm.) (N/A)	1,000	07/27/94
New Mexicans for Bill Richardson (General)	1,000	07/22/94
Ben Reyes for Congress (Primary)	1,000	02/22/94
Byrne for Congress Committee (Primary)	500	01/05/94
Comm. to Re-Elect Tom Foley (Primary)	1,000	12/23/93
A Lot of People Who Support Jeff Bingaman (1994 Electrion):		
Primary	1,000	06/25/93
General	1,000	06/25/93
Becerra for Congress (Primary)	250	06/07/93
Espy for Congress (Special)	250	03/30/93
Bob Kreuger Campaign (Special)	1,000	03/25/93

EXHIBIT B: CAYETANNA (''TANNA'') ROMERO (SPOUSE), FEDERAL CAMPAIGN CONTRIBUTIONS, 1993–PRESENT

Recipient and election	Amount	Date
New Mexicans for Bill Richardson (General)	$1,000	07/22/94

EXHIBIT B: CAYETANNA (''TANNA'') ROMERO (SPOUSE), FEDERAL CAMPAIGN CONTRIBUTIONS, 1993–PRESENT—Continued

Recipient and election	Amount	Date
People for Domenici (Primary)	1,000	9/08/95
A Lot of People Who Support Jeff Bingaman:		
Primary	1,000	04/04/95
General	1,000	04/08/94

EXHIBIT C: PETER E. HARROD (SON-IN-LAW), FEDERAL CAMPAIGN CONTRIBUTIONS, 1993–PRESENT

Recipient and election	Amount	Date
New Mexicans for Bill Richardson (General)	$500	07/22/94
A Lot of People Who Support Jeff Bingaman (Primary)	60	06/97

ANNA ROMERO HARROD (DAUGHTER), FEDERAL CAMPAIGN CONTRIBUTIONS, 1993–PRESENT

Recipient and election	Amount	Date
New Mexicans for Bill Richardson (General)	$525	07/22/94

EDWARD STEVEN ROMERO (SON), FEDERAL CAMPAIGN CONTRIBUTIONS, 1993–PRESENT

Recipient and election	Amount	Date
New Mexicans for Bill Richardson (General)	$500	07/22/94
Ray Romero Committee, Inc. (Primary)	250	07/06/96
Friends of Eric Serna for Congress (General)	250	04/07/97
People for Pete Domenici (General)	250	09/16/96

William Davis Clarke, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Eritrea.

Nominee: William D. Clarke.

Post: Eritrea.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: none.

2. Spouse: Katsuko M. Clarke, none.

3. Children and Spouses: William, Jr., Robert, Christina Armstrong (Anthony), none.

Parents: James B. (deceased), none; and Laura D. Clarke, none.

Grandparents: James N. Clarke and Sophie Clarke (deceased), Jerome Davis and Annie F. Davis (deceased).

6. Brothers and Spouses: James B. Clarke, Jr., none and Valerie C. Clarke, none.

7. Sisters and Spouses: Anne C. Cessaris, none.

George Williford Boyce Haley, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Gambia.

Nominee: George Williford Haley.

Post: Ambassador to The Gambia.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: $1,000.00, 1995, Bill Clinton; and $1,000.00, 1995, Bob Dole.

2. Spouse: Doris Haley, $50.00, 1995, Harvey Gantt.

3. Children and Spouses: David and Michelle Haley, none; and Wren and Anne Haley Brown, none.

4. Parents: Simeon and Bertha Palmer Haley (deceased).

5. Grandparents: William and Cynthia Palmer (deceased); and Alexander and Queen Haley (deceased).

6. Brothers and Spouses: Alexander Palmer Haley (deceased); and Julius Cornell Haley, none.

7. Sisters and Spouses: Phillip and Lois Ann Haley Butts, none.

Katherine Hubay Peterson, of California, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho.

Nominee: Katherine Hubay Peterson.

Post: Ambassador to the Kingdom of Lesotho.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: none.

2. Spouse: (my spouse, Arne M. Peterson, and I separated on December 29, 1996. Our divorce will be final in two to three months): none.

3. Children and Spouses: no children.

4. Parents: Paul Hubay (father), deceased; and Ruth Davey Hubay (mother), none.

5. Grandparents: Frederick Norton Davey and Ruth Johnson Davey (both deceased); and Joseph Hubay and Katherine Melnyk Hubay (both deceased).

6. Brothers and Spouses: none.

7. Sisters and Spouses: Davey Hubay (divorced), none.

Jeffrey Davidow, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

Nominee: Jeffrey Davidow.

Post: Mexico.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: none.

2. Spouse: Joan Davidow, none.

3. Children and Spouses: Gwen Davidow, none; and Audrey Davidow, none.

4. Parents: Henrietta Davidow (nee Wurf) (deceased), none, and, Alfred Davidow (deceased), none.

5. Grandparents: Sigmund and Mary Wurf (deceased), none, and Abraham and Sarah Davidow (deceased), none.

6. Brothers and Spouses: none.

7. Sisters and Spouses: Ann Davidow Bornstein, none, and Harvey Bornstein, none.

John O'Leary, of Maine, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chile.

Nominee: John O'Leary.

Post: Ambassador to Chile.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: see attached.

2. Spouse: Patricia Cepeda, see attached.

3. Children and Spouses: Alejandra O'Leary, none, and Gabriela O'Leary, none.

4. Parents: John O'Leary (deceased), and Margaret O'Leary, none.

5. Grandparents: John O'Leary (deceased), Mary O'Leary (deceased); and John Joyce (deceased), Mildred Joyce (deceased).

6. Brothers and Spouses: James and Vicki, Richard, Michael and Deborah and Kevin and Tikva O'Leary, none.

Sisters and Spouses: James and Peggy Powers, none.

ATTACHMENT A

Amount	Date	Donee
		1. John O'Leary
$15	8.9.93	Democratic National Committee
200	5.3.94	Troubh for Congress
500	9.8.95	Baldacci for Congress
1,000	12.30.95	Clinton-Gore '96
500	2.24.96	Baldacci for Congress
500	9.6.96	Allen for Congress
1,000	9.14.96	Brennan for Senate
100	9.14.96	Win in '96
500	11.1.96	Allen for Congress
		2. Patricia Cepeda
500	6.28.94	Andrews for Senate
100	9.30.94	Dutremble for Congress
1,000	12.30.95	Clinton-Gore '96

Michael Craig Lemmon, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Armenia.

Nominee: Michael C. Lemmon.

Post: Republic of Armenia.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: none.

2. Spouse: Michele Herout Lemmon, none.

3. Children and Spouses: Alexander M. Lemmon, none.

4. Parents: Virgil J. and Marion O. Lemmon (deceased), none.

5. Grandparents: Virgil J. and Rose Lemmon (deceased), none and Oliver and Helen Bates (deceased), none.

6. Brothers and Spouses: Randi S. and Jackie Lemmon, none; Shawn V. Lemmon, none; and James P. Lemmon, $100, 1996, Democratic National Committee; $25, 1996, Human Rights Campaign Fund.

7. Sisters and Spouses: Marion E. Van Beelan, none; Maura K. Lemmon, none; Ann T. Lemmon, and Harry Gorman, none; Rose-Marie and Rick Baron, none; and Christie M. Lemmon and Jon Lear, none.

Ruldolf Vilem Perina, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Moldova.

Nominee: Rudolf Vilem Perina.

Post: Ambassador to Republic of Moldova.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: none.

2. Spouse: Ethel Hetherington Perina, none.

3. Children and Spouses: Katherine H. Perina, none; and Alexandra H. Perina, none.

4. Parents: Rudolf Perina (father), $30/per year, annual, Republican Nat. Comm.; and Blanka Skopek (mother), $80/per year, annual, Calif. Republican Assembly.

5. Grandparents: Rudolf and Marta Perina, (deceased); Alois and Marie Blecha, (deceased).

6. Brothers and Spouses: none.

7. Sisters and Spouses: none.

Paul L. Cejas, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belgium.

Nominee: Paul L. Cejas.

Position: Ambassador to Belgium.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee.

1. Self: see attached schedule.

2. Spouse: see attached schedule.

3. Children and Spouses: Pablo L. Cejas, Helene Christianna Cejas, and Anthony A. Merkofsky, Tiffany Herkofsky, see attached schedules.

4. Parents: Pablo F. Cejas (father), deceased, and Olga Moreno (mother), see attached schedule.

5. Grandparents: Herminia Monendaz de Gomez (grandmother), deceased; Irene Alvaron de Cejas (grandmother), deceased; Jesus Gomez Casas (grandfather), deceased; and Dr. Leandro Cejas (grandfather), deceased.

6. Brothers and Spouses: Richard Cejas (Half Brother), no information available.

7. Sisters and Spouses: Nina Pellegrini (Half Sister) and spouse, Mario, see attached schedule.

FEDERAL CAMPAIGN CONTRIBUTION REPORT

Amount	Date	Donee
		(PAUL L. CEJAS)
$500	2–17–93	Hastings for Congress
1,000	2–20–93	Senator George Mitchell Campaign (D–ME)
2,000	3–20–93	Democratic Senatorial Campaign Comm.
1,000	3–22–93	George Mitchell Campaign (D–ME)
250	4–27–93	Ileana Ros-Lehtinen Campaign (R–FL)
5,000	5–25–93	Democratic Senatorial Campaign Comm.
5,000	8–3–93	Democratic Senatorial Campaign Comm.
250	9–10–93	Bob Menendez for Congress (D–NJ)
5,000	9–10–93	Democratic Senatorial Campaign Comm.
1,000	12–1–93	Ted Kennedy Campaign (D–MASS)
250	12–1–93	Lincoln Diaz-Balart for Congress (R–FL)
250	12–3–93	Lincoln Diaz-Balart for Congress (R–FL)
1,000	12–9–93	Bob Menendez for Congress (D–NJ)
1,000	5–6–94	Lincoln Diaz-Balart for Congress (R–FL)
500	7–5–94	Peter Deutsch for Congress (D–FL)
1,000	9–22–94	Friends of Jim Cooper
3,110	9–22–94	Democratic Senatorial Campaign Comm.
5,000	10–1–94	Dem. Senatorial Campaign Comm.
1,000	10–1–94	Hugh Rodham Campaign
1,500	1–26–95	Democratic Governors Association
1,000	3–1–95	Gephardt in Congress
1,000	3–23–95	Florida Democratic Party
1,000	6–16–95	Lincoln Diaz-Balart for Congress (R–FL)
1,000	9–13–95	Clinton/Gore '96 Primary Comm.
625	9–18–95	Ros-Lehtinen for Congress
5,000	12–1–95	Senator George Mitchell Campaign (D–ME)
35,000	12–6–95	Democratic National Committee
3,000	12–7–95	Democratic Senatorial Campaign Comm.
1,000	2–23–96	Bill Richardson Congressional Campaign (D)
1,000	3–12–96	Peter Deutsch for Congress (D–FL)
20,000	4–1–96	Democratic Senatorial Campaign Comm.
100,000	4–18–96	DNC Non-Federal Account
500	5–30–96	Friends of Bob Graham (D–FL)
500	8–19–96	Byron for Congress
1,400	8–19–96	Democratic National Committee
600	8–23–96	Victory '96
250	9–9–96	Ileana Ros-Lehtinen Campaign (R–FL)
50,000	10–15–96	Florida Win In '96
1,000	10–22–96	Clinton-Gore/GELAC
5,000	1–14–97	Democratic Senatorial Campaign Comm.
15,000	3–1–97	Florida Victory Fund
1,000	3–4–97	Peter Deutsch for Congress (D–FL)
250	3–4–97	Bob Menendez for Congress (D–NJ)
600	4–16–97	Ileana Ros-Lehtinen Campaign (R–FL)
10,000	10–17–97	Democratic Congressional Campaign
1,000	11–6–97	Lincoln Diaz-Balart for Congress (R–FL)
		(TRUDY CEJAS, WIFE)
1,000	4–23–92	Clinton for President
11,582	3–7–94	Democratic Senatorial Campaign Comm.
1,000	8–30–94	Bill Richardson
100	10–1–94	Hugh Rodham Campaign
5,000	10–1–94	Dem. Senatorial Campaign Comm.
1,000	11–16–94	Democratic National Committee
1,000	9–15–95	Clinton-Gore/GELAC
1,000	2–9–96	Torricelli for US Senate (D–NJ)
10,000	9–25–96	Democratic National Committee

FEDERAL CAMPAIGN CONTRIBUTION REPORT—Continued

Amount	Date	Donee
1,000	10–10–96	Woman's Campaign Fund
1,000	10–22–96	Clinton-Gore/GELAC
1,000	10–22–96	Friends of Bob Graham
250	3–4–97	Bob Menendez for Congress (D–NJ)
600	4–18–97	Ileana Ros-Lehtinen Campaign (R–FL)
500	11–8–97	Lincoln Diaz-Balart for Congress (R–FL)
		(PABLO CEJAS, SON)
1,000	5–30–96	Friends of Bob Graham (D–FL)
1,000	10–22–96	Clinton-Gore/GELAC
		(H. CHRISTIANNE CEJAS, DAUGHTER)
1,000	10–21–96	Friends of Bob Graham (D–FL)
		(TIFFANY MARKOFSKY, STEPDAUGHTER)
1,000	10–21–96	Friends of Bob Graham (D–FL)
		(ANTHONY A. MARKOFSKY, STEPSON)
1,000	10–24–96	Clinton-Gore/GELAC
		(OLGA MORENO, MOTHER)
1,000	10–22–96	Friends of Bob Graham (D–FL)
1,000	10–24–96	Clinton-Gore/GELAC
		NINA PELLEGRINI (HALF SISTER)
1,000	8–26–96	McConnell Senate Committee (R–CA)
		MARIO PELLEGRINI (SPOUSE OF NINA PELLEGRINI)
1,000	1996	McConnell Senate Committee (R–CA)
600	1997	National Republican Senatorial Committee
120	1997	Republican Presidential Task Force

Cynthia Perrin Schneider, of Maryland to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of the Netherlands.

Nominee: Cynthia Perrin Schneider.

Post: Ambassador to the Netherlands.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: $1,000, 11/3/96, GELAC Clinton-Gore '96; $1,000, 4/14/96, Women's Leadership Forum; and $1,000, 6/95, Clinton-Gore '96.

2. Spouse: Thomas Jay Schneider, $25, 5/22/94, Friends of Jim Mundy; $1,000, 6/24/94, Friends of Jim Cooper; $1,000, 9/29/94, Friends of Jim Cooper; $250, 10/5/94, Friends of Jim Mundy; $1,000, 10/16/94, Sam Coopersmith for U.S. Senate; $250, 10/18/94, Ben Jones for Congress; $1,000, 10/28/94, Friends of Jim Cooper; $250, 11/6/94, Kelly for Congress; $100, 11/6/94, Friends of Andy Cory; $1,000, 12/26/95, Mark Warner for Senate, $1,000, 6/95, Clinton-Gore '96; $50, 1/13/96, Price for Congress; $700, 8/28/96, Victory '96; $250, 9/26/96, MCDCC (Clinton-Gore); $1,000, 11/3/96, GELAC Clinton-Gore '96; and $50, 5/27/96, Don Mooers for Congress Committee.

3. Children and Spouses: Tommie Perrin Schneider, none; and Samuel Thomas Schneider, none.

4. Parents: Judith N. Doman (mother), $250, 4/11/96, Clinton-Gore '96; Nicholas R. Doman (stepfather), $1,000, 6/25/95, Clinton-Gore '96; $1,000, 12/1/95, Gene R. Nichol for Senate; $750, 9/4/97, Gene R. Nichol for Senate; Anthony L. Perrin (father), $50, 1992, George Bush; Mary Louise Barney Perrin (nickname Lee) (stepmother), none.

5. Grandparents: deceased.

6. Brothers and Spouses: Lee James Perrin, none; and Melissa Britt Perrin, none.

7. Sisters & Spouses: no sisters.

Kenneth Spencer Yalowitz, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Georgia.

Nominee: Kenneth Spencer Yalowitz.

Post: Ambassador to the Republic of Georgia.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee

1. Self: none.

2. Spouse: Judith G. Yalowitz, none.

3. Children and Spouses: Andrew S. Yalowitz, none.

4. Parents: Henry and Audrey Yalowitz (both deceased).

5. Grandparents: Abraham and Tillie Socol (both deceased); Mr. and Mrs. Edward Yalowitz (both deceased).

6. Brother and Spouse: Edward (deceased) and Nancy Yalowitz, $200, 3/4/94, John J. Cullerton; $200, 3/10/94, John J. Cullerton; and $500, 5/4/94, Democratic National Committee.

7. Sister and Spouse: Melvin and Geraldine Garbow, $1,000, 1994, $1,000, 1995, $1,000, 1996, $1,000, 1997, and $250, 1998. Arnold and Porter Partners Political Action Committee;

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. HELMS. Mr. President, for the Committee on Foreign Relations, I also report favorably a list in the Foreign Service which was printed in full in the RECORD of September 3, 1997, and ask unanimous consent, to save the expenses of reprinting on the Executive Calendar, that this nomination lie at the Secretary's desk for the information of Senators.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of September 3, 1997, at the end of the Senate proceedings.)

In the Foreign Service nomination of John M. O'Keefe, which was received by the Senate and appeared in the RECORD of September 3, 1997.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. AKAKA (for himself, Mr. INOUYE, Mr. LEVIN, Ms. MOSELEY-BRAUN, Ms. LANDRIEU, Mr. KENNEDY):

S. 2202. A bill to amend the Animal Welfare Act to ensure that all dogs and cats used by research facilities are obtained legally; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. COVERDELL (for himself and Mr. KYL):

S. 2203. A bill to promote drug-free workplace programs; to the Committee on Small Business.

By Mr. KYL:

S. 2204. A bill to provide for the waiver of fees in the case of certain visas, to modify the schedule for implementation of certain border crossing restrictions, and for other purposes; to the Committee on the Judiciary.

By Mr. DORGAN:

S. 2205. A bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Lewis & Clark

Expedition, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. COATS (for himself, Mr. DODD, Mr. JEFFORDS, and Mr. KENNEDY):

S. 2206. A bill to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LEAHY:

S. 2207. A bill to amend the Clayton Act to enhance the authority of the Attorney General to prevent certain mergers and acquisitions that would unreasonably limit competition; to the Committee on the Judiciary.

By Mr. FRIST:

2208. A bill to amend title IX for the Public Health Service Act to revise and extend the Agency for Healthcare Policy and Research; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GRAMM (for himself and Mrs. HUTCHISON):

S. Res. 253. A resolution expressing the sense of the Senate that the United States Department of Agriculture provide timely assistance to Texas farmers and livestock producers who are experiencing worsening drought conditions; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. AKAKA (for himself, Mr. INOUYE, Mr. LEVIN, Ms. MOSELEY-BRAUN, Ms. LANDRIEU, and Mr. KENNEDY):

S. 2202. A bill to amend the Animal Welfare Act to ensure that all dogs and cats used by research facilities are obtained legally; to the Committee on Agriculture, Nutrition, and Forestry.

THE PET PROTECTION AND SAFETY ACT OF 1998

● Mr. AKAKA. Mr. President, today I am introducing the Pet Protection and Safety Act of 1998, a bill to close a serious loophole in the Animal Welfare Act.

Congress passed the Animal Welfare Act over 30 years ago to stop the mistreatment of animals and to prevent the sale of family pets for laboratory experiments. Despite the Animal Welfare Act's well-meaning intentions and the enforcement efforts of the Department of Agriculture, the Act routinely fails to provide pets and pet owners with reliable protection against the actions of USDA-licensed Class B animal dealers, also known as ''random source'' dealers.

Medical research is an invaluable weapon in the battle against disease. New drugs and surgical techniques offer promise in the fight against AIDS, cancer, and a host of life-threatening diseases. Animal research has been, and continues to be, fundamental to advancements in medicine. I am not here to argue whether animals should or should not be used in research; rather, I am addressing the unethical practice of selling stolen pets and stray animals to research facilities.

There are less than 40 ''random source'' animal dealers operating throughout the country who acquire tens of thousands of dogs and cats. Many of these animals are family pets, acquired by so-called ''bunchers'' who resort to theft and deception as they collect animals and sell them to Class B dealers. ''Bunchers'' often respond to ''free pet to a good home'' advertisements, tricking animal owners into giving away their pets by posing as someone interested in adopting the dog or cat. Random source dealers are known to keep hundreds of animals at a time in squalid conditions, providing them with little food or water. The mistreated animals often pass through several hands and across state lines before they are eventually sold by a random source dealer to a research laboratory for $200 to $500 each.

Mr. President, the use of animals in research is subject to legitimate criticism because of the fraud, theft, and abuse that I have just described. Dr. Robert Whitney, former director of the Office of Animal Care and Use at the National Institutes of Health echoed this sentiment when he stated, ''The continued existence of these virtually unregulatable Class B dealers erodes the public confidence in our commitment to appropriate procurement, care, and use of animals in the important research to better the health of both humans and animals.'' While I doubt that laboratories intentionally seek out stolen or fraudulently obtained dogs and cats as research subjects, the fact remains that these animals end up in research laboratories—and little is being done to stop it. Mr. President, it is clear to most observers, including animal welfare organizations around the country, that this problem persists because of random source animal dealers.

The Pet Protection and Safety Act strengthens the Animal Welfare Act by prohibiting the use of random source animal dealers as suppliers of dogs and cats to research laboratories. At the same time, The Pet Protection and Safety Act preserves the integrity of animal research by encouraging research laboratories to obtain animals from legitimate sources that comply with the Animal Welfare Act. Legitimate sources are USDA-licensed Class A dealers or breeders; municipal pounds that choose to release dogs and cats for research purposes; legitimate pet owners who want to donate their animals to research; and private and federal facilities that breed their own animals. These four sources are capable of supplying millions of animals for research, far more cats and dogs than are required by current laboratory demand. Furthermore, at least in the case of using municipal pounds, research laboratories could save money since pound animals cost only a few dollars compared to $200 and $500 per animal charged by random animal dealers. The National Institutes of Health, in an effort to curb abuse and deception, has already adopted policies against the acquisition of dogs and cats from random source dealers.

The Pet Protection and Safety Act also reduces the Department of Agriculture's regulatory burden by allowing the Department to use its resources more efficiently and effectively. Each year, hundreds of thousands of dollars are spent on regulating 40 random source dealers. To combat any future violations of the Animal Welfare Act, the Pet Protection and Safety Act increases the penalties under the Act to a minimum of $1,000 per violation.●

By Mr. LEAHY:

S. 2207. A bill to amend the Clayton Act to enhance the authority of the Attorney General to prevent certain mergers and acquisitions that would unreasonably limit competition; to the Committee on the Judiciary.

ANTITRUST IMPROVEMENTS ACT OF 1998

● Mr. LEAHY. Mr. President, I know that consumers are becoming more and more concerned about the merger mania that has hit the United States—they see the potential for higher prices to consumers and poorer service as industries become far more concentrated in fewer hands.

I am also concerned about this trend, particularly when mergers take place between incumbent monopolies. Specifically, the mergers among Regional Bell Operating Companies, which continue to have a virtual strangle-hold on the local telephone loop, pose the greatest threat to healthy competition in the telecommunications industry.

Indeed, incumbent telephone companies still control over 99% of the local residential telephone markets. In other words, new entrants have captured less than 1% of local residential phone service.

The Telecommunications Act's promise of competition was a sales pitch that has not materialized to benefit American consumers. Instead of competition, we see entrenchment, megamergers, consolidation and the divvying up of markets. Even Edward Whitacre, Jr., the Chairman and Chief Executive Officer of SBC Communications, testified several weeks ago before the Antitrust Subcommittee that ''The Act promised competition that has not come.''

At a recent judiciary committee hearing on mergers, Alan Greenspan acknowledged that the Act has not lived up to its promises of lower consumer costs and more competition.

Since passage of this law, Southwestern Bell has merged with PacTel into SBC Corporation, and Bell Atlantic has merged with NYNEX. Now, SBC Corporation is seeking to purchase Ameritech. What once had been seven separate local monopolies will soon be

four, with the possibility of more on the horizon. One of my home state newspapers—the Rutland Daily Herald—commented in an editorial that, ''It might even seem as if Ma Bell's corpse is coming back to life.''

I voted against the Telecommunications Act because I did not believe it was sufficiently procompetitive. I raised a number of concerns as that Act was being considered by the Senate. I said in my floor statement on the day the new law passed:

> Mega-mergers between telecommunications giants, such as the rumored merger between NYNEX and Bell Atlantic, or the gigantic network mergers now underway, raise obvious concerns about concentrating control in a few gigantic companies of both the content and means of distributing the information and entertainment American consumers receive. Competition, not concentration, is the surest way to assure lower prices and greater choices for consumers. Rigorous oversight and enforcement by our antitrust agencies is more important than ever to insure that such mega-mergers do not harm consumers.

I am very concerned that this concentration of ownership in the telecommunications industry is currently proceeding faster than the growth of competition. We are seeing old monopolies getting bigger and expanding their reach.

Upon completion of all the proposed mergers among the Bell companies, most of the local telephone lines in the country will be concentrated in the hands of three to four companies. This will affect not only the millions of people who depend on the companies involved for both basic telephone service and increasingly for an array of advanced telecommunications services, but also competition in the entire industry. The Consumers Union recently testified before the Judiciary Committee's Antitrust Subcommittee that the mergers between Regional Bell Operating Companies could lead to even more mega-mergers within this industry.

I know personally that at my farm in Vermont and here at my office in the District of Columbia and at my home in Virginia, I still have only one choice for dial-tone and local telephone service. That ''choice'' is the Bell operating company or no service at all. The current mantra of the industry seems to be ''one-stop shopping.'' But if that stop is at a monopoly that is not competing on price and service, I do not think it is the kind of ''one-stop shopping'' consumers want.

I have been concerned that the distraction of these huge mergers serve only to complicate and delay the companies' compliance with their obligations under the Telecommunications Act to open their networks. That is not good for competition in the local loop. Consolidation is taking precedence over competition. We need to reverse that priority, and make opening up the local loop the focus of the energies of the Bell Operating Companies. Then consolidation, if it happens, would not pose the current risk of creating additional barriers to effective competition.

Big is not necessarily bad. But the Justice Department in the late 1970's worked overtime to divide up the old Ma Bell to assure more competition and provide customers with better service at lower rates. It is ironic that the Telecommunications Act, which was touted as the way to increase competition, is having the reverse effect instead of promoting consolidation among telephone companies.

Before all the pieces of Ma Bell are put together again, Congress should revisit the Telecommunications Act. To ensure competition among Bell Operating Companies and long distance and other companies, as contemplated by passage of this law, we need clearer guidelines and better incentives. Specifically, we should ensure that Bell Operating Companies do not gain more concentrated control over huge percentages of the telephone access lines of this country through mergers, but only through robust competition.

As the Consumers Union recently testified, ''If Congress really wants to bring broad-based competition to telecommunications markets, it must rewrite the Telecommunications Act, giving antitrust and regulatory authorities more tools to eliminate the most persistent pockets of telephone and cable monopoly power.''

Today I am introducing antitrust legislation that will bar future mergers between Bell Operating Companies or GTE, unless the federal requirements for opening the local loop to competition have been satisfied in at least half of the access lines in each State. I look forward to working with my colleagues on this legislation to make the Telecommunications Act live up to some of its promise.

The bill provides that a ''large local telephone company'' may not merge with another large local telephone company unless the Attorney General finds that the merger will promote competition for telephone exchange services and exchange access services. Also, before a merger can take place the Federal Communications Commission must find that each large local telephone company has for at least one-half of the access lines in each State served by such carrier, of which as least one-half are residential access lines, fully implemented the requirements of sections 251 and 252 of the Communications Act of 1934.

The bill requires that each large local telephone company that wishes to merge with another must file an application with the Attorney General and the FCC. A review of these applications will be subject to the same time limits set under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

The bill also provides that nothing in this Act shall be construed to modify, impair, or supersede the applicability of the antitrust laws of the United States, or any authority of the Federal Communications Commission, or any authority of the States with respect to mergers and acquisitions of large local telephone companies.

The bill is effective on enactment and has no retroactive effect. It is enforceable by the Attorney General in federal district courts.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2207

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 ''Antitrust Improvements Act of 1998''.

SEC. 2. PURPOSE.

The purpose of this Act is to enhance the authority of the Attorney General to prevent certain mergers and acquisitions that would unreasonably limit competition in the telecommunications industry in any case in which certain Federal requirements that would enhance competition are not met.

SEC. 3. RESTRAINT OF TRADE.

The Clayton Act (15 U.S.C. 12 et seq.) is amended by adding at the end the following new section:

''SEC. 27. RESTRAINT OF TRADE REGARDING TELECOMMUNICATIONS.

''(a) LARGE LOCAL TELEPHONE COMPANY DEFINED.—In this section, the term 'large local telephone company' means a local telephone company that, as of the date of a proposed merger or acquisition covered by this section, serves more than 5 percent of the telephone access lines in the United States.

''(b) RESTRAINT OF TRADE REGARDING TELECOMMUNICATIONS.—Notwithstanding any other provision of law, a large local telephone company, including any affiliate of such a company, shall not merge with or acquire a controlling interest in another large local telephone company unless—

''(1) the Attorney General finds that the proposed merger or acquisition will promote competition for telephone exchange services and exchange access services; and

''(2) the Federal Communications Commission finds that each large local telephone company that is a party to the proposed merger or acquisition, with respect to at least ½ of the access lines in each State served by that company, of which at least ½ are residential access lines, has fully implemented the requirements of sections 251 and 252 of the Communications Act of 1934 (47 U.S.C. 251, 252), including the regulations of the Commission and of the States that implement those requirements.

''(c) REPORT OF THE ATTORNEY GENERAL.—Not later than 10 days after the Attorney General makes a finding described in subsection (b)(1), the Attorney General shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report on the finding, including an analysis of the effect of the merger or acquisition on competition in the United States telecommunications industry.

''(d) APPLICATION PROCESS.—

''(1) IN GENERAL.—Each large local telephone company or affiliate of a large local telephone company proposing to merge with or acquire a controlling interest in another large local telephone company shall file an application with both the Attorney General and the Federal Communications Commission, on the same day.

''(2) DECISIONS.—The Attorney General and the Federal Communications Commission

shall issue a decision regarding the application within the time period applicable to review of mergers under section 7A of this Act.

''(e) JURISDICTION OF THE UNITED STATES COURTS.—

''(1) IN GENERAL.—The district courts of the United States are vested with jurisdiction to prevent and restrain any mergers or acquisitions described in subsection (d) that are inconsistent with a finding under subsection (b) (1) or (2).

''(2) ACTIONS.—The Attorney General may institute proceedings in any district court of the United States in the district in which the defendant resides or is found or has an agent and that court shall order such injunctive, and other relief, as may be appropriate if—

''(A) the Attorney General makes a finding that a proposed merger or acquisition described in subsection (d) does not meet the applicable condition under subsection (b)(1); or

''(B) the Federal Communications Commission makes a finding that 1 or more of the parties to the merger or acquisition referred to in subsection (b)(2) do not meet the requirements specified in that subsection.''.

SEC. 4. PRESERVATION OF EXISTING AUTHORITIES.

(a) IN GENERAL.—Nothing in this Act or the amendments made by this Act shall be construed to modify, impair, or supersede the applicability of the antitrust laws, or any authority of the Federal Communications Commission under the Communications Act of 1934 (47 U.S.C. 151 et seq.), with respect to mergers, acquisitions, and affiliations of large incumbent local exchange carriers.

(b) ANTITRUST LAWS DEFINED.—In this section, the term ''antitrust laws'' has the meaning given that term in the first section of the Clayton Act (15 U.S.C. 12).

SEC. 5. APPLICABILITY.

This Act and the amendments made by this Act shall apply to a merger or acquisition of a controlling interest of a large local telephone company (as that term is defined in section 27 of the Clayton Act, as added by section 3 of this Act), occurring on or after the date of enactment of this Act.●

By Mr. FRIST:

S. 2208. A bill to amend title IX of the Public Health Service Act to revise and extend the Agency for Healthcare Policy and Research; to the Committee on Labor and Human Resources.

HEALTHCARE QUALITY ENHANCEMENT ACT OF 1998

Mr. FRIST. Mr. President, I rise today to advocate better healthcare for Americans and to introduce legislation strengthening the scientific foundation of healthcare quality improvement efforts. Let me make a few introductory comments before summarizing the ''Healthcare Quality Enhancement Act of 1998.''

First, I want to make it clear: all patients deserve better healthcare quality, not just HMO enrollees as recent discussions have most frequently focused on regarding consumer protections.

All Americans deserve better healthcare. We need healthcare quality improvement that reaches everybody through better healthcare plans, tertiary care centers, fee-for-service solo practices, and all other kinds of patient care.

We should not wait for another movie like the one titled ''As Good as It Gets'' to talk about healthcare quality for 70% percent of employees and 86% of Medicare beneficiaries who are not traditional-HMO enrollees.

Quality of care fundamentally rests on the achievements of biomedical research. We all know that sound science is the best way to improve quality in patient care. All components of the outcome of healthcare can be effectively improved by statistically valid science: health status can be turned around by transplantation when someone's life is in jeopardy due to a diseased organ; social functioning can be improved by shock wave lithotripsy that leads to faster recovery; and patient satisfaction can be better when children with moderate or severe asthma get proper anti-inflammatory treatment.

While being amazed by the promise of new scientific achievements, few patients realize the implications of abundant and growing production in biomedical research.

Over the past 20 years, the number of articles indexed annually in the Medline database of the National Library of Medicine nearly doubled.

Randomized clinical trials are considered sources of the highest quality evidence on the value of a new intervention. Over the past two decades, the number of clinical trials in my own field of cardiology have increased fivefold.

In health services research, 10 times more clinical trials are published today than 20 years ago (e.g., clinical trials comparing inpatient care with outpatient care, trials of physician profiling and other information interventions).

But we are falling short in our success to disseminate our findings and influence practice behavior.

In spite of all these scientific achievements, we cannot further build up biomedical research production for the next millennium if our network for sharing it with practitioners remains on a nineteenth's century level.

The landmark Early Treatment Diabetic Retinopathy Study was published in 1985. This randomized controlled clinical trial validated a scientific achievement almost a decade earlier. The American Diabetes Association published its eye care guidelines for patients with diabetes mellitus in 1988. Today, the national rate for annual diabetic eye exam is still only 38.4%.

There are more scientific discoveries than ever before, but practical introduction of new scientific discoveries does not seem to be much faster today than it was more than 100 years ago. We need to close the gap between what we know and what we do in healthcare. That requires a federal role in sharing information about what works to improve quality.

All Americans want better healthcare and the federal government must respond by offering helpful information on quality, channeling scientific evidence to clinicians, and investing in research on improving health services.

For this reason, today I am introducing legislation to establish the ''Agency for Healthcare Quality'' which builds on the platform of the current Agency for Healthcare Policy and Research, but refocuses it on quality to become the central figure in our efforts to improve the quality of healthcare.

Healthcare quality is a matter of personal preference—it means different things to different people. We all remember when healthcare quality became a political showdown, the low back pain guidelines backfired because they were viewed as an attempt to mandate ''cook book'' medicine, and the Agency for Healthcare Policy and Research had a near death experience.

Over the past three years, since I first came to the United States Senate, I have looked very closely at this agency. The Subcommittee on Public Health and Safety, which I chair, has held three hearings to invite public input on this agency. As a result, this legislation responds to many of the past criticisms of the agency. This legislation will take AHCPR—under a new name—to new heights and will establish it as the center of healthcare quality research for the country.

The new Agency for Healthcare Quality will:

1. promote quality by sharing information. While proven medical advances are made daily, patients are waiting too long to benefit from these discoveries. We must get the science to the people by better sharing of information and more effective dissemination. In addition, the Agency will develop evidence-rating systems to help people in judging the quality of science.

2. build public-private partnerships to advance and share true quality measures. Quality means different things to different people. In collaboration with the private sector, the Agency shall conduct research that can figure out what quality really means to patients and to clinicians, how to measure quality, and what actions can improve the outcome of healthcare.

3. report annually on the state of quality, and cost, of the nation's healthcare. Americans want to know if they receive good quality healthcare. But compared to what? Statistically accurate, sample-based national surveys will efficiently provide reliable and affordable data —without excessive, overly intrusive, and potentially destructive mandatory reporting requirements.

4. aggressively support improved information systems for health quality. Currently, quality measurement too often requires manual chart reviews for such simple data as frequency of procedures, infection rates, or other complications. Improved computer systems will advance quality scoring and facilitate quality-based decision-making in patient treatment.

5. support primary care research, and address issues of access in underserved areas. While most policy discussions this year are targeting managed care, quality improvement is just as important to the solo private practitioner. The Agency's authority is expanded to support healthcare improvement in all types of office practice—not just managed care. The agency shall specifically address quality in rural and other undeserved areas by advancing telemedicine services which share clinical expertise with more patients.

6. facilitate innovation in patient care with streamlined evaluation and assessment of new technologies. Patients should benefit from proven breakthrough technologies sooner, while inefficient methods should be phased out faster. Today, manufacturers and distributors of new technologies face major hurdles in trying to secure coverage. The Medicare technology committee has been particularly criticized for its process. Criteria are unclear, delays are long, and decisions are unpredictable. The Agency will be accessible to both private and public entities for technology assessments and will share information on assessment methodologies.

7. coordinate quality improvement efforts of the government. Most of the many federal healthcare programs today support some kind of health services research and conduct various quality improvement projects. The Agency shall coordinate these many initiatives to avoid disjointed, uncoordinated, or duplicative efforts.

In summary, we need to practice, not just publish, better patient care. We all want to see better quality.

Real improvement can come from progress in health sciences, from promoting innovation in patient care, and from better practical application of new scientific advances. The Agency for Healthcare Quality will focus on overall improvement in healthcare and enable us to judge the quality of care we receive.

Americans want better healthcare and the federal government shall respond by offering helpful information on quality, channeling scientific evidence to clinicians, and investing in research on improving health services.

Mr. President the ''Healthcare Quality Enhancement Act of 1998'' will reduce the gap between what we know and what we do in healthcare. The refocused Agency for Healthcare Quality is the right step forward and I urge my colleagues to support this legislation to improve healthcare for all Americans.

ADDITIONAL COSPONSORS

S. 38

At the request of Mr. FEINGOLD, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 38, a bill to reduce the number of executive branch political appointees.

S. 71

At the request of Mr. DASCHLE, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 71, a bill to amend the Fair Labor Standards Act of 1938 and the Civil Rights Act of 1964 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 496

At the request of Mr. CHAFEE, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 496, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 505

At the request of Mr. LEAHY, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 505, a bill to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes.

S. 617

At the request of Mr. JOHNSON, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Nebraska (Mr. KERREY) were added as cosponsors of S. 617, a bill to amend the Federal Meat Inspection Act to require that imported meat, and meat food products containing imported meat, bear a label identifying the country of origin.

S. 852

At the request of Mr. LOTT, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 971

At the request of Mr. LAUTENBERG, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 971, a bill to amend the Federal Water Pollution Control Act to improve the quality of coastal recreation waters, and for other purposes.

S. 1413

At the request of Mr. LUGAR, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 1413, a bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 1647

At the request of Mr. BAUCUS, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 1647, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 1924

At the request of Mr. MACK, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1924, a bill to restore the standards used for determining whether technical workers are not employees as in effect before the Tax Reform Act of 1986.

S. 1929

At the request of Mrs. HUTCHISON, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1929, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage production of oil and gas within the United States, and for other purposes.

S. 1976

At the request of Mr. LEAHY, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1976, a bill to increase public awareness of the plight of victims of crime with developmental disabilities, to collect data to measure the magnitude of the problem, and to develop strategies to address the safety and justice needs of victims of crime with developmental disabilities.

S. 2017

At the request of Mr. D'AMATO, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 2017, a bill to amend title XIX of the Social Security Act to provide medical assistance for breast and cervical cancer-related treatment services to certain women screened and found to have breast or cervical cancer under a Federally funded screening program.

S. 2022

At the request of Mr. DEWINE, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 2022, a bill to provide for the improvement of interstate criminal justice identification, information, communications, and forensics.

S. 2027

At the request of Mr. BRYAN, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 2027, a bill to clarify the fair tax treatment of meals provided hotel and restaurant employees in nondiscriminatory employee cafeterias.

S. 2130

At the request of Mr. GRAMS, the name of the Senator from North Carolina (Mr. FAIRCLOTH) was added as a cosponsor of S. 2130, a bill to amend the Internal Revenue Code of 1986 to provide additional retirement savings opportunities for small employers, including self-employed individuals.

S. 2150

At the request of Mr. FRIST, the name of the Senator from Indiana (Mr. COATS) was added as a cosponsor of S. 2150, a bill to amend the Public Health Service Act to revise and extend the bone marrow donor program, and for other purposes.

S. 2151

At the request of Mr. NICKLES, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Arizona (Mr. KYL) were added as cosponsors of

S. 2151, a bill to clarify Federal law to prohibit the dispensing or distribution of a controlled substance for the purpose of causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual.

S. 2199

At the request of Mr. TORRICELLI, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2199, a bill to amend the Marine Mammal Protection Act of 1972 to establish a Marine Mammal Rescue Grant Program, and for other purposes.

SENATE JOINT RESOLUTION 50

At the request of Mr. BOND, the names of the Senator from Kentucky (Mr. MCCONNELL), the Senator from South Carolina (Mr. THURMOND), and the Senator from Oregon (Mr. SMITH) were added as cosponsors of Senate Joint Resolution 50, a joint resolution to disapprove the rule submitted by the Health Care Financing Administration, Department of Health and Human Services on June 1, 1998, relating to surety bond requirements for home health agencies under the medicare and medicaid programs.

SENATE CONCURRENT RESOLUTION 88

At the request of Mr. D'AMATO, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of Senate Concurrent Resolution 88, a concurrent resolution calling on Japan to establish and maintain an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.

SENATE RESOLUTION 193

At the request of Mr. REID, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Idaho (Mr. KEMPTHORNE), and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of Senate Resolution 193, a resolution designating December 13, 1998, as ''National Children's Memorial Day.''

SENATE RESOLUTION 237

At the request of Mr. FEINGOLD, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of Senate Resolution 237, a resolution expressing the sense of the Senate regarding the situation in Indonesia and East Timor.

AMENDMENT NO. 2405

At the request of Mrs. FEINSTEIN, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of amendment No. 2405 proposed to S. 2057, an original bill to authorize appropriations for the fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

At the request of Mr. WARNER, his name was added as a cosponsor of amendment No. 2405 proposed to S. 2057, supra.

AMENDMENT NO. 2407

At the request of Mrs. FEINSTEIN, her name was added as a cosponsor of amendment No. 2407 proposed to S. 2057, an original bill to authorize appropriations for the fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

At the request of Mr. HARKIN, his name was withdrawn as a cosponsor of amendment No. 2407 proposed to S. 2057, supra.

AMENDMENT NO. 2809

At the request of Mr. FEINGOLD, the names of the Senator from Wisconsin (Mr. KOHL) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of amendment No. 2809 intended to be proposed to S. 2057, an original bill to authorize appropriations for the fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 2832

At the request of Mr. BINGAMAN, his name was added as a cosponsor of amendment No. 2832 intended to be proposed to S. 2057, an original bill to authorize appropriations for the fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 2833

At the request of Mr. BINGAMAN, his name was added as a cosponsor of amendment No. 2833 intended to be proposed to S. 2057, an original bill to authorize appropriations for the fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

SENATE RESOLUTION 253—EXPRESSING THE SENSE OF THE SENATE RELATIVE TO TEXAS FARMERS WHO ARE EXPERIENCING DROUGHT CONDITIONS

Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. RES. 253

Whereas, the statewide economic impact of the drought on Texas agriculture could be more than $1.7 billion in losses, according to the Texas Agricultural Extension Service;

Whereas, the direct loss of income to agricultural producers is $517 million, which will lead to a loss of another $1.2 billion in economic activity for the state;

Whereas, the National Weather Service has reported that all 10 climatic regions in the State of Texas have received below average rainfall from March through May, a critical time in the production of corn, cotton, sorghum, wheat, and forage;

Whereas, the total losses for Texas cotton producers have already reached an estimated $157 million;

Whereas, nearly half of the State of Texas' rangelands as of May 31, 1998, was rated as ''poor'' or ''very poor'' as a result of the lack of rain;

Whereas, the value of lost hay production in the State of Texas will approach an estimated $175 million statewide, leading to an economic impact of $582 million;

Whereas, dryland fruit and vegetable production losses in East Texas have already been estimated at $33 million;

Whereas, the early rains in many parts of Texas produced a large quantity of forage that is now extremely dry and a dangerous source of fuel for wildfires;

Whereas, the Texas Forest Service has indicated that over half the state is in extreme or high danger of wildfires due to the drought conditions.

Resolved, That it is the Sense of the Senate of the United States that the Secretary of Agriculture streamline the drought declaration process to provide necessary relief as quickly as possible; that the Secretary of Agriculture ensure that local Farm Service Agency offices are equipped with full time and emergency personnel in drought-stricken areas to assist producers with disaster loan application packages; that the Secretary of Agriculture instruct the United States Forest Service to assist the State of Texas and the Federal Emergency Management Agency in pre-positioning fire fighting equipment and other appropriate resources in affected Texas counties; that the Secretary of Agriculture authorize haying and grazing on Conservation Reserve Program acreage; that the Secretary of Agriculture convene experts within the Department to develop and implement an emergency plan to help prevent wildfires and to overcome the economic impact of the continuing drought so the Department of Agriculture can provide assistance in a rapid and efficient manner for producers who are suffering from drought conditions.

AMENDMENTS SUBMITTED

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

LEAHY AMENDMENT NO. 2932

(Ordered to lie on the table.)

Mr. LEAHY submitted an amendment intended to be proposed by him to the bill (S. 2057) to authorize appropriations for the fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; as follows:

At the appropriate place insert the following:

SEC. 232. LANDMINES.

(a) AVAILABILITY OF FUNDS.—(1) Of the amounts authorized to be appropriated in

section 201, $17,200,000 shall be available for activities relating to the identification, adaptation, modification, research, and development of existing and new tactics, technologies, and operational concepts that—

(A) would provide a combat capability that is comparable to the combat capability provided by anti-personnel landmines, including anti-personnel landmines used in mixed mine systems; and

(B) comply with the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction.

(2) The amount available under paragraph (1) shall be derived as follows:

(A) $12,500,000 shall be available from amounts authorized to be appropriated by section 201(1).

(B) $4,700,000 shall be available from amounts authorized to be appropriated by section 201(4).

(b) STUDIES.—(1) Not later than 30 days after the date of enactment of this Act, the Secretary of Defense shall enter into a contract with each of two appropriate scientific organizations for purposes of identifying existing and new tactics, technologies, and concepts referred to in subsection (a).

(2) Each contract shall require the organization concerned to submit a report to the Secretary and to Congress, not later than one year after the execution of such contract, describing the activities under such contract and including recommendations with respect to the adaptation, modification, and research and development of existing and new tactics, technologies, and concepts identified under such contract.

(3) Amounts available under subsection (a) shall be available for purposes of the contracts under this subsection.

(c) REPORTS.—Not later than April 1 of each of 1999 through 2001, the Secretary shall submit to the congressional defense committees a report describing the progress made in identifying and deploying tactics, technologies, and concepts referred to in subsection (a).

(d) DEFINITIONS.—In this section:

(1) ANTI-PERSONNEL LANDMINE.—The term ''anti-personnel landmine'' has the meaning given the term ''anti-personnel mine'' in Article 2 of the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction.

(2) MIXED MINE SYSTEM.—The term ''mixed mine system'' includes any system in which an anti-vehicle landmine or other munition is constructed with or used with one or more anti-personnel landmines, but does not include an anti-handling device as that term is defined in Article 2 of the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction.

BIDEN AMENDMENT NO. 2933

(Ordered to lie on the table.)

Mr. BIDEN submitted an amendment intended to be proposed by him to amendment No. 2967 submitted by him to the bill, S. 2057, supra; as follows:

On page 397, between lines 6 and 7, insert the following:

SEC. 3137. NONPROLIFERATION ACTIVITIES.

(A) INITIATIVES FOR PROLIFERATION PREVENTION PROGRAM.—Of the amount authorized to be appropriated by section 3103(1)(B), $30,000,000 shall be available for the Initiatives for Proliferation Prevention program.

(b) NUCLEAR CITIES INITIATIVE.—Of the amount authorized to be appropriated by section 3103(1)(B), $30,000,000 shall be available for the purpose of implementing the initiative arising pursuant to the March 1998 discussions between the Vice President of the United States and the Prime Minister of the Russian Federation and between the Secretary of Energy of the United States and the Minister of Atomic Energy of the Russian Federation (the so-called ''nuclear cities'' initiative).

REID AMENDMENT NO. 2934

(Ordered to lie on the table.)

Mr. REID submitted an amendment intended to be proposed by him to the bill, S. 2057, supra; as follows:

In lieu of the matter proposed to be inserted, insert the following:

The provisions of title XXIX are null and void and shall have no effect.

KEMPTHORNE AMENDMENTS NOS. 2935–2936

(Ordered to lie on the table.)

Mr. KEMPTHORNE submitted two amendments intended to be proposed by him to the bill, S. 2057, supra; as follows:

AMENDMENT NO. 2935

On page 348, strike out line 1 and all that follows through page 366, line 13, and insert in lieu thereof the following:

TITLE XXIX—JUNIPER BUTTE RANGE WITHDRAWAL

SEC. 2901. SHORT TITLE.

This title may be cited as the ''Juniper Butte Range Withdrawal Act''.

SEC. 2902. WITHDRAWAL AND RESERVATION.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this title, the lands at the Juniper Butte Range, Idaho, referred to in subsection (c), are withdrawn from all forms of appropriation under the public land laws, including the mining laws and the mineral and geothermal leasing laws, but not the Materials Act of 1947 (30 U.S.C. 601–604).

(b) RESERVED USES.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Air Force for—

(1) a high hazard training area;

(2) dropping non-explosive training ordnance with spotting charges;

(3) electronic warfare and tactical maneuvering and air support;

(4) other defense-related purposes consistent with the purposes specified in paragraphs (1), (2), and (3), including continued natural resource management and environmental remediation in accordance with section 2916;

(c) SITE DEVELOPMENT PLANS.—Site development plans shall be prepared prior to construction; site development plans shall be incorporated in the Integrated Natural Resource Management Plan identified in section 2909; and, except for any minimal improvements, development on the withdrawn lands of any facilities beyond those proposed and analyzed in the Air Force's Enhanced Training in Idaho Environmental Impact Statement, the Enhanced Training in Idaho Record of Decision dated March 10, 1998, and the site development plans shall be contingent upon review and approval of the Idaho State Director, Bureau of Land Management.

(d) GENERAL DESCRIPTION.—The public lands withdrawn and reserved by this section comprise approximately 11,300 acres of public land in Owhyee County, Idaho, as generally depicted on the map entitled ''Juniper Butte Range Withdrawal-Proposed'', dated June 1998, that will be filed in accordance with section 2903. The withdrawal is for an approximately 10,600-acre tactical training range, a 640-acre no-drop target site, four 5-acre no-drop target sites and nine 1-acre electronic threat emitter sites.

SEC. 2903. MAP AND LEGAL DESCRIPTION.

(a) IN GENERAL.—As soon as practicable after the effective date of this Act, the Secretary of the Interior shall—

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this title; and

(2) file a map or maps and the legal description of the lands withdrawn and reserved by this title with the Committee on Energy and Natural Resources of the Senate and with the Committee on Resources of the House of Representatives.

(b) INCORPORATION BY REFERENCE.—Such maps and legal description shall have the same force and effect as if included in this title.

(c) CORRECTION OF ERRORS.—The Secretary of the Interior may correct clerical and typographical errors in such map or maps and legal description.

(d) AVAILABILITY.—Copies of such map or maps and the legal description shall be available for public inspection in the office of the Idaho State Director of the Bureau of Land Management; the offices of the managers of the Lower Snake River District, Bruneau Field Office and Jarbidge Field Office of the Bureau of Land Management; and the Office of the Commander, Mountain Home Air Force Base, Idaho. To the extent practicable, the Secretary of the Interior shall adopt the legal description and maps prepared by the Secretary of the Air Force in support of this Title.

(e) The Secretary of the Air Force shall reimburse the Secretary of the Interior for the costs incurred by the Department of the Interior in implementing this section.

SEC. 2904. AGENCY AGREEMENT

The Bureau of Land Management and the Air Force have agreed upon additional mitigation measures associated with this land withdrawal as specified in the ''ENHANCED TRAINING IN IDAHO Memorandum of Understanding Between The Bureau of Land Management and The United States Air Force'' that is dated June ——, 1998. This agreement specifies that these mitigation measures will be adopted as part of the Air Force's Record of Decision for Enhanced Training in Idaho. Congress endorses this collaborative effort between the agencies and directs that the agreement be implemented; provided, however, that the parties may, in accordance with the National Environmental Policy Act of 1969, as amended, mutually agree to modify the mitigation measures specified in the agreement in light of experience gained through the actions called for in the agreement or as a result of changed military circumstances; provided further, that neither the agreement, any modification thereof, nor this section creates any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any person.

SEC. 2905. RIGHT-OF-WAY GRANTS.

In addition to the withdrawal under section 2902 and in accordance with all applicable laws, the Secretary of the Interior shall process and grant the Secretary of the Air Force rights-of-way using the Department of the Interior regulations and policies in effect at the time of filing applications for the one-quarter acre electronic warfare threat emitter sites, roads, powerlines, and other ancillary facilities as described and analyzed in the Enhanced Training in Idaho Final Environmental Impact Statement, dated January 1998.

SEC. 2906. INDIAN SACRED SITES.

(a) MANAGEMENT.—In the management of the Federal lands withdrawn and reserved by

this title, the Air Force shall, to the extent practicable and not clearly inconsistent with essential agency functions, (1) accommodate access to and ceremonial use of Indian sacred sites by Indian religious practitioners and (2) avoid adversely affecting the integrity of such sacred sites. The Air Force shall maintain the confidentiality of such sites where appropriate. The term ''sacred site'' shall mean any specific, discrete, narrowly delineated location on Federal land that is identified by an Indian tribe, or Indian individual determined to be an appropriately authoritative representative of an Indian religion, as sacred by virtue of its established religious significance to, or ceremonial use by, an Indian religion; provided that the tribe or appropriately authoritative representative of an Indian religion has informed the Air Force of the existence of such a site. The term ''Indian tribe'' means an Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian tribe pursuant to Public Law No. 103–454, 108 Stat. 4791, and ''Indian'' refers to a member of such an Indian tribe.

(b) CONSULTATION.—Air Force officials at Mountain Home Air Force Base shall regularly consult with the Tribal Chairman of the Shoshone-Paiute Tribes of the Duck Valley Reservation to assure that tribal government rights and concerns are fully considered during the development of the Juniper Butte Range.

SEC. 2907. ACTIONS CONCERNING RANCHING OPERATIONS IN WITHDRAWN AREA.

The Secretary of the Air Force is authorized and directed to, upon such terms and conditions as the Secretary of the Air Force considers just and in the national interest, conclude and implement agreements with the grazing permittees to provide appropriate consideration, including future grazing arrangements. Upon the conclusion of these agreements, the Assistant Secretary, Land and Minerals Management, shall grant rights-of-way and approvals and take such actions as are necessary to implement promptly this title and the agreements with the grazing permittees. The Secretary of the Air Force and the Secretary of the Interior shall allow the grazing permittees for lands withdrawn and reserved by this title to continue their activities on the lands in accordance with the permits and their applicable regulations until the Secretary of the Air Force has fully implemented the agreement with the grazing permittees under this section. Upon the implementation of these agreements, the Bureau of Land Management is authorized and directed, subject to the limitations included in this section, to terminate grazing on the lands withdrawn.

SEC. 2908. MANAGEMENT OF WITHDRAWN AND RESERVED LANDS.

(a) IN GENERAL.—Except as provided in section 2916(d), during the withdrawal and reservation of any lands under this title, the Secretary of the Air Force shall manage such lands for purposes relating to the uses set forth in section 2902(b).

(b) MANAGEMENT ACCORDING TO PLAN.—The lands withdrawn and reserved by this title shall be managed in accordance with the provisions of this title under the integrated natural resources management plan prepared under section 2909.

(c) AUTHORITY TO CLOSE LAND.—If the Secretary of the Air Force determines that military operations, public safety, or the interests of national security require the closure to public use of any road, trail or other portion of the lands withdrawn by this title that are commonly in public use, the Secretary of the Air Force may take such action; Provided, that such closures shall be limited to the minimum areas and periods required for the purposes specified in this subsection. During closures, the Secretary of the Air Force shall keep appropriate warning notices posted and take appropriate steps to notify the public about the closure.

(d) LEASE AUTHORITY.—The Secretary of the Air Force may enter into leases for State lands with the State of Idaho in support of the Juniper Butte Range and operations at the Juniper Butte Range.

(e) PREVENTION AND SUPPRESSION OF FIRE.—

(1) The Secretary of the Air Force shall take appropriate precautions to prevent and suppress brush fires and range fires that occur within the boundaries of the Juniper Butte Range, as well as brush and range fires occurring outside the boundaries of the Range resulting from military activities.

(2) Notwithstanding section 2465 of title 10, United States Code, the Secretary of the Air Force may obligate funds appropriated or otherwise available to the Secretary of the Air Force to enter into contracts for firefighting.

(3)(A) The memorandum of understanding under section 2910 shall provide for the Bureau of Land Management to assist the Secretary of the Air Force in the suppression of the fires described in paragraph (1).

(B) The memorandum of understanding shall provide that the Secretary of the Air Force reimburse the Bureau of Land Management for any costs incurred by the Bureau of Land Management under this paragraph.

(f) USE OF MINERAL MATERIALS.—Notwithstanding any other provision of this title or the Act of July 31, 1947 (commonly known as the ''Materials Act of 1947'') (30 U.S.C. 601 et seq.), the Secretary of the Air Force may use, from the lands withdrawn and reserved by this title, sand, gravel, or similar mineral material resources of the type subject to disposition under the Act of July 31, 1947, when the use of such resources is required for construction needs of the Juniper Butte Range.

SEC. 2909. INTEGRATED NATURAL RESOURCE MANAGEMENT PLAN.

(a) REQUIREMENT.—

(1) Not later than 2 years after the date of enactment of this title, the Secretary of the Air Force shall, in cooperation with the Secretary of the Interior, the State of Idaho and Owyhee County, develop an integrated natural resources management plan to address the management of the resources of the lands withdrawn and reserved by this title during their withdrawal and reservation under this title. Additionally, the Integrated Natural Resource Management Plan will address mitigation and monitoring activities by the Air Force for State and Federal lands affected by military training activities associated with the Juniper Butte Range. The foregoing will be done cooperatively between the Air Force and the Bureau of Land Management, the State of Idaho and Owyhee County.

(2) Except as otherwise provided under this title, the integrated natural resources management plan under this section shall be developed in accordance with, and meet the requirements of, section 101 of the Sikes Act (16 U.S.C. 670a).

(3) Site development plans shall be prepared prior to construction of facilities. These plans shall be reviewed by the Bureau of Land Management for Federal lands and State of Idaho for State lands for consistency with the proposal assessed in the Enhanced Training in Idaho Environmental Impact Statement. The portion of the site development plans describing reconfigurable or replacement targets may be conceptual.

(b) ELEMENTS.—The integrated natural resources management plan under subsection (a) shall—

(1) include provisions for the proper management and protection of the natural, cultural, and other resources and values of the lands withdrawn and reserved by this title and for the use of such resources in a manner consistent with the uses set forth in section 2902(b);

(2) permit livestock grazing at the discretion of the Secretary of the Air Force in accordance with section 2907 or any other authorities relating to livestock grazing that are available to that Secretary;

(3) permit fencing, water pipeline modifications and extensions, and the construction of aboveground water reservoirs, and the maintenance and repair of these items on the lands withdrawn and reserved by this title, and on other lands under the jurisdiction of the Bureau of Land Management; and

(4) otherwise provide for the management by the Secretary of Air Force of any lands withdrawn and reserved by this title while retained under the jurisdiction of that Secretary under this title.

(c) PERIODIC REVIEW.—The Secretary of the Air Force shall, in cooperation with the Secretary of the Interior and the State of Idaho, review the adequacy of the provisions of the integrated natural resources management plan developed under this section at least once every 5 years after the effective date of the plan.

SEC. 2910. MEMORANDUM OF UNDERSTANDING.

(a) REQUIREMENT.—The Secretary of the Air Force, the Secretary of the Interior, and the Governor of the State of Idaho shall jointly enter into a memorandum of understanding to implement the integrated natural resources management plan required under section 2909.

(b) TERM.—The memorandum of understanding under subsection (a) shall apply to any lands withdrawn and reserved by this title until their relinquishment by the Secretary of the Air Force under this title.

(c) MODIFICATION.—The memorandum of understanding under subsection (a) may be modified by agreement of all the parties specified in that subsection.

SEC. 2911. MAINTENANCE OF ROADS.

The Secretary of the Air Force shall enter into agreements with the Owyhee County Highway District, Idaho, and the Three Creek Good Roads Highway District, Idaho, under which the Secretary of the Air Force shall pay the costs of road maintenance incurred by such districts that are attributable to Air Force operations associated with the Juniper Butte Range.

SEC. 2912. MANAGEMENT OF WITHDRAWN AND ACQUIRED MINERAL RESOURCES.

Except as provided in subsection 2908(f), the Secretary of the Interior shall manage all withdrawn and acquired mineral resources within the boundaries of the Juniper Butte Range in accordance with the Act of February 28, 1958 (known as the Engle Act; 43 U.S.C. 155–158).

SEC. 2913. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn and reserved by this title shall be conducted in accordance with the provision of section 2671 of title 10, United States Code.

SEC. 2914. WATER RIGHTS.

(a) LIMITATION.—The Secretary of the Air Force shall not seek or obtain any water rights associated with any water pipeline modified or extended, or above ground water reservoir constructed, for purposes of consideration under section 2907.

(b) NEW RIGHTS.—

(1) Nothing in this title shall be construed to establish a reservation in favor of the United States with respect to any water or water right on the lands withdrawn and reserved by this title.

(2) Nothing in this title shall be construed to authorize the appropriation of water on the lands withdrawn and reserved by this title by the United States after the date of enactment of this title unless such appropriation is carried out in accordance with the laws of the State of Idaho.

(c) APPLICABILITY.—This section may not be construed to affect any water rights acquired by the United States before the date of enactment of this title.

SEC. 2915. DURATION OF WITHDRAWAL.

(a) TERMINATION.—

(1) Except as otherwise provided in this section and section 2916, the withdrawal and reservation of lands by this title shall, unless extended as provided herein, terminate at one minute before midnight on the 25th anniversary of the date of the enactment of this title.

(2) At the time of termination, the previously withdrawn lands shall not be open to the general land laws including the mining laws and the mineral and geothermal leasing laws until the Secretary of the Interior publishes in the Federal Register an appropriate order which shall state the date upon which such lands shall be opened.

(b) RELINQUISHMENT.—

(1) If the Secretary of the Air Force determines under subsection (c) of this section that the Air Force has no continuing military need for any lands withdrawn and reserved by this title, the Secretary of the Air Force shall submit to the Secretary of the Interior a notice of intent to relinquish jurisdiction over such lands back to the Secretary of the Interior.

(2) The Secretary of the Interior may accept jurisdiction over any lands covered by a notice of intent to relinquish jurisdiction under paragraph (1) if the Secretary of the Interior determines that the Secretary of the Air Force has completed the environmental review required under section 2916(a) and the conditions under section 2916(c) have been met.

(3) If the Secretary of the Interior decides to accept jurisdiction over lands under paragraph (2) before the date of termination, as provided for in subsection (a)(1) of this section, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(A) revoke the withdrawal and reservation of such lands under this title;

(B) constitute official acceptance of administrative jurisdiction over the lands by the Secretary of the Interior; and

(C) state the date upon which such lands shall be opened to the operation of the general land laws, including the mining laws and the mineral and geothermal leasing laws, if appropriate.

(4) The Secretary of the Interior shall manage any lands relinquished under this subsection as multiple use status lands.

(5) If the Secretary of the Interior declines pursuant to paragraph (b)(2) of this section to accept jurisdiction of any parcel of the land proposed for relinquishment that parcel shall remain under the continued administration of the Secretary of the Air Force pursuant to section 2916(d).

(c) EXTENSION.—

(1) In the case of any lands withdrawn and reserved by this title that the Air Force proposes to include in a notice of extension because of continued military need under paragraph (2) of this subsection, the Secretary of the Air Force shall prior to issuing the notice under paragraph (2)—

(A) evaluate the environmental effects of the extension of the withdrawal and reservation of such lands in accordance with all applicable laws and regulations; and

(B) hold at least one public meeting in the State of Idaho regarding that evaluation.

(2) Notice of need for extension of withdrawal—

(A) Not later than 2 years before the termination of the withdrawal and reservation of lands by this title under subsection (a), the Secretary of the Air Force shall notify Congress and the Secretary of the Interior as to whether or not the Air Force has a continuing military need for any of the lands withdrawn and reserved by this title, and not previously relinquished under this section, after the termination date as specified in subsection (a) of this section.

(B) The Secretary of the Air Force shall specify in the notice under subparagraph (A) the duration of any extension or further extension of withdrawal and reservation of such lands under this title; Provided however, the duration of each extension or further extension shall not exceed 25 years.

(C) The notice under subparagraph (A) shall be published in the Federal Register and a newspaper of local distribution with the opportunity for comments, within a 60-day period, which shall be provided to the Secretary of the Air Force and the Secretary of the Interior.

(3) Effect of notification.—

(A) Subject to subparagraph (B), in the case of any lands withdrawn and reserved by this title that are covered by a notice of extension under subsection (c)(2), the withdrawal and reservation of such lands shall extend under the provisions of this title after the termination date otherwise provided for under subsection (a) for such period as is specified in the notice under subsection (c)(2).

(B) Subparagraph (A) shall not apply with respect to any lands covered by a notice referred to in that paragraph until 90 legislative days after the date on which the notice with respect to such lands is submitted to Congress under paragraph (2).

SEC. 2916. ENVIRONMENTAL REMEDIATION OF RELINQUISHED WITHDRAWN LANDS OR UPON TERMINATION OF WITHDRAWAL.

(a) ENVIRONMENTAL REVIEW.—

(1) Before submitting under section 2915 a notice of an intent to relinquish jurisdiction over lands withdrawn and reserved by this title, and in all cases not later than two years prior to the date of termination of withdrawal and reservation, the Secretary of the Air Force shall, in consultation with the Secretary of the Interior, complete a review that fully characterizes the environmental conditions of such lands (including any water and air associated with such lands) in order to identify any contamination on such lands.

(2) The Secretary of the Air Force shall submit to the Secretary of the Interior a copy of the review prepared with respect to any lands under paragraph (1). The Secretary of the Air Force shall also submit at the same time any notice of intent to relinquish jurisdiction over such lands under section 2915.

(3) The Secretary of the Air Force shall submit a copy of any such review to Congress.

(b) ENVIRONMENTAL REMEDIATION OF LANDS.—The Secretary of the Air Force shall, in accordance with applicable State and Federal law, carry out and complete environmental remediation—

(1) before relinquishing jurisdiction to the Secretary of the Interior over any lands identified in a notice of intent to relinquish under subsection 2915(b); or,

(2) prior to the date of termination of the withdrawal and reservation, except as provided under subsection (d) of this section.

(c) POSTPONEMENT OF RELINQUISHMENT.—The Secretary of the Interior shall not accept jurisdiction over any lands that are the subject of activities under subsection (b) of this section until the Secretary of the Interior determines that environmental conditions on the lands are such that—

(1) all necessary environmental remediation has been completed by the Secretary of the Air Force;

(2) the lands are safe for nonmilitary uses; and

(3) the lands could be opened consistent with the Secretary of the Interior's public land management responsibilities.

(d) JURISDICTION WHEN WITHDRAWAL TERMINATES.—If the determination required by section (c) cannot be achieved for any parcel of land subject to the withdrawal and reservation prior to the termination date of the withdrawal and reservation, the Secretary of the Air Force shall retain administrative jurisdiction over such parcels of land notwithstanding the termination date for the limited purposes of:

(1) environmental remediation activities under subsection (b); and,

(2) any activities relating to the management of such lands after the termination of the withdrawal reservation for military purposes that are provided for in the integrated natural resources management plan under section 2909.

(e) REQUEST FOR APPROPRIATIONS.—The Secretary of the Air Force shall request an appropriation pursuant to section 2919 sufficient to accomplish the remediation under this title.

SEC. 2917. DELEGATION OF AUTHORITY.

(a) AIR FORCE FUNCTIONS.—Except for executing the agreement referred to in section 2907, the Secretary of the Air Force may delegate that Secretary's functions under this title.

(b) INTERIOR FUNCTIONS.—

(1) Except as provided in paragraph (2), the Secretary of the Interior may delegate that Secretary's functions under this title.

(2) The order referred to in section 2915(b)(3) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Interior.

(3) The approvals granted by the Bureau of Land Management shall be pursuant to the decisions of the Secretary of the Interior, or the Assistant Secretary for Land and Minerals Management.

SEC. 2918. SENSE OF SENATE REGARDING MONITORING OF WITHDRAWN LANDS.

(a) FINDING.—The Senate finds that there is a need for the Department of the Air Force, the Bureau of Land Management, the State of Idaho, and Owyhee County to develop a cooperative effort to monitor the impact of military activities on the natural, cultural, and other resources and values of the lands withdrawn and reserved by this title as well as other Federal and State lands affected by military activities associated with the Juniper Butte Range.

(b) SENSE OF SENATE.—It is the sense of the Senate that the Secretary of the Air Force should ensure that the budgetary planning of the Department of the Air Force makes available sufficient funds to assure Air Force participation in the cooperative effort developed by the Department of the Air Force, the Bureau of Land Management, and the State of Idaho to monitor the impact of military activities on the natural, cultural, and other resources and values of the lands withdrawn and reserved by this title as well as other Federal and State lands affected by military activities associated with the Juniper Butte Range.

SEC. 2919. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this title.

AMENDMENT NO. 2936

On page 348, strike out line 1 and all that follows through page 366, line 13, and insert in lieu thereof the following:

TITLE XXIX—JUNIPER BUTTE RANGE WITHDRAWAL

SEC. 2901. SHORT TITLE.

This title may be cited as the ''Juniper Butte Range Withdrawal Act''.

SEC. 2902. WITHDRAWAL AND RESERVATION.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this title, the lands at the Juniper Butte Range, Idaho, referred to in subsection (c), are withdrawn from all forms of appropriation under the public land laws, including the mining laws and the mineral and geothermal leasing laws, but not the Materials Act of 1947 (30 U.S.C. 601–604).

(b) RESERVED USES.—The land withdrawn under subsection (a) are reserved for use by the Secretary of the Air Force for—

(1) a high hazard training area;

(2) dropping non-explosive training ordnance with spotting charges;

(3) electronic warfare and tactical maneuvering and air support;

(4) other defense-related purposes consistent with the purposes specified in paragraphs (1), (2), and (3), including continued natural resource management and environmental remediation in accordance with section 2916;

(c) SITE DEVELOPMENT PLANS.—Site development plans shall be prepared prior to construction; site development plans shall be incorporated in the Integrated Natural Resource Management Plan identified in section 2909; and, except for any minimal improvements, development on the withdrawn lands of any facilities beyond those proposed and analyzed in the Air Force's Enhanced Training in Idaho Environmental Impact Statement, the Enhanced Training in Idaho Record of Decision dated March 10, 1998, and the site development plans shall be contingent upon review and approval of the Idaho State Director, Bureau of Land Management.

(d) GENERAL DESCRIPTION.—The public lands withdrawn and reserved by this section comprise approximately 11,300 acres of public land in Owhyee County, Idaho, as generally depicted on the map entitled ''Juniper Butte Range Withdrawal-Proposed'', dated June 1998, that will be filed in accordance with section 2903. The withdrawal is for an approximately 10,600-acre tactical training range, a 640-acre no-drop target site, four 5-acre no-drop target sites and nine 1-acre electronic threat emitter sites.

SEC. 2903. MAP AND LEGAL DESCRIPTION.

(a) IN GENERAL.—As soon as practicable after the effective date of this Act, the Secretary of the Interior shall—

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this title; and

(2) file a map or maps and the legal description of the lands withdrawn and reserved by this title with the Committee on Energy and Natural Resources of the Senate and with the Committee on Resources of the House of Representatives.

(b) INCORPORATION BY REFERENCE.—Such maps and legal description shall have the same force and effect as if included in this title.

(c) CORRECTION OF ERRORS.—The Secretary of the Interior may correct clerical and typographical errors in such map or maps and legal description.

(d) AVAILABILITY.—Copies of such map or maps and the legal description shall be available for public inspection in the office of the Idaho State Director of the Bureau of Land Management; the offices of the managers of the Lower Snake River District, Bureau Field Office and Jarbidge Field Office of the Bureau of Land Management; and the Office of the Commander, Mountain Home Air Force Base, Idaho. To the extent practicable, the Secretary of the Interior shall adopt the legal description and maps prepared by the Secretary of the Air Force in support of this Title.

(e) The Secretary of the Air Force shall reimburse the Secretary of the Interior for the costs incurred by the Department of the Interior in implementing this section.

SEC. 2904. RIGHT-OF-WAY GRANTS.

In addition to the withdrawal under section 2902 and in accordance with all applicable laws, the Secretary of the Interior shall process and grant the Secretary of the Air Force rights-of-way using the Department of the Interior regulations and policies in effect at the time of filing applications for the one-quarter acre electronic warfare threat emitter sites, roads, powerlines, and other ancillary facilities as described and analyzed in the Enhanced Training in Idaho Final Environmental Impact Statement, dated January 1998.

SEC. 2905. ACTIONS CONCERNING RANCHING OPERATIONS IN WITHDRAWN AREA.

The Secretary of the Air Force is authorized and directed to, upon such terms and conditions as the Secretary of the Air Force considers just and in the national interest, conclude and implement agreements with the grazing permittees to provide appropriate consideration, including future grazing arrangements. Upon the conclusion of these agreements, the Assistant Secretary, Land and Minerals Management, shall grant rights-of-way and approvals and take such actions as are necessary to implement promptly this title and the agreements with the grazing permittees. The Secretary of the Air Force and the Secretary of the Interior shall allow the grazing permittees for lands withdrawn and reserved by this title to continue their activities on the lands in accordance with the permits and their applicable regulations until the Secretary of the Air Force has fully implemented the agreement with the grazing permittees under this section. Upon the implementation of these agreements, the Bureau of Land Management is authorized and directed, subject to the limitations included in this section, to terminate grazing on the lands withdrawn.

SEC. 2906. MANAGEMENT OF WITHDRAWN AND RESERVED LANDS.

(a) IN GENERAL.—Except as provided in section 2916(d), during the withdrawal and reservation of any lands under this title, the Secretary of the Air Force shall manage such lands for purposes relating to the uses set forth in section 2902(b).

(b) MANAGEMENT ACCORDING TO PLAN.—The lands withdrawn and reserved by this title shall be managed in accordance with the provisions of this title under the integrated natural resources management plan prepared under section 2909.

(c) AUTHORITY TO CLOSE LAND.—If the Secretary of the Air Force determines that military operations, public safety, or the interests of national security require the closure to public use of any road, trail or other portion of the lands withdrawn by this title that are commonly in public use, the Secretary of the Air Force may take such action; Provided, that such closures shall be limited to the minimum areas and periods required for the purposes specified in this subsection. During closures, the Secretary of the Air Force shall keep appropriate warning notices posted and take appropriate steps to notify the public about the closure.

(d) LEASE AUTHORITY.—The Secretary of the Air Force may enter into leases for State lands with the State of Idaho in support of the Juniper Butte Range and operations at the Juniper Butte Range.

(e) PREVENTION AND SUPPRESSION OF FIRE.—

(1) The Secretary of the Air Force shall take appropriate precautions to prevent and suppress brush fires and range fires that occur within the boundaries of the Juniper Butte Range, as well as brush and range fires occurring outside the boundaries of the Range resulting from military activities.

(2) Notwithstanding section 2465 of title 10, United States Code, the Secretary of the Air Force may obligate funds appropriated or otherwise available to the Secretary of the Air Force to enter into contracts for fire-fighting.

(3)(A) The memorandum of understanding under section 2910 shall provide for the Bureau of Land Management to assist the Secretary of the Air Force in the suppression of the fires described in paragraph (1).

(B) The memorandum of understanding shall provide that the Secretary of the Air Force reimburse the Bureau of Land Management for any costs incurred by the Bureau of Land Management under this paragraph.

(f) USE OF MINERAL MATERIALS.—Notwithstanding any other provision of this title or the Act of July 31, 1947 (commonly known as the ''Materials Act of 1947'') (30 U.S.C. 601 et seq.), the Secretary of the Air Force may use, from the lands withdrawn and reserved by this title, sand, gravel, or similar mineral material resources of the type subject to disposition under the Act of July 31, 1947, when the use of such resources is required for construction needs of the Juniper Butte Range.

SEC. 2907. INTEGRATED NATURAL RESOURCE MANAGEMENT PLAN.

(a) REQUIREMENT.—

(1) Not later than 2 years after the date of enactment of this title, the Secretary of the Air Force shall, in cooperation with the Secretary of the Interior, the State of Idaho and Owyhee County, develop an integrated natural resources management plan to address the management of the resources of the lands withdrawn and reserved by this title during their withdrawal and reservation under this title. Additionally, the Integrated Natural Resource Management Plan will address mitigation and monitoring activities by the Air Force for State and Federal lands affected by military training activities associated with the Juniper Butte Range. The foregoing will be done cooperatively between the Air Force and the Bureau of Land Management, the State of Idaho and Owyhee County.

(2) Except as otherwise provided under this title, the integrated natural resources management plan under this section shall be developed in accordance with, and meet the requirements of, section 101 of the Sikes Act (16 U.S.C. 670a).

(3) Site development plans shall be prepared prior to construction of facilities. These plans shall be reviewed by the Bureau of Land Management for Federal lands and the State of Idaho for State lands for consistency with the proposal assessed in the Enhanced Training in Idaho Environmental Impact Statement. The portion of the site development plans describing reconfigurable or replacement targets may be conceptual.

(b) ELEMENTS.—The integrated natural resources management plan under subsection (a) shall—

(1) include provisions for the proper management and protection of the natural, cultural, and other resources and values of the lands withdrawn and reserved by this title and for the use of such resources in a manner consistent with the uses set forth in section 2902(b);

(2) permit livestock grazing at the discretion of the Secretary of the Air Force in accordance with section 2907 or any other authorities relating to livestock grazing that are available to that Secretary;

(3) permit fencing, water pipeline modifications and extensions, and the construction of aboveground water reservoirs, and the maintenance and repair of these items on the lands withdrawn and reserved by this title, and on other lands under the jurisdiction of the Bureau of Land Management; and

(4) otherwise provide for the management by the Secretary of Air Force of any lands withdrawn and reserved by this title while retained under the jurisdiction of that Secretary under this title.

(c) PERIODIC REVIEW.—The Secretary of the Air Force shall, in cooperation with the Secretary of the Interior and the State of Idaho, review the adequacy of the provisions of the integrated natural resources management plan developed under this section at least once every 5 years after the effective date of the plan.

SEC. 2908. MEMORANDUM OF UNDERSTANDING.

(a) REQUIREMENT.—The Secretary of the Air Force, the Secretary of the Interior, and the Governor of the State of Idaho shall jointly enter into a memorandum of understanding to implement the integrated natural resources management plan required under section 2909.

(b) TERM.—The memorandum of understanding under subsection (a) shall apply to any lands withdrawn and reserved by this title until their relinquishment by the Secretary of the Air Force under this title.

(c) MODIFICATION.—The memorandum of understanding under subsection (a) may be modified by agreement of all the parties specified in that subsection.

SEC. 2909. MAINTENANCE OF ROADS.

The Secretary of the Air Force shall enter into agreements with the Owyhee County Highway District, Idaho, and the Three Creek Good Roads Highway District, Idaho, under which the Secretary of the Air Force shall pay the costs of road maintenance incurred by such districts that are attributable to Air Force operations associated with the Juniper Butte Range.

SEC. 2910. MANAGEMENT OF WITHDRAWN AND ACQUIRED MINERAL RESOURCES.

Except as provided in subsection 2908(f), the Secretary of the Interior shall manage all withdrawn and acquired mineral resources within the boundaries of the Juniper Butte Range in accordance with the Act of February 28, 1958 (known as the Engle Act; 43 U.S.C. 155–158).

SEC. 2911. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn and reserved by this title shall be conducted in accordance with the provision of section 2671 of title 10, United States Code.

SEC. 2912. WATER RIGHTS.

(a) LIMITATION.—The Secretary of the Air Force shall not seek or obtain any water rights associated with any water pipeline modified or extended, or above ground water reservoir constructed, for purposes of consideration under section 2907.

(b) NEW RIGHTS.—

(1) Nothing in this title shall be construed to establish a reservation in favor of the United States with respect to any water or water right on the lands withdrawn and reserved by this title.

(2) Nothing in this title shall be construed to authorize the appropriation of water on the lands withdrawn and reserved by this title by the United States after the date of enactment of this title unless such appropriation is carried out in accordance with the laws of the State of Idaho.

(c) APPLICABILITY.—This section may not be construed to affect any water rights acquired by the United States before the date of enactment of this title.

SEC. 2913. DURATION OF WITHDRAWAL.

(a) TERMINATION.—

(1) Except as otherwise provided in this section and section 2916, the withdrawal and reservation of lands by this title shall, unless extended as provided herein, terminate at one minute before midnight on the 25th anniversary of the date of the enactment of this title.

(2) At the time of termination, the previously withdrawn lands shall not be open to the general land laws including the mining laws and the mineral and geothermal leasing laws until the Secretary of the Interior publishes in the Federal Register an appropriate order which shall state the date upon which such lands shall be opened.

(b) RELINQUISHMENT.—

(1) If the Secretary of the Air Force determines under subsection (c) of this section that the Air Force has no continuing military need for any lands withdrawn and reserved by this title, the Secretary of the Air Force shall submit to the Secretary of the Interior a notice of intent to relinquish jurisdiction over such lands back to the Secretary of the Interior.

(2) The Secretary of the Interior may accept jurisdiction over any lands covered by a notice of intent to relinquish jurisdiction under paragraph (1) if the Secretary of the Interior determines that the Secretary of the Air Force has completed the environmental review required under section 2916(a) and the conditions under section 2916(c) have been met.

(3) If the Secretary of the Interior decides to accept jurisdiction over lands under paragraph (2) before the date of termination, as provided for in subsection (a)(1) of this section, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(A) revoke the withdrawal and reservation of such lands under this title;

(B) constitute official acceptance of administrative jurisdiction over the lands by the Secretary of the Interior; and

(C) state the date upon which such lands shall be opened to the operation of the general land laws, including the mining laws and the mineral and geothermal leasing laws, if appropriate.

(4) The Secretary of the Interior shall manage any lands relinquished under this subsection as multiple use status lands.

(5) If the Secretary of the Interior declines pursuant to paragraph (b)(2) of this section to accept jurisdiction of any parcel of the land proposed for relinquishment that parcel shall remain under the continued administration of the Secretary of the Air Force pursuant to section 2916(d).

(c) EXTENSION.—

(1) In the case of any lands withdrawn and reserved by this title that the Air Force proposes to include in a notice of extension because of continued military need under paragraph (2) of this subsection, the Secretary of the Air Force shall prior to issuing the notice under paragraph (2)—

(A) evaluate the environmental effects of the extension of the withdrawal and reservation of such lands in accordance with all applicable laws and regulations; and

(B) hold at least one public meeting in the State of Idaho regarding that evaluation.

(2) Notice of need for extension of withdrawal—

(A) Not later than 2 years before the termination of the withdrawal and reservation of lands by this title under subsection (a), the Secretary of the Air Force shall notify Congress and the Secretary of the Interior as to whether or not the Air Force has a continuing military need for any of the lands withdrawn and reserved by this title, and not previously relinquished under this section, after the termination date as specified in subsection (a) of this section.

(B) The Secretary of the Air force shall specify in the notice under subparagraph (A) the duration of any extension or further extension of withdrawal and reservation of such lands under this title; Provided however, the duration of each extension or further extension shall not exceed 25 years.

(C) The notice under subparagraph (A) shall be published in the Federal Register and a newspaper of local distribution with the opportunity for comments, within a 60-day period, which shall be provided to the Secretary of the Air Force and the Secretary of the Interior.

(3) Effect of notification.—

(A) Subject to subparagraph (B), in the case of any lands withdrawn and reserved by this title that are covered by a notice of extension under subsection (c)(2), the withdrawal and reservation of such lands shall extend under the provisions of this title after the termination date otherwise provided for under subsection (a) for such period as is specified in the notice under subsection (c)(2).

(B) Subparagraph (A) shall not apply with respect to any lands covered by a notice referred to in that paragraph until 90 legislative days after the date on which the notice with respect to such lands is submitted to Congress under paragraph (2).

SEC. 2914. ENVIRONMENTAL REMEDIATION OF RELINQUISHED WITHDRAWN LANDS OR UPON TERMINATION OF WITHDRAWAL.

(a) ENVIRONMENTAL REVIEW.—

(1) Before submitting under section 2915 a notice of an intent to relinquish jurisdiction over lands withdrawn and reserved by this title, and in all cases not later than two years prior to the date of termination of withdrawal and reservation, the Secretary of the Air Force shall, in consultation with the Secretary of the Interior, complete a review that fully characterizes the environmental conditions of such lands (including any water and air associated with such lands) in order to identify any contamination on such lands.

(2) The Secretary of the Air Force shall submit to the Secretary of the Interior a copy of the review prepared with respect to any lands under paragraph (1). The Secretary of the Air Force shall also submit at the same time any notice of intent to relinquish jurisdiction over such lands under section 2915.

(3) The Secretary of the Air Force shall submit a copy of any such review to Congress.

(b) ENVIRONMENTAL REMEDIATION OF LANDS.—The Secretary of the Air Force shall, in accordance with applicable State and Federal law, carry out and complete environmental remediation—

(1) before relinquishing jurisdiction to the Secretary of the Interior over any lands identified in a notice of intent to relinquish under subsection 2915(b); or,

(2) prior to the date of termination of the withdrawal and reservation, except as provided under subsection (d) of this section.

(c) POSTPONEMENT OF RELINQUISHMENT.—The Secretary of the Interior shall not accept jurisdiction over any lands that are the subject of activities under subsection (b) of this section until the Secretary of the Interior determines that environmental conditions on the lands are such that—

(1) all necessary environmental remediation has been completed by the Secretary of the Air Force;

(2) the lands are safe for nonmilitary uses; and

(3) the lands could be opened consistent with the Secretary of the Interior's public land management responsibilities.

(d) JURISDICTION WHEN WITHDRAWAL TERMINATES.—If the determination required by section (c) cannot be achieved for any parcel of land subject to the withdrawal and reservation prior to the termination date of the withdrawal and reservation, the Secretary of the Air Force shall retain administrative jurisdiction over such parcels of land notwithstanding the termination date for the limited purposes of:

(1) environmental remediation activities under subsection (b); and,

(2) any activities relating to the management of such lands after the termination of the withdrawal reservation for military purposes that are provided for in the integrated natural resources management plan under section 2909.

(e) REQUEST FOR APPROPRIATIONS.—The Secretary of the Air Force shall request an appropriation pursuant to section 2919 sufficient to accomplish the remediation under this title.

SEC. 2915. DELEGATION OF AUTHORITY.

(a) AIR FORCE FUNCTIONS.—Except for executing the agreement referred to in section 2907, the Secretary of the Air Force may delegate that Secretary's functions under this title.

(b) INTERIOR FUNCTIONS.—

(1) Except as provided in paragraph (2), the Secretary of the Interior may delegate that Secretary's functions under this title.

(2) The order referred to in section 2915(b)(3) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Interior.

(3) The approvals granted by the Bureau of Land Management shall be pursuant to the decisions of the Secretary of the Interior, or the Assistant Secretary for Land and Minerals Management.

SEC. 2916. SENSE OF SENATE REGARDING MONITORING OF WITHDRAWN LANDS.

(a) FINDING.—The Senate finds that there is a need for the Department of the Air Force, the Bureau of Land Management, the State of Idaho, and Owyhee County to develop a cooperative effort to monitor the impact of military activities on the natural, cultural, and other resources and values of the lands withdrawn and reserved by this title as well as other Federal and State lands affected by military activities associated with the Juniper Butte Range.

(b) SENSE OF SENATE.—It is the sense of the Senate that the Secretary of the Air Force should ensure that the budgetary planning of the Department of the Air Force makes available sufficient funds to assure Air Force participation in the cooperative effort developed by the Department of the Air Force, the Bureau of Land Management, and the State of Idaho to monitor the impact of military activities on the natural, cultural, and other resources and values of the lands withdrawn and reserved by this title as well as other Federal and State lands affected by military activities associated with the Juniper Butte Range.

SEC. 2917. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this title.

WYDEN AMENDMENT NO. 2937

(Ordered to lie on the table.)

Mr. WYDEN submitted an amendment intended to be proposed by him to the bill, S. 2057, supra; as follows:

At the appropriate place add the following:

SEC. 3144. REVIEW OF CALCULATION OF OVERHEAD COSTS OF CLEANUP AT DEPARTMENT OF ENERGY SITES.

(a) REVIEW.—(1) The Comptroller General shall—

(A) carry out a review of the methods currently used by the Department of Energy for calculating overhead costs (including direct overhead costs and indirect overhead costs) associated with the cleanup of Department sites; and

(B) pursuant to the review, identify how such costs are allocated among different program and budget accounts of the Department.

(2) The review shall include the following:

(A) All activities whose costs are spread across other accounts of a Department site or of any contractor performing work at a site.

(B) Support service overhead costs, including activities or services which are paid for on a per-unit-used basis.

(C) All fees, awards, and other profit on indirect and support service overhead costs or fees that are not attributed to performance on a single project.

(D) Any portion of contractor costs for which there is no competitive bid.

(E) All computer service and information management costs that have been previously reported as overhead costs.

(F) Any other costs that the Comptroller General considers appropriate to categorize as direct or indirect overhead costs.

(b) REPORT.—Not later than January 31, 1999, the Comptroller General shall submit to Congress a report setting forth the findings of the Comptroller as a result of the review under subsection (a). The report shall include the recommendations of the Comptroller regarding means of standardizing the methods used by the Department for allocating and reporting overhead costs associated with the cleanup of Department sites.

WYDEN AMENDMENT NO. 2938

(Ordered to lie on the table.)

Mr. WYDEN submitted an amendment intended to be proposed to amendment No. 2874 submitted by him to the bill, S. 2057, supra; as follows:

In Amendment No. 2874, on page 1, after line 8, insert the following:

overhead costs (including direct overhead costs and indirect overhead costs) associated with the cleanup of Department sites; and

(B) pursuant to the review, identify how such costs are allocated among different program and budget accounts of the Department.

(2) The review shall include the following:

(A) All activities whose costs are spread across other accounts of a Department site or of any contractor performing work at a site.

(B) Support service overhead costs, including activities or services which are paid for on a per-unit-used basis.

(C) All fees, awards, and other profit on indirect and support service overhead costs or fees that are not attributed to performance on a single project.

(D) Any portion of contractor costs for which there is no competitive bid.

(E) All computer service and information management costs that have been previously reported as overhead costs.

(F) Any other costs that the Comptroller General considers appropriate to categorize as direct or indirect overhead costs.

BYRD AMENDMENTS NOS. 2939–2941

(Ordered to lie on the table.)

Mr. BYRD submitted three amendments intended to be proposed by him to the bill, S. 2057, supra; as follows:

AMENDMENT NO. 2939

Strike out the period at the end of subsection (a), and insert in lieu thereof the following:

; and

(4) requires that during basic training—

(A) male recruits be assigned to platoons (in the case of the Army or Marine Corps), divisions (in the case of the Navy), or flights (in the case of the Air Force) that consist only of male recruits; and

(B) female recruits be assigned to platoons (in the case of the Army or Marine Corps), divisions (in the case of the Navy), or flights (in the case of the Air Force) that consist only of female recruits.

AMENDMENT NO. 2940

Beginning on the first page, strike out line 5 and all that follows, and insert in lieu thereof the following:

(a) ARMY.—(1) Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4319. Recruit basic training: separate platoons and separate housing for male and female recruits

''(a) SEPARATE PLATOONS.—The Secretary of the Army shall require that during basic training—

''(1) male recruits shall be assigned to platoons consisting only of male recruits; and

''(2) female recruits shall be assigned to platoons consisting only of female recruits.

''(b) SEPARATE HOUSING FACILITIES.—The Secretary of the Army shall require that during basic training male and female recruits be housed in separate barracks or other troop housing facilities.

''(c) INTERIM AUTHORITY FOR HOUSING RECRUITS ON SEPARATE FLOORS.—(1) If the Secretary of the Army determines that it is not feasible, during some or all of the period beginning on April 16, 1999, and ending on October 1, 2001, to comply with subsection (b) at any particular installation at which basic training is conducted because facilities at that installation are insufficient for such purpose, the Secretary may grant a waiver of subsection (b) with respect to that installation. Any such waiver may not be in effect after October 1, 2001, and may only be in effect while the facilities at that installation are insufficient for the purposes of compliance with subsection (b).

''(2) If the Secretary grants a waiver under paragraph (1) with respect to an installation, the Secretary shall require that male and female recruits in basic training at that installation during any period that the waiver is in effect not be housed on the same floor of a barracks or other troop housing facility.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training program of the Army that constitutes the basic training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4319. Recruit basic training: separate platoons and separate housing for male and female recruits.''.

(3) The Secretary of the Army shall implement section 4319 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 16, 1999.

(b) NAVY AND MARINE CORPS.—(1) Part III of subtitle C of title 10, United States Code,

is amended by inserting after chapter 601 the following new chapter:

"CHAPTER 602—TRAINING GENERALLY

''Sec.
''6931. Recruit basic training: separate small units and separate housing for male and female recruits.

"§ 6931. Recruit basic training: separate small units and separate housing for male and female recruits

''(a) SEPARATE SMALL UNIT ORGANIZATION.—The Secretary of the Navy shall require that during basic training—

''(1) male recruits in the Navy shall be assigned to divisions, and male recruits in the Marine Corps shall be assigned to platoons, consisting only of male recruits; and

''(2) female recruits in the Navy shall be assigned to divisions, and female recruits in the Marine Corps shall be assigned to platoons, consisting only of female recruits.

''(b) SEPARATE HOUSING.—The Secretary of the Navy shall require that during basic training male and female recruits be housed in separate barracks or other troop housing facilities.

''(c) INTERIM AUTHORITY FOR HOUSING RECRUITS ON SEPARATE FLOORS.—(1) If the Secretary of the Navy determines that it is not feasible, during some or all of the period beginning on April 16, 1999, and ending on October 1, 2001, to comply with subsection (b) at any particular installation at which basic training is conducted because facilities at that installation are insufficient for that purpose, the Secretary may grant a waiver of subsection (b) with respect to that installation. Any such waiver may not be in effect after October 1, 2001, and may only be in effect while the facilities at that installation are insufficient for the purposes of compliance with subsection (b).

''(2) If the Secretary grants a waiver under paragraph (1) with respect to an installation, the Secretary shall require that male and female recruits in basic training at that installation during any period that the waiver is in effect not be housed on the same floor of a barracks or other troop housing facility.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training programs of the Navy and Marine Corps that constitute the basic training of new recruits.''.

(2) The tables of chapters at the beginning of subtitle C, and at the beginning of part III of subtitle C, of such title are amended by inserting after the item relating to chapter 601 the following new item:

"602. Training Generally ..... 6931".

(3) The Secretary of the Navy shall implement section 6931 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 16, 1999.

(c) AIR FORCE.—(1) Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9319. Recruit basic training: separate flights and separate housing for male and female recruits

''(a) SEPARATE FLIGHTS.—The Secretary of the Air Force shall require that during basic training—

''(1) male recruits shall be assigned to flights consisting only of male recruits; and

''(2) female recruits shall be assigned to flights consisting only of female recruits.

''(b) SEPARATE HOUSING.—The Secretary of the Air Force shall require that during basic training male and female recruits be housed in separate dormitories or other troop housing facilities.

''(c) INTERIM AUTHORITY FOR HOUSING RECRUITS ON SEPARATE FLOORS.—(1) If the Secretary of the Air Force determines that it is not feasible, during some or all of the period beginning on April 16, 1999, and ending on October 1, 2001, to comply with subsection (b) at any particular installation at which basic training is conducted because facilities at that installation are insufficient for such purpose, the Secretary may grant a waiver of subsection (b) with respect to that installation. Any such waiver may not be in effect after October 1, 2001, and may only be in effect while the facilities at that installation are insufficient for the purposes of compliance with subsection (b).

''(2) If the Secretary grants a waiver under paragraph (1) with respect to an installation, the Secretary shall require that male and female recruits in basic training at that installation during any period that the waiver is in effect not be housed on the same floor of a dormitory or other troop housing facility.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training program of the Air Force that constitutes the basic training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''9319. Recruit basic training: separate flights and separate housing for male and female recruits.''.

(3) The Secretary of the Air Force shall implement section 9319 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 16, 1999.

AMENDMENT NO. 2941

At the appropriate place, add the following:

SEC. . LIMITATION RELATING TO NUMBER OF NAVAL RESERVE OFFICERS' TRAINING CORPS SCHOLARSHIPS AUTHORIZED AT EACH SENIOR MILITARY COLLEGE.

(a)(1) Funds authorized to be appropriated under this Act for the financial assistance program for the Naval Reserve Officers' Training Corps under section 2107 of title 10, United States Code, may be used for that program only if the policies of the Department of Defense and the Department of the Navy regarding the program provide that the number of entering freshmen midshipmen who choose to attend a senior military college referred to in section 2111a(d) of such title and who are qualified by the Navy to receive financial assistance under the program at each senior military college be as follows:

(A) up to forty midshipmen.

(B) in the case of a senior military college with more than 1,000 members of its Corps of Cadets, based on the college's enrollment at the beginning of the academic year, one midshipman (in addition to the 40 midshipmen under paragraph (A)) for each 100 members of the Corps of Cadets at such college in excess of 1,000 members.

Nothing in this section shall prevent the Navy from allowing a larger number of midshipmen to attend a given senior military college.

WARNER AMENDMENT NO. 2942

Mr. THURMOND (for Mr. WARNER) proposed an amendment to the bill, S. 2057, supra; as follows:

At the end of title VIII, add the following:

SEC. 812. CLARIFICATION OF RESPONSIBILITY FOR SUBMISSION OF INFORMATION ON PRICES PREVIOUSLY CHARGED FOR PROPERTY OR SERVICES OFFERED.

(a) ARMED SERVICES PROCUREMENTS.—Section 2306a(d)(1) of title 10, United States Code is amended—

(1) by striking out ''the data submitted shall'' in the second sentence and inserting in lieu thereof the following: ''the contracting officer shall require that the data submitted''; and

(2) by adding at the end the following: ''Submission of data required of an offeror under the preceding sentence in the case of a contract or subcontract shall be a condition for the eligibility of the offeror to enter into the contract or subcontract.''.

(b) CIVILIAN AGENCY PROCUREMENTS.—Section 304A(d)(1) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(d)(1)), is amended—

(1) by striking out ''the data submitted shall'' in the second sentence and inserting in lieu thereof the following: ''the contracting officer shall require that the data submitted''; and

(2) by adding at the end the following: ''Submission of data required of an offeror under the preceding sentence in the case of a contract or subcontract shall be a condition for the eligibility of the offeror to enter into the contract or subcontract.''.

(c) CRITERIA FOR CERTAIN DETERMINATIONS.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation shall be amended to include criteria for contracting officers to apply for determining the specific price information that an offeror should be required to submit under section 2306(d) of title 10, United States Code, or section 304A(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(d)).

KERRY (AND SMITH) AMENDMENTS NOS. 2943–2945

Mr. LEVIN (for Mr. KERRY for himself and Mr. SMITH of New Hampshire) proposed three amendments to the bill, S. 2057, supra; as follows:

AMENDMENT NO. 2943

At the end of subtitle D of title X, add the following:

SEC. 1064. SENSE OF CONGRESS REGARDING THE HEROISM, SACRIFICE, AND SERVICE OF FORMER SOUTH VIETNAMESE COMMANDOS IN CONNECTION WITH UNITED STATES ARMED FORCES DURING THE VIETNAM CONFLICT.

(a) FINDINGS.—Congress makes the following findings:

(1) South Vietnamese commandos were recruited by the United States as part of OPLAN 34A or its predecessor or OPLAN 35 from 1961 to 1970.

(2) The commandos conducted covert operations in North Vietnam during the Vietnam conflict.

(3) Many of the commandos were captured and imprisoned by North Vietnamese forces, some for as long as 20 years.

(4) The commandos served and fought proudly during the Vietnam conflict.

(5) Many of the commandos lost their lives serving in operations conducted by the United States during the Vietnam conflict.

(6) Many of the Vietnamese commandos now reside in the United States.

(b) SENSE OF CONGRESS—Congress recognizes and honors the former South Vietnamese commandos for their heroism, sacrifice, and service in connection with United States armed forces during the Vietnam conflict.

AMENDMENT NO. 2944

On page 127, between lines 12 and 13, insert the following:

SEC. 634. ELIGIBILITY FOR PAYMENTS OF CERTAIN SURVIVORS OF CAPTURED AND INTERNED VIETNAMESE OPERATIVES WHO WERE UNMARRIED AND CHILDLESS AT DEATH.

Section 657(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2585) is amended by adding at the end the following:

''(3) In the case of a decedent who had not been married at the time of death—

''(A) to the surviving parents; or

''(B) if there are no surviving parents, to the surviving siblings by blood of the decedent, in equal shares.''.

AMENDMENT NO. 2945

On page 127, between lines 12 and 13, insert the following:

SEC. 634. CLARIFICATION OF RECIPIENT OF PAYMENTS TO PERSONS CAPTURED OR INTERNED BY NORTH VIETNAM.

Section 657(f)(1) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2585) is amended by striking out ''The actual disbursement'' and inserting in lieu thereof ''Notwithstanding any agreement (including a power of attorney) to the contrary, the actual disbursement''.

BOND AMENDMENT NO. 2946

Mr. THURMOND (for Mr. BOND) proposed an amendment to the bill, S. 2057, supra; as follows:

On page 323, in the third table following line 9, insert after the item relating to Camp Shelby, Mississippi, the following new item:

Missouri	National Guard Training Site, Jefferson City.	Multi-Purpose Range.	$2,236,000

LEVIN (AND OTHERS) AMENDMENT NO. 2947

Mr. LEVIN (for himself, Mr. CONRAD, Mr. KEMPTHORNE, Mr. KENNEDY, and Mr. BINGAMAN) proposed an amendment to the bill, S. 2057, supra; as follows:

At the appropriate place in subtitle D of title X, insert the following:

SEC. RUSSIAN NON-STRATEGIC NUCLEAR WEAPONS

(a) SENSE OF THE SENATE.—It is the Sense of the Senate that

(1) the 7,000 to 12,000 or more non-strategic (or ''tactical'') nuclear weapons estimated by the United States Strategic Command to be in the Russian arsenal may present the greatest threat of sale or theft of a nuclear warhead in the world today;

(2) as the number of deployed strategic warheads in the Russian and United States arsenals declines to just a few thousand under the START accords, Russia's vast superiority in tactical nuclear warheads—many of which have yields equivalent to strategic nuclear weapons—could become strategically destabilizing;

(3) while the United States has unilaterally reduced its inventory of tactical nuclear weapons by nearly ninety percent since the end of the Cold War, Russia is behind schedule in implementing the steep tactical nuclear arms reductions pledged by former Soviet President Gorbachev in 1991 and Russian President Yeltsin in 1992, perpetuating the dangers from Russia's tactical nuclear stockpile; and,

(4) the President of the United States should call on the Russian Federation to expedite reduction of its tactical nuclear arsenal in accordance with the promises made in 1991 and 1992.

(b) REPORT.—Not later than March 15, 1999, the Secretary of Defense shall submit to the Congress a report on Russia's non-strategic nuclear weapons, including

(1) estimates regarding the current numbers, types, yields, viability, and locations of such warheads;

(2) an assessment of the strategic implications of the Russian Federation's non-strategic arsenal, including the potential use of such warheads in a strategic role or the use of their components in strategic nuclear systems;

(3) an assessment of the extent of the current threat of theft, sale, or unauthorized use of such warheads, including an analysis of Russian command and control as it concerns the use of tactical nuclear warheads; and

(4) a summary of past, current, and planned efforts to work cooperatively with the Russian Federation to account for, secure, and reduce Russia's stockpile of tactical nuclear warheads and associated fissile material.

This report shall include the views of the Director of Central Intelligence and the Commander in Chief of the United States Strategic Command.

GRAMS AMENDMENT NO. 2948

Mr. THURMOND (for Mr. GRAMS) proposed an amendment to the bill, S. 2057, supra; as follows:

At the end of subtitle D of title VI, add the following:

SEC. 634. PRESENTATION OF UNITED STATES FLAG TO MEMBERS OF THE ARMED FORCES.

(a) ARMY.—(1) Chapter 353 of title 10, United States Code, is amended by inserting after the table of sections the following:

''§ 3681. Presentation of flag upon retirement at end of active duty service

''(a) REQUIREMENT.—The Secretary of the Army shall present a United States flag to a member of any component of the Army upon the release of the member from active duty for retirement.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 6141 or 8681 of this title.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 3684 the following:

''3681. Presentation of flag upon retirement at end of active duty service.''.

(b) NAVY AND MARINE CORPS.—(1) Chapter 561 of title 10, United States Code, is amended by inserting after the table of sections the following:

''§ 6141. Presentation of flag upon retirement at end of active duty service

''(a) REQUIREMENT.—The Secretary of the Navy shall present a United States flag to a member of any component of the Navy or Marine Corps upon the release of the member from active duty for retirement or for transfer to the Fleet Reserve or the Fleet Marine Corps Reserve.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 3681 or 8681 of this title.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 6151 the following:

''6141. Presentation of flag upon retirement at end of active duty service.''.

(c) AIR FORCE.—(1) Chapter 853 of title 10, United States Code, is amended by inserting after the table of sections the following:

''§ 8681. Presentation of flag upon retirement at end of active duty service

''(a) REQUIREMENT.—The Secretary of the Air Force shall present a United States flag to a member of any component of the Air Force upon the release of the member from active duty for retirement.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 3681 or 6141 of this title.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 8684 the following:

''8681. Presentation of flag upon retirement at end of active duty service.''.

(d) REQUIREMENT FOR ADVANCE APPROPRIATIONS.—The Secretary of a military department may present flags under authority provided the Secretary in section 3681, 6141, or 8681 title 10, United States Code (as added by this section), only to the extent that funds for such presentations are appropriated for that purpose in advance.

(e) EFFECTIVE DATE.—Sections 3681, 6141, and 8681 of title 10, United States Code (as added by this section shall take effect on October 1, 1998, and shall apply with respect to releases described in those sections on or after that date.

HUTCHISON AMENDMENT NO. 2949

Mr. THURMOND (for Mrs. HUTCHISON) proposed an amendment to the bill, S. 2057, supra; as follows:

On page 222, below line 21, add the following:

SEC. 1031. REPORT ON REDUCTION OF INFRASTRUCTURE COSTS AT BROOKS AIR FORCE BASE, TEXAS.

(a) REQUIREMENT.—Not later than December 31, 1998, the Secretary of the Air Force shall, in consultation with the Secretary of the Defense, submit to the congressional defense committees a report on means of reducing significantly the infrastructure costs at Brooks Air Force Base, Texas, while also maintaining or improving the support for Department of Defense missions and personnel provided through Brooks Air Force Base.

(b) ELEMENTS.—The report shall include the following:

(1) A description of any barriers (including barriers under law and through policy) to improved infrastructure management at Brooks Air Force Base.

(2) A description of means of reducing infrastructure management costs at Brooks Air Force Base through cost-sharing arrangements and more cost-effective utilization of property.

(3) A description of any potential public partnerships or public-private partnerships to enhance management and operations at Brooks Air Force Base.

(4) An assessment of any potential for expanding infrastructure management opportunities at Brooks Air Force Base as a result of initiative considered at the Base or at other installations.

(5) An analysis (including appropriate data) on current and projected costs of the ownership or lease of Brooks Air Force Base under a variety of ownership or leasing scenarios, including the savings that would accrue to the Air Force under such scenarios and a schedule for achieving such savings.

(6) Any recommendations relating to reducing the infrastructure costs at Brooks Air Force Base that the Secretary considers appropriate.

INOUYE AMENDMENT NO. 2950

Mr. LEVIN (for Mr. INOUYE) proposed an amendment to the bill, S. 2057, supra; as follows:

At the appropriate place, insert:

SEC. 2833. Not later than December 1, 1998, the Secretary of Defense shall submit to the President and the Congressional Defense Committees a report regarding the potential for development of Ford Island within the Pearl Harbor Naval Complex, Oahu, Hawaii through an integrated resourcing plan incorporating both appropriated funds and one or more public-private ventures. This report shall consider innovative resource development measures, including but not limited to, an enhanced-use leasing program similar to that of the Department of Veterans Affairs as well as the sale or other disposal of land in Hawaii under the control of the Navy as part of an overall program for Ford Island development. The report shall include proposed legislation for carrying out the measures recommended therein.

SNOWE AMENDMENTS NOS. 2951–2952

(Ordered to lie on the table.)

Ms. SNOWE submitted two amendments intended to be proposed by her to amendment No. 2391 proposed by Mrs. FEINSTEIN to the bill, S. 2057, supra; as follows:

AMENDMENT NO. 2951

At the appropriate place, insert:

SEC. . MORATORIUM ON CHANGES OF GENDER-RELATED POLICIES AND PRACTICES PENDING COMPLETION OF THE WORK OF THE COMMISSION ON MILITARY TRAINING AND GENDER-RELATED ISSUES.

Notwithstanding any other provision of law, no official of the Department of Defense may implement any change of policy or official practice in the department regarding separation or integration of members of the Armed Forces on the basis of gender that is within the responsibility of the Commission on Military Training and Gender-Related issues to review under subtitle F of title V of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 750), before the date on which the commission terminates under section 564 of such Act.

SEC. . EXTENSION OF REPORTING DATES FOR COMMISSION ON MILITARY TRAINING AND GENDER-RELATED ISSUES.

(a) INTERIM REPORT.—Subsection (e)(1) of section 562 of the national Defense Authorization Act for Fiscal Year 1998 (Public law 105–85; 111 Stat. 1754; 10 U.S.C. 113 note) is amended by striking out ''April 15, 1998'' and inserting in lieu thereof ''October 15, 1998.''

(b) FINAL REPORT.—Subsection (e)(2) of such section is amended by striking out ''September 16, 1998'' and inserting in lieu thereof ''March 15, 1999.''

AMENDMENT NO. 2952

At the appropriate place, insert:

SEC. 527. REQUIREMENTS RELATING TO RECRUIT BASIC TRAINING.

(a) ARMY.—Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 4319. Recruit basic training: separate housing and privacy for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—The Secretary of the Army shall provide separate and secure housing for male and female recruits during basic training. Such housing must include physically separate sleeping areas for male and female recruits and physically separate latrine areas for male and female recruits with secure, permanent walls separating male and female recruits in these areas. Each area shall have a separate entrance. The Secretary shall ensure that these areas are under continuous supervision by authorized, trained personnel when recruits are present in the area.

''(b) HOUSING PRIVACY.—The Secretary of the Army shall require that access by drill sergeants and other training personnel to a living area in which recruits are housed during basic training shall be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to drill sergeants and other training personnel who are accompanied by a member of the same gender as the recruits housed in the living area.

''(c) FUTURE CONSTRUCTION.—The Secretary shall ensure that all future housing for recruits during basic training be constructed in such a manner as to facilitate separate and secure areas for each gender.

''(d) DEFINITION OF BASIC TRAINING.—In this section, basic training means that portion of the Army's initial entry training that constitutes the basic combat training of new recruits.''

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter 401 is amended by inserting after the item related to section 4318 the following new item:

''4319 Recruit basic training: separate housing and privacy for male and female recruits.''

(c) NAVY.—Chapter 631 of title 10, United States Code, is amended by adding at the end the following new section:

§ 7231. Recruit basic training: separate housing and privacy for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—The Secretary of the Navy shall provide separate and secure housing for male and female recruits during basic training. Such housing must include physically separate sleeping areas for male and female recruits and physically separate latrine areas for male and female recruits with secure, permanent walls separating male and female recruits in these areas. Each area shall have a separate entrance. Gender separated barracks would also fulfill the above housing requirements. The Secretary shall ensure that these areas are under continuous supervision by authorized, trained personnel when recruits are present in the area.

''(b) HOUSING PRIVACY.—The Secretary of the Navy shall require that access by recruit division commanders and other training personnel to a living area in which recruits are housed during basic training shall be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to recruit division commanders or training personnel who are accompanied by a member of the same gender as the recruits housed in the living area.

''(c) FUTURE CONSTRUCTION.—The Secretary shall ensure that all future housing for recruits during basic training be constructed in such a manner as to facilitate separate and secure areas for each gender.

''(d) DEFINITION OF BASIC TRAINING.—In this section, basic training means that portion of the Navy's initial entry training that constitutes the basic combat training of new recruits.''.

(d) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter 631 is amended by inserting after the item related to section 7231 the following new item:

''7232. Recruit basic training: separate housing and privacy for male and female recruits.''

(e) AIR FORCE.—Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 9318. Recruit basic training: separate housing and privacy for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—The Secretary of the Air Force shall provide separate and secure housing for male and female recruits during basic training. Such housing must include physically separate sleeping areas for male and female recruits and physically separate latrine areas for male and female recruits with secure, permanent walls separating male and female recruits in these areas. Each area shall have a separate entrance. The Secretary shall ensure that these areas are under continuous supervision by authorized, trained personnel when recruits are present in the area.

''(b) HOUSING PRIVACY.—The Secretary of the Air Force shall require that access by drill sergeants and other training personnel to a living area in which recruits are housed during basic training shall be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to drill sergeants and other training personnel who are accompanied by a member of the same gender as the recruits housed in the living area.

''(c) FUTURE CONSTRUCTION.—The Secretary shall ensure that all future housing for recruits during basic training be constructed in such a manner as to facilitate separate and secure areas for each gender.

''(d) DEFINITION OF BASIC TRAINING.—In this section, basic training means that portion of the Air Force's initial entry training that constitutes the basic combat training of new recruits.''

(f) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter 901 is amended by inserting after the item related to section 9317 the following new item:

''9318. Recruit basic training: separate housing and privacy for male and female recruits.''

FRIST (AND THOMPSON) AMENDMENT NO. 2953

(Ordered to lie on the table.)

Mr. FRIST (for himself and Mr. THOMPSON) submitted an amendment intended to be proposed by them to the bill, S. 2057, supra; as follows:

At the end of the amendment, add the following:

(c) LIMITATION ON FUNDS AVAILABLE FOR NAMING.—No funds may be used for the purpose of naming the guest house referred to in subsection (a) in accordance with that subsection except funds available for payment of the travel expenses of the Office of the Secretary of the Army.

DODD AMENDMENTS. NOS. 2954–2955

(Ordered to lie on the table.)

Mr. DODD submitted two amendments intended to be proposed by him to the bill. S. 2057, supra; as follows:

AMENTMENT NO. 2954

At the appropriate place, insert the following:

SEC. 634. ARMY PENSION PROGRAM.

(a) $750,000 will be authorized to be appropriated from existing Department of the Army funds to alleviate the backlog of pension packages for Army, Army Reserve and National Guard retirees.

(b) The Secretary of the Army shall alleviate such backlog by December 31, 1998 and report to Congress no later than January 31, 1999 regarding the current status of the backlog and what, if any, additional measures are needed to ensure that pension packages are processed in a timely fashion.

AMENDMENT NO. 2955

At the appropriate place, insert the following:

SEC. 634. ARMY PENSION PROGRAM.

(a) $750,000 will be authorized to be appropriated from existing Department of the Army funds to alleviate the backlog of pension packages for Army, Army Reserve and National Guard retirees.

(b) The Secretary of the Army shall alleviate such backlog by December 31, 1998 and report to Congress no later than January 31, 1999 regarding the current status of the backlog and what, if any, additional measures are needed to ensure that pension packages are processed in a timely fashion.

BYRD AMENDMENTS. NOS. 2956–2957

(Ordered to lie on the table.)

Mr. BYRD submitted two amendments intended to be proposed by him to the bill, S. 2057, supra; as follows:

AMENDMENT NO. 2956

In lieu of the matter proposed to be inserted insert the following:

SEC. ____. (a) ARMY.—(1) Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 4319. Recruit basic training: separate platoons and separate housing for male and female recruits

''(a) SEPARATE PLATOONS.—The Secretary of the Army shall require that during basic training—

''(1) male recruits shall be assigned to platoons consisting only of male recruits; and

''(2) female recruits shall be assigned to platoons consisting only of female recruits.

''(b) SEPARATE HOUSING FACILITIES.—The Secretary of the Army shall require that during basic training male and female recruits be housed in separate barracks or other troop housing facilities.

''(c) INTERIM AUTHORITY FOR HOUSING RECRUITS ON SEPARATE FLOORS.—(1) If the Secretary of the Army determines that it is not feasible, during some or all of the period beginning on April 16, 1999, and ending on October 1, 2001, to comply with subsection (b) at any particular installation at which basic training is conducted because facilities at that installation are insufficient for such purpose, the Secretary may grant a waiver of subsection (b) with respect to that installation. Any such waiver may not be in effect after October 1, 2001, and may only be in effect while the facilities at that installation are insufficient for the purposes of compliance with subsection (b).

''(2) If the Secretary grants a waiver under paragraph (1) with respect to an installation, the Secretary shall require that male and female recruits in basic training at that installation during any period that the waiver is in effect not be housed on the same floor of a barracks or other troop housing facility.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training program of the Army that constitutes the basic training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4319. Recruit basic training: separate platoons and separate housing for male and female recruits.''.

(3) The Secretary of the Army shall implement section 4319 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 16, 1999.

(b) NAVY AND MARINE CORPS.—(1) Part III of subtitle C of title 10, United States Code, is amended by inserting after chapter 601 the following new chapter:

''CHAPTER 602—TRAINING GENERALLY

''Sec.

''6931. Recruit basic training: separate small units and separate housing for male and female recruits.

''§ 6931. Recruit basic training: separate small units and separate housing for male and female recruits

''(a) SEPARATE SMALL UNIT ORGANIZATION.—The Secretary of the Navy shall require that during basic training—

''(1) male recruits in the Navy shall be assigned to divisions, and male recruits in the Marine Corps shall be assigned to platoons, consisting only of male recruits; and

''(2) female recruits in the Navy shall be assigned to divisions, and female recruits in the Marine Corps shall be assigned to platoons, consisting only of female recruits.

''(b) SEPARATE HOUSING.—The Secretary of the Navy shall require that during basic training male and female recruits be housed in separate barracks or other troop housing facilities.

''(c) INTERIM AUTHORITY FOR HOUSING RECRUITS ON SEPARATE FLOORS.—(1) If the Secretary of the Navy determines that it is not feasible, during some or all of the period beginning on April 16, 1999, and ending on October 1, 2001, to comply with subsection (b) at any particular installation at which basic training is conducted because facilities at that installation are insufficient for that purpose, the Secretary may grant a waiver of subsection (b) with respect to that installation. Any such waiver may not be in effect after October 1, 2001, and may only be in effect while the facilities at that installation are insufficient for the purposes of compliance with subsection (b).

''(2) If the Secretary grants a waiver under paragraph (1) with respect to an installation, the Secretary shall require that male and female recruits in basic training at that installation during any period that the waiver is in effect not be housed on the same floor of a barracks or other troop housing facility.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training programs of the Navy and Marine Corps that constitute the basic training of new recruits.''.

(2) The tables of chapters at the beginning of subtitle C, and at the beginning of part III of subtitle C, of such title are amended by inserting after the item relating to chapter 601 the following new item:

''602. Training Generally ..... 6931''.

(3) The Secretary of the Navy shall implement section 6931 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 16, 1999.

(c) AIR FORCE.—(1) Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 9319. Recruit basic training: separate flights and separate housing for male and female recruits

''(a) SEPARATE FLIGHTS.—The Secretary of the Air Force shall require that during basic training—

''(1) male recruits shall be assigned to flights consisting only of male recruits; and

''(2) female recruits shall be assigned to flights consisting only of female recruits.

''(b) SEPARATE HOUSING.—The Secretary of the Air Force shall require that during basic training male and female recruits be housed in separate dormitories or other troop housing facilities.

''(c) INTERIM AUTHORITY FOR HOUSING RECRUITS ON SEPARATE FLOORS.—(1) If the Secretary of the Air Force determines that it is not feasible, during some or all of the period beginning on April 16, 1999, and ending on October 1, 2001, to comply with subsection (b) at any particular installation at which basic training is conducted because facilities at that installation are insufficient for such purpose, the Secretary may grant a waiver of subsection (b) with respect to that installation. Any such waiver may not be in effect after October 1, 2001, and may only be in effect while the facilities at that installation are insufficient for the purposes of compliance with subsection (b).

''(2) If the Secretary grants a waiver under paragraph (1) with respect to an installation, the Secretary shall require that male and female recruits in basic training at that installation during any period that the waiver is in effect not be housed on the same floor of a dormitory or other troop housing facility.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training program of the Air Force that constitutes the basic training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''9319. Recruit basic training: separate flights and separate housing for male and female recruits.''.

(3) The Secretary of the Air Force shall implement section 9319 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 16, 1999.

AMENDMENT NO. 2957

At the end of the matter proposed to be inserted, insert the following:

SEC. ____. (a) ARMY.—(1) Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4319. Recruit basic training: separate platoons and separate housing for male and female recruits

''(a) SEPARATE PLATOONS.—The Secretary of the Army shall require that during basic training—

''(1) male recruits shall be assigned to platoons consisting only of male recruits; and

''(2) female recruits shall be assigned to platoons consisting only of female recruits.

''(b) SEPARATE HOUSING FACILITIES.—The Secretary of the Army shall require that during basic training male and female recruits be housed in separate barracks or other troop housing facilities.

''(c) INTERIM AUTHORITY FOR HOUSING RECRUITS ON SEPARATE FLOORS.—(1) If the Secretary of the Army determines that it is not feasible, during some or all of the period beginning on April 16, 1999, and ending on October 1, 2001, to comply with subsection (b) at any particular installation at which basic training is conducted because facilities at that installation are insufficient for such purpose, the Secretary may grant a waiver of subsection (b) with respect to that installation. Any such waiver may not be in effect after October 1, 2001, and may only be in effect while the facilities at that installation are insufficient for the purposes of compliance with subsection (b).

''(2) If the Secretary grants a waiver under paragraph (1) with respect to an installation, the Secretary shall require that male and female recruits in basic training at that installation during any period that the waiver is in effect not be housed on the same floor of a barracks or other troop housing facility.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training program of the Army that constitutes the basic training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4319. Recruit basic training: separate platoons and separate housing for male and female recruits.''.

(3) The Secretary of the Army shall implement section 4319 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 16, 1999.

(b) NAVY AND MARINE CORPS.—(1) Part III of subtitle C of title 10, United States Code, is amended by inserting after chapter 601 the following new chapter:

"CHAPTER 602—TRAINING GENERALLY

''Sec.

''6931. Recruit basic training: separate small units and separate housing for male and female recruits.

"§ 6931. Recruit basic training: separate small units and separate housing for male and female recruits

''(a) SEPARATE SMALL UNIT ORGANIZATION.—The Secretary of the Navy shall require that during basic training—

''(1) male recruits in the Navy shall be assigned to divisions, and male recruits in the Marine Corps shall be assigned to platoons, consisting only of male recruits; and

''(2) female recruits in the Navy shall be assigned to divisions, and female recruits in the Marine Corps shall be assigned to platoons, consisting only of female recruits.

''(b) SEPARATE HOUSING.—The Secretary of the Navy shall require that during basic training male and female recruits be housed in separate barracks or other troop housing facilities.

''(c) INTERIM AUTHORITY FOR HOUSING RECRUITS ON SEPARATE FLOORS.—(1) If the Secretary of the Navy determines that it is not feasible, during some or all of the period beginning on April 16, 1999, and ending on October 1, 2001, to comply with subsection (b) at any particular installation at which basic training is conducted because facilities at that installation are insufficient for that purpose, the Secretary may grant a waiver of subsection (b) with respect to that installation. Any such waiver may not be in effect after October 1, 2001, and may only be in effect while the facilities at that installation are insufficient for the purposes of compliance with subsection (b).

''(2) If the Secretary grants a waiver under paragraph (1) with respect to an installation, the Secretary shall require that male and female recruits in basic training at that installation during any period that the waiver is in effect not be housed on the same floor of a barracks or other troop housing facility.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training programs of the Navy and Marine Corps that constitute the basic training of new recruits.''.

(2) The tables of chapters at the beginning of subtitle C, and at the beginning of part III of subtitle C, of such title are amended by inserting after the item relating to chapter 601 the following new item:

''602. Training Generally ..... 6931''.

(3) The Secretary of the Navy shall implement section 6931 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 16, 1999.

(c) AIR FORCE.—(1) Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9319. Recruit basic training: separate flights and separate housing for male and female recruits

''(a) SEPARATE FLIGHTS.—The Secretary of the Air Force shall require that during basic training—

''(1) male recruits shall be assigned to flights consisting only of male recruits; and

''(2) female recruits shall be assigned to flights consisting only of female recruits.

''(b) SEPARATE HOUSING.—The Secretary of the Air Force shall require that during basic training male and female recruits be housed in separate dormitories or other troop housing facilities.

''(c) INTERIM AUTHORITY FOR HOUSING RECRUITS ON SEPARATE FLOORS.—(1) If the Secretary of the Air Force determines that it is not feasible, during some or all of the period beginning on April 16, 1999, and ending on October 1, 2001, to comply with subsection (b) at any particular installation at which basic training is conducted because facilities at that installation are insufficient for such purpose, the Secretary may grant a waiver of subsection (b) with respect to that installation. Any such waiver may not be in effect after October 1, 2001, and may only be in effect while the facilities at that installation are insufficient for the purposes of compliance with subsection (b).

''(2) If the Secretary grants a waiver under paragraph (1) with respect to an installation, the Secretary shall require that male and female recruits in basic training at that installation during any period that the waiver is in effect not be housed on the same floor of a dormitory or other troop housing facility.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training program of the Air Force that constitutes the basic training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''9319. Recruit basic training: separate flights and separate housing for male and female recruits.''.

(3) The Secretary of the Air Force shall implement section 9319 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 16, 1999.

LEVIN AMENDMENT NO. 2958

(Ordered to lie on the table.)

Mr. LEVIN submitted an amendment intended to be proposed by him to the bill, S. 2057, supra; as follows:

Beginning on the first page, strike out line 5 and all that follows and insert in lieu thereof the following text:

Notwithstanding any other provision of law, no officer of the Department of Defense may implement any change of policy or official practice in the department regarding separation or integration of members of the Armed Forces on the basis of gender that is within the responsibility of the Commission on Military Training and Gender-Related Issues to review under subtitle F of title V of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1750), before the date on which the commission terminates under section 564 of such Act.

(a) ARMY.—(1) Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4319. Recruit basic training: separate housing and privacy for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—(1) The Secretary of the Army shall provide for housing male recruits and female recruits separately and securely from each other during basic training.

''(2) To meet the requirements of paragraph (1), the sleeping areas and latrine areas provided for male recruits shall be physically separated from the sleeping areas and latrine areas provided for female recruits by permanent walls, and the areas for male recruits and the areas for female recruits shall have separate entrances.

''(3) The Secretary shall ensure that, when a recruit is in an area referred to in paragraph (2), the area is supervised by one or more persons who are authorized and trained to supervise the area.

''(b) HOUSING PRIVACY.—The Secretary of the Army shall require that access by drill sergeants and other training personnel to a living area in which recruits are housed during basic training be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to drill sergeants or other training personnel who are of the same sex, or are accompanied by a member of the same sex, as the recruits housed in * * *

* * * * *

''(c) CONSTRUCTION PLANNING.—In planning for the construction of housing to be used for housing recruits during basic training, the Secretary of the Army shall ensure that the housing is to be constructed in a manner that facilitates the housing of male recruits and female recruits separately and securely from each other.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means that part of the initial entry training of the Army that constitutes the basic combat training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4319. Recruit basic training: separate housing and privacy for male and female recruits.''.

(b) NAVY AND MARINE CORPS.—(1) Part III of subtitle C of title 10, United States Code, is amended by inserting after chapter 601 the following new chapter:

''CHAPTER 602—TRAINING GENERALLY

''Sec.

''6931. Recruit basic training: separate housing and privacy for male and female recruits.

''§ 6931. Recruit basic training: separate housing and privacy for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—(1) The Secretary of the Navy shall provide for housing male recruits and female recruits separately and securely from each other during basic training.

''(2) To meet the requirements of paragraph (1), the sleeping areas and latrine areas provided for male recruits shall be physically separated from the sleeping areas and latrine areas provided for female recruits by permanent walls, and the areas for male recruits and the areas for female recruits shall have separate entrances.

''(3) The Secretary shall ensure that, when a recruit is in an area referred to in paragraph (2), the area is supervised by one or more persons who are authorized and trained to supervise the area.

''(b) HOUSING PRIVACY.—The Secretary of the Navy shall require that access by recruit petty officers and other training personnel to a living area in which recruits are housed during basic training be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to recruit petty officers and other training personnel who are of the same sex, or are accompanied by a member of the same sex, as the recruits housed in that living area.

''(c) CONSTRUCTION PLANNING.—In planning for the construction of housing to be used for housing recruits during basic training, the Secretary of the Navy shall ensure that the housing is to be constructed in a manner that facilitates the housing of male recruits and female recruits separately and securely from each other.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means that part of the initial entry training of the Navy that constitutes the basic combat training of new recruits.''.

(2) The tables of chapters at the beginning of subtitle C, and at the beginning of part III of subtitle C, of such title are amended by inserting after the item relating to chapter 601 the following new item:

''602. Training Generally ..... 6931''.

(c) AIR FORCE.—(1) Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 9319. Recruit basic training: separate housing and privacy for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—(1) The Secretary of the Air Force shall provide for housing male recruits and female recruits separately and securely from each other during basic training.

''(2) To meet the requirements of paragraph (1), the sleeping areas and latrine areas provided for male recruits shall be physically separated from the sleeping areas and latrine areas provided for female recruits by permanent walls, and the areas for male recruits and the areas for female recruits shall have separate entrances.

''(3) The Secretary shall ensure that, when a recruit is in an area referred to in paragraph (2), the area is supervised by one or more persons who are authorized and trained to supervise the area.

''(b) HOUSING PRIVACY.—The Secretary of the Air Force shall require that access by drill sergeants and other training personnel to a living area in which recruits are housed during basic training be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to drill sergeants and other training personnel who are of the same sex, or are accompanied by a member of the same sex, as the recruits housed in that living area.

''(c) CONSTRUCTION PLANNING.—In planning for the construction of housing to be used for housing recruits during basic training, the Secretary of the Air Force shall ensure that the housing is to be constructed in a manner that facilitates the housing of male recruits and female recruits separately and securely from each other.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means that part of the initial entry training of the Air Force that constitutes the basic combat training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''9319. Recruit basic training: separate housing and privacy for male and female recruits.''.

LEVIN AMENDMENT NO. 2959

(Ordered to lie on the table.)

Mr. LEVIN submitted an amendment intended to be proposed by him to amendment No. 2916 submitted by Mr. BYRD to the bill, S. 2057, supra; as follows:

Beginning on the first page, strike out line 5 and all that follows and insert in lieu thereof the following text:

Notwithstanding any other provision of law, no official of the Department of Defense may implement any change of policy or official practice in the department regarding separation or integration of members of the Armed Forces on the basis of gender that is within the responsibility of the Commission on Military Training and Gender-Related Issues to review under subtitle F of title V of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1750), before the date on which the commission terminates under section 564 of such Act.

(a) ARMY.—(1) Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 4319. Recruit basic training: separate housing and privacy for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—(1) The Secretary of the Army shall provide for housing male recruits and female recruits separately and securely from each other during basic training.

''(2) To meet the requirements of paragraph (1), the sleeping areas and latrine areas provided for male recruits shall be physically separated from the sleeping areas and latrine areas provided for female recruits by permanent walls, and the areas for male recruits and the areas for female recruits shall have separate entrances.

''(3) The Secretary shall ensure that, when a recruit is in an area referred to in paragraph (2), the area is supervised by one or more persons who are authorized and trained to supervise the area.

''(b) HOUSING PRIVACY.—The Secretary of the Army shall require that access by drill sergeants and other training personnel to a living area in which recruits are housed during basic training be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to drill sergeants or other training personnel who are of the same sex, or are accompanied by a member of the same sex, as the recruits housed in * * *

* * * * *

''(c) CONSTRUCTION PLANNING.—In planning for the construction of housing to be used for housing recruits during basic training, the Secretary of the Army shall ensure that the housing is to be constructed in a manner that facilitates the housing of male recruits and female recruits separately and securely from each other.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means that part of the initial entry training of the Army that constitutes the basic combat training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4319. Recruit basic training: separate housing and privacy for male and female recruits.''.

(b) NAVY AND MARINE CORPS.—(1) Part III of subtitle C of title 10, United States Code, is amended by inserting after chapter 601 the following new chapter:

''CHAPTER 602—TRAINING GENERALLY

''Sec.

''6931. Recruit basic training: separate housing and privacy for male and female recruits.

''§ 6931. Recruit basic training: separate housing and privacy for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—(1) The Secretary of the Navy shall provide for housing male recruits and female recruits separately and securely from each other during basic training.

''(2) To meet the requirements of paragraph (1), the sleeping areas and latrine areas provided for male recruits shall be physically separated from the sleeping areas and latrine areas provided for female recruits by permanent walls, and the areas for male recruits and the areas for female recruits shall have separate entrances.

''(3) The Secretary shall ensure that, when a recruit is in an area referred to in paragraph (2), the area is supervised by one or more persons who are authorized and trained to supervise the area.

''(b) HOUSING PRIVACY.—The Secretary of the Navy shall require that access by recruit petty officers and other training personnel to a living area in which recruits are housed during basic training be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to recruit petty officers and other training personnel who are of the same sex, or are accompanied by a member of the same sex, as the recruits housed in that living area.

''(c) CONSTRUCTION PLANNING.—In planning for the construction of housing to be used for housing recruits during basic training, the

Secretary of the Navy shall ensure that the housing is to be constructed in a manner that facilitates the housing of male recruits and female recruits separately and securely from each other.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means that part of the initial entry training of the Navy that constitutes the basic combat training of new recruits.''.

(2) The tables of chapters at the beginning of subtitle C, and at the beginning of part III of subtitle C, of such title are amended by inserting after the item relating to chapter 601 the following new item:

''602. Training Generally ..... 6931''.

(c) AIR FORCE.—(1) Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 9319. Recruit basic training: separate housing and privacy for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—(1) The Secretary of the Air Force shall provide for housing male recruits and female recruits separately and securely from each other during basic training.

''(2) To meet the requirements of paragraph (1), the sleeping areas and latrine areas provided for male recruits shall be physically separated from the sleeping areas and latrine areas provided for female recruits by permanent walls, and the areas for male recruits and the areas for female recruits shall have separate entrances.

''(3) The Secretary shall ensure that, when a recruit is in an area referred to in paragraph (2), the area is supervised by one or more persons who are authorized and trained to supervise the area.

''(b) HOUSING PRIVACY.—The Secretary of the Air Force shall require that access by drill sergeants and other training personnel to a living area in which recruits are housed during basic training be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to drill sergeants and other training personnel who are of the same sex, or are accompanied by a member of the same sex, as the recruits housed in that living area.

''(c) CONSTRUCTION PLANNING.—In planning for the construction of housing to be used for housing recruits during basic training, the Secretary of the Air Force shall ensure that the housing is to be constructed in a manner that facilitates the housing of male recruits and female recruits separately and securely from each other.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means that part of the initial entry training of the Air Force that constitutes the basic combat training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''9319. Recruit basic training: separate housing and privacy for male and female recruits.''.

LEVIN AMENDMENT NO. 2960

(Ordered to lie on the table.)

Mr. LEVIN submitted an amendment intended to be proposed by him to amendment No. 2927 submitted by Mr. GRAMM to the bill, S. 2057, supra; as follows:

Beginning on line 3 on the first page, strike out ''subject to'' and all that follows and insert in lieu thereof the following: ''Notwithstanding any other provision of law, all Reserve Officer Training Corps programs in all States shall be treated equitably.''

LEVIN AMENDMENT NO. 2961

(Ordered to lie on the table.)

Mr. LEVIN submitted an amendment intended to be proposed by him to amendment No. 2928 submitted by Mr. GRAMM to the bill, S. 2057, supra; as follows:

Beginning on line 3 on the first page, strike out ''subject to'' and all that follows and insert in lieu thereof the following: ''Notwithstanding any other provision of law, all Reserve Officer Training Corps programs in all States shall be treated equitably.''

COATS AMENDMENT NO. 2962

(Ordered to lie on the table.)

Mr. COATS submitted an amendment intended to be proposed by him to the bill, S. 2057, supra; as follows:

On page 2, strike out lines 1 through 19 and insert in lieu thereof the following:

(1) An assessment of the technologies, business practices, functional organizations, and costs associated with Defense Automated Printing Service services as compared to leading commercial technologies, business practices, functional organizations, and costs.

(2) The functions that the Secretary determines are inherently national security functions and, as such, need to be performed within the Department of Defense, together with a detailed justification for the determination for each such function.

(3) The functions that the Secretary determines are appropriate for transfer to the Government Printing Office or another entity.

(4) A plan to transfer to the Government Printing Office or another entity the printing functions of the Defense Automated Printing Service that are not identified under paragraph (2) as being inherently national security functions.

(5) Any recommended legislation and any administrative action that is necessary for transferring the functions in accordance with the plan.

(6) A discussion of the costs or savings associated with the transfers provided for in the plan.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1999

ABRAHAM AMENDMENTS NOS. 2963–2967

(Ordered to lie on the table.)

Mr. ABRAHAM submitted five amendments intended to be proposed by him to the (S. 2132) making appropriations for the Department of Defense for fiscal year ending September 30, 1999, and for other purposes; as follows:

AMENDMENT NO. 2963

At the appropriate place, insert the following section:

SEC. . EXPRESSING THE SENSE OF THE CONGRESS THAT THE PRESIDENT OF THE UNITED STATES SHOULD RECONSIDER HIS DECISION TO BE FORMALLY RECEIVED IN TIANANMEN SQUARE BY THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) FINDINGS.—Congress makes the followings findings:

(1) Nine years ago on June 4, 1989, thousands of Chinese students peacefully gathered in Tiananmen Square to demonstrate their support for freedom and democracy;

(2) It was with horror that the world witnessed the response of the Government of the People's Republic of China as tanks and military units marched into Tiananmen Square;

(3) Chinese soldiers of the People's Republic of China were ordered to fire machine guns and tanks on young, unarmed civilians;

(4) 'Children were killed holding hands with their mothers,' according to a reliable eyewitness account;

(5) According to the same eyewitness account, 'students were crushed by armored personnel carriers';

(6) More than 2,000 Chinese pro-democracy demonstrators died that day, according to the Chinese Red Cross;

(7) Hundreds continue to languish in prisons because of their beliefs in freedom and democracy;

(8) Nine years after the massacre on June 4, 1989, the Government of the People's Republic of China has yet to acknowledge the Tiananmen Square massacre; and

(9) By being formally received in Tiananmen Square, the President would bestow legitimacy on the Chinese government's horrendous actions of 9 years ago;

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the President should reconsider his decision to be formally received in Tiananmen Square until the Government of the People's Republic of China acknowledges the Tiananmen Square massacre, pledges that such atrocities will never happen again, and releases those Chinese students still imprisoned for supporting freedom and democracy that day.

AMENDMENT NO. 2964

Add at the end the following new titles:

TITLE —MONITORING OF HUMAN RIGHTS ABUSES IN CHINA

SEC. . SHORT TITLE.

This title may be cited as the ''Political Freedom in China Act of 1998''.

SEC. . FINDINGS.

Congress makes the following findings:

(1) Congress concurs in the following conclusions of the United States State Department on human rights in the People's Republic of China in 1996:

(A) The People's Republic of China is ''an authoritarian state'' in which ''citizens lack the freedom to peacefully express opposition to the party-led political system and the right to change their national leaders or form of government''.

(B) The Government of the People's Republic of China has ''continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms, stemming from the authorities' intolerance of dissent, fear of unrest, and the absence or inadequacy of laws protecting basic freedoms''.

(C) ''[a]buses include torture and mistreatment of prisoners, forced confessions, and arbitrary and incommunicado detention''.

(D) ''[p]rison conditions remained harsh [and] [t]he Government continued severe restrictions on freedom of speech, the press, assembly, association, religion, privacy, and worker rights''.

(E) ''[a]lthough the Government denies that it holds political prisoners, the number of persons detained or serving sentences for 'counterrevolutionary crimes' or 'crimes against the state', or for peaceful political or religious activities are believed to number in the thousands''.

(F) ''[n]onapproved religious groups, including Protestant and Catholic groups . . . experienced intensified repression''.

(G) ''[s]erious human rights abuses persist in minority areas, including Tibet, Xinjiang, and Inner Mongolia[, and] [c]ontrols on religion and on other fundamental freedoms in these areas have also intensified''.

(H) ''[o]verall in 1996, the authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party and government was effectively silenced by intimidation, exile, the imposition of prison terms, administrative detention, or house arrest. No dissidents were known to be active at year's end.''.

(2) In addition to the State Department, credible independent human rights organizations have documented an increase in repression in China during 1995, and effective destruction of the dissident movement through the arrest and sentencing of the few remaining pro-democracy and human rights activists not already in prison or exile.

(3) Among those were Li Hai, sentenced to 9 years in prison on December 18, 1996, for gathering information on the victims of the 1989 crackdown, which according to the court's verdict constituted ''state secrets''; Liu Nianchun, an independent labor organizer, sentenced to 3 years of ''re-education through labor'' on July 4, 1996, due to his activities in connection with a petition campaign calling for human rights reforms; and Ngodrup Phuntsog, a Tibetan national, who was arrested in Tibet in 1987 immediately after he returned from a 2-year trip to India, where the Tibetan government in exile is located, and following a secret trial was convicted by the Government of the People's Republic of China of espionage on behalf of the ''Ministry of Security of the Dalai clique''.

(4) Many political prisoners are suffering from poor conditions and ill-treatment leading to serious medical and health problems, including—

(A) Gao Yu, a journalist sentenced to 6 years in prison in November 1994 and honored by UNESCO in May 1997, has a heart condition; and

(B) Chen Longde, a leading human rights advocate now serving a 3-year reeducation through labor sentence imposed without trial in August 1995, has reportedly been subject to repeated beatings and electric shocks at a labor camp for refusing to confess his guilt.

(5) The People's Republic of China, as a member of the United Nations, is expected to abide by the provisions of the Universal Declaration of Human Rights.

(6) The People's Republic of China is a party to numerous international human rights conventions, including the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

SEC. . CONDUCT OF FOREIGN RELATIONS.

(a) RELEASE OF PRISONERS.—The Secretary of State, in all official meetings with the Government of the People's Republic of China, should request the immediate and unconditional release of Ngodrup Phuntsog and other prisoners of conscience in Tibet, as well as in the People's Republic of China.

(b) ACCESS TO PRISONS.—The Secretary of State should seek access for international humanitarian organizations to Drapchi prison and other prisons in Tibet, as well as the People's Republic of China, to ensure that prisoners are not being mistreated and are receiving necessary medical treatment.

(c) DIALOGUE ON FUTURE OF TIBET.—The Secretary of State, in all official meetings with the Government of the People's Republic of China, should call on that country to begin serious discussions with the Dalai Lama or his representatives, without preconditions, on the future of Tibet.

SEC. . AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL PERSONNEL AT DIPLOMATIC POSTS TO MONITOR HUMAN RIGHTS IN THE PEOPLE'S REPUBLIC OF CHINA.

There are authorized to be appropriated to support personnel to monitor political repression in the People's Republic of China in the United States Embassies in Beijing and Kathmandu, as well as the American consulates in Guangzhou, Shanghai, Shenyang, Chengdu, and Hong Kong, $2,200,000 for fiscal year 1999 and $2,200,000 for fiscal year 2000.

SEC. . DEMOCRACY BUILDING IN CHINA.

(a) AUTHORIZATION OF APPROPRIATIONS FOR NED.—In addition to such sums as are otherwise authorized to be appropriated for the ''National Endowment for Democracy'' for fiscal years 1999 and 2000, there are authorized to be appropriated for the ''National Endowment for Democracy'' $4,000,000 for fiscal year 1999 and $4,000,000 for fiscal year 2000, which shall be available to promote democracy, civil society, and the development of the rule of law in China.

(b) EAST ASIA-PACIFIC REGIONAL DEMOCRACY FUND.—The Secretary of State shall use funds available in the East Asia-Pacific Regional Democracy Fund to provide grants to nongovernmental organizations to promote democracy, civil society, and the development of the rule of law in China.

SEC. . HUMAN RIGHTS IN CHINA.

(a) REPORTS.—Not later than March 30, 1999, and each subsequent year thereafter, the Secretary of State shall submit to the International Relations Committee of the House of Representatives and the Foreign Relations Committee of the Senate an annual report on human rights in China, including religious persecution, the development of democratic institutions, and the rule of law. Reports shall provide information on each region of China.

(b) PRISONER INFORMATION REGISTRY.—The Secretary of State shall establish a Prisoner Information Registry for China which shall provide information on all political prisoners, prisoners of conscience, and prisoners of faith in China. Such information shall include the changes, judicial processes, administrative actions, use of forced labor, incidences of torture, length of imprisonment, physical and health conditions, and other matters related to the incarceration of such prisoners in China. The Secretary of State is authorized to make funds available to nongovernmental organizations presently engaged in monitoring activities regarding Chinese political prisoners to assist in the creation and maintenance of the registry.

SEC. . SENSE OF CONGRESS CONCERNING ESTABLISHMENT OF A COMMISSION ON SECURITY AND COOPERATION IN ASIA.

It is the sense of Congress that Congress, the President, and the Secretary of State should work with the governments of other countries to establish a Commission on Security and Cooperation in Asia which would be modeled after the Commission on Security and Cooperation in Europe.

SEC. . SENSE OF CONGRESS REGARDING DEMOCRACY IN HONG KONG.

It is the sense of Congress that the people of Hong Kong should continue to have the right and ability to freely elect their legislative representatives, and that the procedure for the conduct of the elections of the legislature of the Hong Kong Special Administrative Region should be determined by the people of Hong Kong through an election law convention, a referendum, or both.

SEC. . SENSE OF CONGRESS RELATING TO ORGAN HARVESTING AND TRANSPLANTING IN THE PEOPLE'S REPUBLIC OF CHINA.

It is the sense of Congress that—

(1) the Government of the People's Republic of China should stop the practice of harvesting and transplanting organs for profit from prisoners that it executes;

(2) the Government of the People's Republic of China should be strongly condemned for such organ harvesting and transplanting practice;

(3) the President should bar from entry into the United States any and all officials of the Government of the People's Republic of China known to be directly involved in such organ harvesting and transplanting practice;

(4) individuals determined to be participating in or otherwise facilitating the sale of such organs in the United States should be prosecuted to the fullest possible extent of the law; and

(5) the appropriate officials in the United States should interview individuals, including doctors, who may have knowledge of such organ harvesting and transplanting practice.

AMENDMENT NO. 2965

At the appropriate place, insert the following section:

SEC. . ENFORCEMENT OF IRAN-IRAQ ARMS NON-PROLIFERATION ACT WITH RESPECT TO THE PEOPLE'S REPUBLIC OF CHINA.

(a) STATEMENT OF POLICY.—It shall be the policy of the United States that—

(1) the delivery of 60C–802 cruise missiles by the China National Precision Machinery Import Export Corporation to Iran poses a new, direct threat to deployed United States forces in the Middle East and materially contributed to the efforts of Iran to acquire destabilizing numbers and types of advanced conventional weapons; and

(2) the delivery is a violation of the Iran-Iraq Arms Non-Proliferation Act of 1992 (50 U.S.C. 1701 note).

(b) IMPLEMENTATION OF SANCTIONS.—

(1) REQUIREMENT.—The President shall impose on the People's Republic of China the mandatory sanctions set forth in paragraphs (3), (4), and (5) of section 1605(b) of the Iran-Iraq Arms Non-Proliferation Act of 1992.

(2) NONAVAILABILITY OF WAIVER.—For purposes of this section, the President shall not have the authority contained in section 1606 of the Iran-Iraq Non-Proliferation Act of 1992 to waive the sanctions required under paragraph (1).

AMENDMENT NO. 2966

At the appropriate place, insert the following section:

SEC. . SANCTIONS REGARDING CHINA NORTH INDUSTRIES GROUP, CHINA POLY GROUP, AND CERTAIN OTHER ENTITIES AFFILIATED WITH THE PEOPLE'S LIBERATION ARMY.

(a) FINDING; PURPOSE.—

(1) FINDING.—Congress finds that, in May 1996, United States authorities caught representatives of the People's Liberation Army enterprise, China Poly Group, and the civilian defense industrial company, China North Industries Group, attempting to smuggle 2,000 AK–47s into Oakland, California, and offering to sell to Federal undercover agents 300,000 machine guns with silencers, 66-millimeter mortars, hand grenades, and ''Red Parakeet'' surface-to-air missiles, which, as stated in the criminal complaint against one of those representatives, '' . . . could take out a 747'' aircraft.

(2) PURPOSE.—The purpose of this section is to impose targeted sanctions against entities affiliated with the People's Liberation Army that engage in the proliferation of weapons of mass destruction, the importation of illegal weapons or firearms into the United States, or espionage in the United States.

(b) SANCTIONS AGAINST CERTAIN PLA AFFILIATES.—

(1) SANCTIONS.—Except as provided in paragraph (2) and subject to paragraph (3), the President shall—

(A) prohibit the importation into the United States of all products that are produced, grown, or manufactured by a covered entity, the parent company of a covered entity, or any affiliate, subsidiary, or successor entity of a covered entity;

(B) direct the Secretary of State and the Attorney General to deny or impose restrictions on the entry into the United States of any foreign national serving as an officer, director, or employee of a covered entity or other entity described in subparagraph (A);

(C) prohibit the issuance to a covered entity or other entity described in subparagraph (A) of licenses in connection with the export of any item on the United States Munitions List;

(D) prohibit the export of a covered entity or other entity described in subparagraph (A) of any goods or technology on which export controls are in effect under section 5 or 6 of the Export Administration Act of 1979;

(E) direct the Export-Import Bank of the United States not to give approve to the issuance of any guarantee, insurance, extension of credit, or participation in the extension of credit with respect to a covered entity or other entity described in subparagraph (A);

(F) prohibit United States nationals from directly or indirectly issuing any guarantee for any loan or other investment to, issuing any extension of credit to, or making any investment in a covered entity or other entity described in subparagraph (A); and

(G) prohibit the departments and agencies of the United States and United States nationals from entering into any contract with a covered entity or other entity described in subparagraph (A) for the procurement or other provision of goods or services from such entity.

(2) EXCEPTIONS.—

(A) IN GENERAL.—The President shall not impose sanctions under this subsection—

(i) in the case of the procurement of defense articles or defense services—

(I) under contracts or subcontracts that are in effect on October 1, 1998 (including the exercise of options for production quantities to satisfy United States operational military requirements);

(II) if the President determines that the person or entity to whom the sanctions would otherwise be applied is a sole source supplier of essential defense articles or services and no alternative supplier can be identified; or

(III) if the President determines that such articles or services are essential to the national security; or

(ii) in the case of—

(I) products or services provided under contracts or binding agreements (as such terms are defined by the President in regulations) or joint ventures entered into before October 1, 1998;

(II) spare parts;

(III) component parts that are not finished products but are essential to United States products or production;

(IV) routine servicing and maintenance of products; or

(V) information and technology products and services.

(B) IMMIGRATION RESTRICTIONS.—The President shall not apply the restrictions described in paragraph (1)(B) to a person described in that paragraph if the President, after consultation with the Attorney General, determines that the presence of the person in the United States is necessary for a Federal or State judicial proceeding against a covered entity or other entity described in paragraph (1)(A).

(3) TERMINATION.—The sanctions under this subsection shall terminate as follows:

(A) In the case of an entity referred to in paragraph (1) or (2) of subsection (c), on the date that is one year after the date of enactment of this Act.

(B) In the case of an entity that becomes a covered entity under paragraph (3) or (4) of subsection (c) by reason of its identification in a report under subsection (d), on the date that is one year after the date on which the entity is identified in such report.

(c) COVERED ENTITIES.—For purposes of subsection (b), a covered entity is any of the following:

(1) China North Industries Group.

(2) China Poly Group, also known as Polytechnologies Incorporated or BAOLI.

(3) Any affiliate of the People's Liberation Army identified in a report of the Director of Central Intelligence under subsection (d)(1).

(4) Any affiliate of the People's Liberation Army identified in a report of the Director of the Federal Bureau of Investigation under subsection (d)(2).

(d) REPORTS ON ACTIVITIES OF PLA AFFILIATES.—

(1) TRANSFERS OF SENSITIVE ITEMS AND TECHNOLOGIES.—Not later than 30 days after the date of enactment of this Act and annually thereafter through 2002, the Director of Central Intelligence shall submit to the appropriate members of Congress a report that identifies each entity owned wholly or in part by the People's Liberation Army which, during the 2-year period ending on the date of the report, transferred to any other entity a controlled item for use in the follows:

(A) Any item listed in category I or category II of the MTCR Annex.

(B) Activities to develop, produce, stockpile, or deliver chemical or biological weapons.

(C) Nuclear activities in countries that do not maintain full-scope International Atomic Energy Agency safeguards or equivalent full-scope safeguards.

(2) ILLEGAL ACTIVITIES IN THE UNITED STATES.—Not later than 30 days after the date of enactment of this Act and annually thereafter through 2002, the Director of the Federal Bureau of Investigation shall submit to the appropriate members of Congress a report that identifies each entity owned wholly or in part by the People's Liberation Army which, during the 2-year period ending on the date of the report, attempted to—

(A) illegally import weapons or firearms into the United States;

or

(B) engage in military intelligence collection or espionage in the United States under the cover of commercial business activity.

(3) FORM.—Each report under this subsection shall be submitted in classified form.

(e) DEFINITIONS.—In this section:

(1) AFFILIATE.—The term ''affiliate'' does not include any United States national engaged in a business arrangement with a covered entity or other entity described in subsection (b)(1)(A).

(2) APPROPRIATE MEMBERS OF CONGRESS.—The term ''appropriate members of congress'' means the following:

(A) The Majority leader and Minority leader of the Senate.

(B) The chairmen and ranking members of the Committee on Foreign Relations and the Committee on Armed Services of the Senate.

(C) The Speaker and Minority leader of the House of Representatives.

(D) The chairmen and ranking members of the Committee on International Relations and the Committee on National Security of the House of Representatives.

(3) COMPONENT PART.—The term ''component part'' means any article that is not usable for its intended function without being embedded or integrated into any other product and, if used in the production of a finished product, would be substantially transformed in that process.

(4) CONTROLLED ITEM.—The term ''controlled item'' means the following:

(A) Any item listed in the MTCR Annex.

(B) Any item listed for control by the Australia Group.

(C) Any item relevant to the nuclear fuel cycle of nuclear explosive applications that are listed for control by the Nuclear Suppliers Group.

(5) FINISHED PRODUCT.—The term ''finished product'' means any article that is usable for its intended function without being embedded in or integrated into any other product, but does not include an article produced by a person or entity other than a covered entity or other entity described in subsection (b)(1)(A) that contains parts or components of such an entity if the parts or components have been substantially transformed during production of the finished product.

(6) INVESTMENT.—The term ''investment'' includes any contribution or commitment of funds, commodities, services, patents, processes, or techniques, in the form of—

(A) a loan or loans;

(B) the purchase of a share of ownership;

(C) participation in royalties, earnings, or profits; and

(D) the furnishing of commodities or services pursuant to a lease or other contract, but does not include routine maintenance of property.

(7) MTCR ANNEX,—The term ''MTCR Annex'' has the meaning given that term in section 74(4) of the Arms Export Control Act (22 U.S.C. 2797c(4)).

(8) UNITED STATES NATIONAL.—

(A) IN GENERAL.—The term ''United States national'' means—

(i) any United States citizen; and

(ii) any corporation, partnership, or other organization created under the laws of the United States, any State, the District of Columbia, or any territory or possession of the United States.

(B) EXCEPTION.—The term ''United States national'' does not include a subsidiary or affiliate of corporation, partnership, or organization that is a United States national if the subsidiary or affiliate is located outside the United States.

AMENDMENT NO. 2967

At the appropriate place, insert the following section:

SEC. . US FORCE LEVELS IN ASIA.

(a) SENSE OF CONGRESS.—It is the Sense of Congress that the current force levels in the Pacific Command Theater of Operations are necessary to the fulfillment of that command's military mission, and are vital to continued peace and stability in the region. Any reductions in those force levels should only be done in close consultation with Congress and with a clear understanding of their impact upon the United States' ability to fulfill its current treaty obligations with other states in the region, as well as to the continued ability of the United States to deter potential aggression in the region.

(b) ANNUAL NATIONAL SECURITY STRATEGY REPORT REQUIREMENT.—The Annual National Security Strategy Report as required by Section 603 of Public Law 99–433 should provide specific information as to the adequacy of the capabilities of the United States armed forces to support the implementation of the national security strategy as it relates to the People's Republic of China.

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

ROBERTS AMENDMENT NO. 2968

(Ordered to lie on the table.)

Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill, S. 2057, supra; as follows:

At the end of subtitle D of title X, add the following:

SEC. . PRESIDENTIAL AUTHORITY TO IMPOSE NUCLEAR NONPROLIFERATION CONTROLS.

(a) AMENDMENT OF THE ARMS EXPORT CONTROL ACT.—

(1) REPROCESSING TRANSFERS; ILLEGAL EXPORTS.—Section 102(a) of the Arms Export Control Act (22 U.S.C. 2799aa–1(a)) is amended by striking ''no funds'' and all that follows through ''making guarantees,'' and inserting the following: ''the President may suspend or terminate the provision of economic assistance under the Foreign Assistance Act of 1961 (including economic support fund assistance under chapter 4 of part II of that Act) or military assistance, grant military education and training, or peacekeeping assistance under part II of that Act, or the extension of military credits or the making of guarantees under the Arms Export Control Act,''.

(2) TRANSFER OR USE OF NUCLEAR EXPLOSIVE DEVICES.—Section 102(b) of the Arms Export Control Act (22 U.S.C. 2799aa–1(b)) is amended—

(A) in paragraph (1), by striking ''shall forthwith impose'' and inserting ''may impose'';

(B) by striking paragraphs (4), (5), and (7);

(C) by redesignating paragraphs (6) and (8) as paragraphs (4) and (5), respectively; and

(D) by amending paragraph (4) (as redesignated) to read as follows:

''(4) If the President decides to impose any sanction against a country under paragraph (1)(C) or (1)(D), the President shall forthwith so inform that country and shall impose the sanction beginning 30 days after submitting to Congress the report required by paragraph (1) unless, and to the extent that, there is enacted during the 30-day period a law prohibiting the imposition of that sanction.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to determinations made by the President before, on, or after the date of enactment of this Act.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

ROBERTS AMENDMENT NO. 2969

(Ordered to lie on the table.)

Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill (S. 2159) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for fiscal year ending September 30, 1999, and for other purposes; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. PRESIDENTIAL AUTHORITY TO IMPOSE NUCLEAR NONPROLIFERATION CONTROLS.

(a) AMENDMENT OF THE ARMS EXPORT CONTROL ACT.—

(1) REPROCESSING TRANSFERS; ILLEGAL EXPORTS.—Section 102(a) of the Arms Export Control Act (22 U.S.C. 2799aa–1(a)) is amended by striking ''no funds'' and all that follows through ''making guarantees,'' and inserting the following: ''the President may suspend or terminate the provision of economic assistance under the Foreign Assistance Act of 1961 (including economic support fund assistance under chapter 4 of part II of that Act) or military assistance, grant military education and training, or peacekeeping assistance under part II of that Act, or the extension of military credits or the making of guarantees under the Arms Export Control Act,''.

(2) TRANSFER OR USE OF NUCLEAR EXPLOSIVE DEVICES.—Section 102(b) of the Arms Export Control Act (22 U.S.C. 2799aa–1(b)) is amended—

(A) in paragraph (1), by striking ''shall forthwith impose'' and inserting ''may impose'';

(B) by striking paragraphs (4), (5), and (7);

(C) by redesignating paragraphs (6) and (8) as paragraphs (4) and (5), respectively; and

(D) by amending paragraph (4) (as redesignated) to read as follows:

''(4) If the President decides to impose any sanction against a country under paragraph (1)(C) or (1)(D), the President shall forthwith so inform that country and shall impose the sanction beginning 30 days after submitting to Congress the report required by paragraph (1) unless, and to the extent that, there is enacted during the 30-day period a law prohibiting the imposition of that sanction.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to determinations made by the President before, on, or after the date of enactment of this Act.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1999

ROBERTS AMENDMENT NO. 2970

(Ordered to lie on the table.)

Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. PRESIDENTIAL AUTHORITY TO IMPOSE NUCLEAR NONPROLIFERATION CONTROLS.

(a) AMENDMENT OF THE ARMS EXPORT CONTROL ACT.—

(1) REPROCESSING TRANSFERS; ILLEGAL EXPORTS.—Section 102(a) of the Arms Export Control Act (22 U.S.C. 2799aa–1(a)) is amended by striking ''no funds'' and all that follows through ''making guarantees,'' and inserting the following: ''the President may suspend or terminate the provision of economic assistance under the Foreign Assistance Act of 1961 (including economic support fund assistance under chapter 4 of part II of that Act) or military assistance, grant military education and training, or peacekeeping assistance under part II of that Act, or the extension of military credits or the making of guarantees under the Arms Export Control Act,''.

(2) TRANSFER OR USE OF NUCLEAR EXPLOSIVE DEVICES.—Section 102(b) of the Arms Export Control Act (22 U.S.C. 2799aa–1(b)) is amended—

(A) in paragraph (1), by striking ''shall forthwith impose'' and inserting ''may impose'';

(B) by striking paragraphs (4), (5), and (7);

(C) by redesignating paragraphs (6) and (8) as paragraphs (4) and (5), respectively; and

(D) by amending paragraph (4) (as redesignated) to read as follows:

''(4) If the President decides to impose any sanction against a country under paragraph (1)(C) or (1)(D), the President shall forthwith so inform that country and shall impose the sanction beginning 30 days after submitting to Congress the report required by paragraph (1) unless, and to the extent that, there is enacted during the 30-day period a law prohibiting the imposition of that sanction.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to determinations made by the President before, on, or after the date of enactment of this Act.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

ROBERTS AMENDMENT NO. 2971

(Ordered to lie on the table.)

Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill, S. 2159, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. PRESIDENTIAL AUTHORITY TO IMPOSE NUCLEAR NONPROLIFERATION CONTROLS.

(a) AMENDMENT OF THE ARMS EXPORT CONTROL ACT.—

(1) REPROCESSING TRANSFERS; ILLEGAL EXPORTS.—Section 102(a) of the Arms Export Control Act (22 U.S.C. 2799aa–1(a)) is amended by striking ''no funds'' and all that follows through ''making guarantees,'' and inserting the following: ''the President may suspend or terminate the provision of economic assistance under the Foreign Assistance Act of 1961 (including economic support fund assistance under chapter 4 of part II of that Act) or military assistance, grant military education and training, or peacekeeping assistance under part II of that Act, or the extension of military credits or the making of guarantees under the Arms Export Control Act,''.

(2) TRANSFER OR USE OF NUCLEAR EXPLOSIVE DEVICES.—Section 102(b) of the Arms Export Control Act (22 U.S.C. 2799aa–1(b)) is amended—

(A) in paragraph (1), by striking ''shall forthwith impose'' and inserting ''may impose'';

(B) by striking paragraphs (4), (5), and (7);

(C) by redesignating paragraphs (6) and (8) as paragraphs (4) and (5), respectively; and

(D) by amending paragraph (4) (as redesignated) to read as follows:

''(4) If the President decides to impose any sanction against a country under paragraph (1)(C) or (1)(D), the President shall forthwith so inform that country and shall impose the sanction beginning 30 days after submitting to Congress the report required by paragraph (1) unless, and to the extent that, there is enacted during the 30-day period a law prohibiting the imposition of that sanction.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to determinations made by the President before, on, or after the date of enactment of this Act.

THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

DODD AMENDMENT NO. 2972

(Ordered to lie on the table.)

Mr. DODD submitted an amendment intended to be proposed by him to the bill, S. 2057, supra; as follows:

At the end of subtitle D of title VI, add the following:

SEC. 634. REDUCTION IN BACKLOG OF UNPAID RETIRED PAY.

(a) REQUIREMENT.—The Secretary of the Army shall take such actions as are necessary to achieve, by December 31, 1998, a significant reduction in the backlog of unpaid retired pay for members and former members of the Army (including members and former members of the Army Reserve and the Army National Guard).

(b) REPORT.—Not later than January 31, 1999, the Secretary of the Army shall submit to Congress a report on the backlog of unpaid retired pay. The report shall include the following:

(1) The actions taken under subsection (a).

(2) The extent of the remaining backlog.

(3) A discussion of any additional actions that are necessary to ensure that retired pay is paid in a timely manner.

(c) FUNDING.—Of the amount authorized to be appropriated under section 421, $1,700,000 shall be available for carrying out this section.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, June 23, 1998, at 9:30 a.m. in open session, to consider the nominations of General Richard B. Myers, USAF, to be commander-in-chief, United States Space Command; Vice Admiral Richard W. Mies, USN, to be commander-in-chief, United States Strategic Command; and Lieutenant General Charles T. Robertson, Jr., USAF, to be commander-in-chief, United States Transportation Command and Commander, Air Mobility Command.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, June 23, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to consider the issue of independence of Puerto Rico.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 23, 1998, at 2:30 p.m. to hold a business meeting.

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

COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, June 23, 1998 at 9:30 a.m. in room 226 of the Senate Dirksen Office Building to hold a hearing on: ''S. 2148, Religious Liberty Protection Act of 1998.''

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

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. THURMOND. Mr. President, I ask unanimous consent that the Subcommittee on Transportation and Infrastructure be granted permission to conduct a hearing Tuesday, June 23, 9:30 a.m., Hearing Room (SD–406), on the Administration's 1998 Water Resources Development Act, S. 2131; fiscal year 1999 budget request for the Army Corps of Engineers; and related matters.

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

ADDITIONAL STATEMENTS

ILO DECLARATION ON CORE LABOR STANDARDS

● Mr. MOYNIHAN. Mr. President, I rise to report to the Senate that on June 18, 1998 in Geneva, at the conclusion of the 86th International Labor Conference, the International Labor Organization adopted by an overwhelming margin an important new ''Declaration on Fundamental Principles and Rights at Work.'' The vote was 273 in favor of the new Declaration, zero opposed, with 43 abstentions. The adoption of this measure is a singular achievement and holds great promise for advancing core labor standards in the international community.

Our distinguished Secretary of Labor, the Honorable Alexis M. Herman, deserves much credit, as does Andrew Samet, her able Deputy Under Secretary for International Labor Affairs. Over the last three weeks, Secretary Herman energetically pursued this agreement throughout difficult and long negotiating sessions, and in critical corridor side-bars. Ultimately, she succeeded.

Secretary Herman has characterized the new Declaration and its follow-up mechanism as ''a big step forward for the ILO and its members as we enter the 21st Century.'' In the statement that she issued on June 18, 1998, upon the adoption of the new Declaration, she said:

> With the passage of this declaration, the ILO underlined and clarified the importance of the fundamental rights of workers in an era of economic globalization. It firmly demonstrates that we can and will move forward in an effort to see trade and labor concerns as mutually supportive—not mutually exclusive.

Another of the United States' Delegates to the International Labor Conference, AFL–CIO President John J. Sweeney, called the Declaration ''an historic breakthrough that dramatically underscores the importance of basic rights for workers in the global economy.'' And to emphasize the tripartite nature of the ILO, it should be noted for the record that the U.S. Council for International Business, which is the United States' employer representative to the ILO, was a principal supporter of this new initiative, and has been from the beginning. The Council's President, Abraham Katz, called the new Declaration ''a major achievement for the ILO.''

In essence, the ILO has bunbled together, in a single declaration, four sets of fundamental rights—the core labor standards embodying the broad principles that are essential to membership in the ILO. Having declared that those rights are fundamental, the document then provides for a monitoring system—a ''follow-up'' mechanism, to use the ILO's term—to determine how countries are complying with these elemental worker rights.

The four sets of fundamental rights are: (1) Freedom of association and the effective recognition of the right to collective bargaining; (2) the elimination of all forms of forced or compulsory labor; (3) the effective abolition of child labor; and (4) the elimination of discrimination in respect of employment and occupation.

These rights flow directly from three sources. First, from the ILO Constitution itself, which was drafted by a commission headed by Samuel Gompers of the American Federation of Labor and became, in 1919, part XIII of the Treaty of Versailles. Second, from the immensely important Declaration of Philadelphia, which reaffirmed, at the height of World War II, the fundamental principles of the ILO, including freedom of expression and association and the importance of equal opportunity and economic security. Adopted in 1944, the Declaration of Philadelphia was formally annexed to the ILO Constitution two years later. And, not least, these four groups of core labor standards flow from the seven ILO conventions that are recognized as Core Human Rights Conventions.

These seven conventions are not the highly technical agreements that make up the vast majority of the ILO's 181 conventions. Rather, they directly address the rights of working people.

They are:

No. 29—the Forced Labor Convention of 1930;

No. 87—the Freedom of Association and Protection of the Right; to Organize Convention, 1948;

No. 98—the Right to Organize and Collective Bargaining Convention, 1949;

No. 100—the Equal Remuneration Convention of 1951;

No. 105—the Abolition of Forced Labor Convention, 1957;

No. 111—the Discrimination in Employment and Occupation Convention of 1958; and

No. 138—the Minimum Age Convention of 1973.

They are extraordinary conventions. The Social Summit in Copenhagen in

1995 identified six of these ILO conventions as essential to ensuring human rights in the workplace: Nos. 29, 87, 98, 100, 105, and 111. The United Nations High Commissioner for Human Rights has classified them as ''International Human Rights Conventions.'' The Governing Body of the ILO subsequently added to the list of core conventions Convention No. 138, the minimum age convention, in recognition of the importance of matters relating to child labor. These conventions embody the broad principles that are basic to membership in the ILO.

But what makes this year's Declaration so significant, Mr. President, is its second component—the monitoring mechanism, the element that will, if implemented properly, ensure that something will come of all this. For example, the follow-up mechanism will take a look at how China is doing on prison labor, how Pakistan is doing on child labor, how the United States performs with respect to freedom of association. Yes, we will be examined, too.

I spoke to the Senate at some length about this matter during our debate last Fall on the fast track legislation. Indeed, the fast track bill that the Finance Committee reported to the floor contained an explicit endorsement—which was included in the Administration's draft proposal at this Senator's suggestion—of the ILO's efforts in this regard. That section of the Committee's bill, S. 1269, reads as follows:

> It is the policy of the United States to reinforce the trade agreements process by—promoting respect for worker's rights by—(ii) seeking to establish in the International Labor Organization . . . a mechanism for the systematic examination of, and reporting on, the extent to which ILO members promote and enforce the freedom of association, the right to organize and bargain collectively, a prohibition on the use of forced labor, a prohibition on exploitative child labor, and a prohibition on discrimination in employment. . . .

In January of this year, I traveled to Geneva to discuss this new initiative with ILO Director General Michel Hansenne and his deputies. I did so because I believe that this new Declaration has great potential. Its monitoring mechanism could evolve into an effective tool for upgrading global compliance with these core labor standards. I have argued that the monitoring system ought to include inspections, an idea that could gain acceptance over time.

The ILO is the only League of Nations organization that has survived into the era of the United Nations. It arose at a time when the idea of sending inspectors into a country to see whether that country was keeping an agreement would have been thought much too radical. That all changed in the aftermath of World War II, with the creation of the International Atomic Energy Agency in 1957.

With the IAEA, inspections have become established practice over a range of international concerns and international organizations, including the ILO. Although not explicitly provided for in the ILO Constitution, several ''inspection'' mechanisms have in fact evolved in the organization since the early 1960's. Two are of particular note. ILO Commissions of Inquiry, which investigate members' compliance with ratified conventions in accordance with Article 26 of the ILO Constitution, have conducted on-site investigations since 1961. And the special procedures established under the ILO for examining matters relating to freedom to association have, since 1965, included on-site inspections. Thus it would seem reasonable to suggest that such inspections might eventually be an effective means of reviewing countries' compliance with core labor standards. With this Declaration and its follow-up mechanism, we have a very good beginning.

In fact, this new Declaration and its follow-up mechanism might just be the key to getting our international trade policy back on track. Last November, the trade policy that has guided this country for the past 64 years—since the Reciprocal Trade Agreements Act of 1934—was called sharply into question when the Congress considered the reauthorization of the so-called ''fast track'' negotiating authority for trade agreements. After a promising start in the Senate, where two procedural votes demonstrated strong support for the measure (68 votes in favor, including a solid majority on both sides of the aisle), the effort foundered in the House when it became clear that there were not enough votes to pass it.

One of the central issues that surfaced during that debate was whether trade agreements should include provisions—in effect, statutory requirements—concerning labor and the environment.

At first, this might should like a good idea. Upon reflection, however, it simply will not work. Developing countries will not accept the proposition that they must reduce their tariff and non-tariff barriers (discriminatory product standards, import licensing requirements, and the like) and, at the same time, willingly adopt stricter environmental and labor standards. Their reaction is understable: they view such proposals as putting them at a double disadvantage—lowering their protection against foreign goods and at the same time increasing their production costs, thus eroding their competitive advantages.

The ILO has a role to play here. Indeed, it was created in 1919 for the express purpose of providing an avenue for governments that wanted to do something to improve labor standards, but were reluctant to do so unilaterally because they feared it would put them at a competitive disadvantage in world commerce.

For 79 years, the ILO has sought to address these matters. Certainly both President Roosevelt and his Secretary of Labor, Frances Perkins, understood well the connection between the ILO and our trade policies, having launched both the Reciprocal Trade Agreements program and the United States' membership in the ILO—two parallel but distinct measures—in the same year, 1934.

The ILO is the one League of Nations organization that we were least likely ever to join, and the only one we did. Even so, the United States has never been an active ratifier of international labor conventions. Of the 181 ILO conventions agreed thus far, the United States has ratified only 12. Indeed, until 1988, the United States had only ratified 7 conventions—6 maritime and one technical—the seventh convention having been ratified in 1953. Then an interval of more than 35 years with no action on the subject.

In 1988, however, a new era commenced: the United States began to ratify substantive labor conventions. Altogether, the United States has approved five ILO conventions since 1988:

Convention No. 144, the 1976, convention on Tripartite Consultation on International Labor Standards, which approved by the Senate on February 1, 1998; Convention No. 147, the Merchant Shipping Convention on Minimum Standards, adopted in 1976, and approved by the Senate February 1, 1988; Convention No. 160 on Labor Statistics, adopted by the ILO in 1985 and approved by the United States Senate on February 20, 1990; Convention No. 105, the Abolition of Forced Labor Convention of 1957, which the Senate approved on May 14, 1991; and Convention No. 150 on Labor Administration, adopted by the ILO in 1978, and approved by the Senate on October 6, 1994.

I was the floor manager for four of these. In all five conventions, we lost the votes of only two Senators on the floor: both on Convention No. 144 regarding tripartite consultation. The other four conventions passed unanimously. Most notable was the Senate's ratification in 1991, by a vote of 97–0, of the first of the ''core'' human rights conventions—Convention No. 105 on the Abolition of Forced Labor (1957), an area where the ILO has made vital contributions.

As the President announced May 18th, in his historic address to the World Trade Organization at the commemoration of the 50th anniversary of the General Agreement on Tariffs and Trade, he has now transmitted to the Senate for ratification a second ''core'' convention—Convention No. 111, the Discrimination in Employment and Occupation Convention of 1958, which calls for a national policy to eliminate discrimination in access to employment, training and working conditions.

It may be that there is new life in the ILO, that we have entered a period in which we can look to the ILO for leadership as the United States and our trading partners reap the rewards—and adjust to the challenges—of globalization. In the area of worker rights, the ILO ought to be the place to do it. To remind the Senate, the World

Trade Organization, at the conclusion of its first ministerial meeting in Singapore in December 1996, reaffirmed that the ILO was the ''competent body'' to set and deal with internationally recognized core labor standards. The Director-General of the WTO, Renato Ruggiero, with whom I discussed the ILO initiative at length in January, has lent his strong support. As Ambassador Ruggiero put it in a speech in Bonn on December 9, 1997, the WTO's members agreed at Singapore that ''the ILO was the relevant body where the issue of labor standards should be addressed.'' He noted:

> The fact that the ILO is now making important strides in these areas demonstrates, not only that consensus on the most difficult issues is possible, but that consensus is absolutely critical to real and lasting progress. Supporting the current efforts in the ILO toward reaching a declaration on Fundamental Workers Rights is the best way of demonstrating that the real objective is to promote labor standards and not to seek protectionist measures.

It is possible, Mr. President, that this new Declaration on Fundamental Principles and Rights at Work, together with its monitoring provisions, will give new energy to the ILO at a time when new energy and direction are sorely needed to guide us out of the muddle in which we find ourselves with respect to trade.

I offer my great congratulations to Secretary Herman, to John J. Sweeney, President of the AFL-CIO, and to Abraham Katz, President of the U.S. Council for International Business for this singular achievement, and I ask that the full text of the declaration and its follow-up mechanism, as well as the text of Secretary Herman's statement, be printed in the RECORD.

The material follows:

INTERNATIONAL LABOUR CONFERENCE—86TH SESSION GENEVA, JUNE 1998

ILO DECLARATION ON FUNDAMENTAL PRINCIPLES AND RIGHTS AT WORK

Whereas the ILO was founded in the conviction that social justice is essential to universal and lasting peace;

Whereas economic growth is essential but not sufficient to ensure equity, social progress and the eradication of poverty, confirming the need for the ILO to promote strong policies, justice and democratic institutions;

Whereas the ILO should, now more than ever, draw upon all its standard-setting, technical cooperation and research resources in all its areas of competence, in particular employment, vocational training and working conditions, to ensure that, in the context of a global strategy for economic and social development, economic and social policies are mutually reinforcing components in order to create broad-based sustainable development;

Whereas the ILO should give special attention to the problems of persons with special social needs, particularly the unemployed and migrant workers, and mobilize and encourage international, regional and national efforts aimed at resolving their problems, and promote effective policies aimed at job creation;

Whereas, in seeking to maintain the link between social progress and economic growth, the guarantee of fundamental principles and rights at work is of particular significance in that it enables the persons concerned to claim freely and on the basis of equality of opportunity their fair share of the wealth which they have helped to generate, and to achieve fully their human potential;

Whereas the ILO is the constitutionally mandated international organization and the competent body to set and deal with international labour standards, and enjoys universal support and acknowledgement in promoting fundamental rights at work as the expression of its constitutional principles;

Whereas it is urgent, in a situation of growing economic interdependence, to reaffirm the immutable nature of the fundamental principles and rights embodied in the Constitution of the Organization and to promote their universal application;

The International Labour Conference,

1. Recalls: (a) that in freely joining the ILO, all Members have endorsed the principles and rights set out in its Constitution and in the Declaration of Philadelphia, and have undertaken to work towards attaining the overall objectives of the Organization to the best of their resources and fully in line with their specific circumstances; (b) that these principles and rights have been expressed and developed in the form of specific rights and obligations in Conventions recognized as fundamental both inside and outside the Organization.

2. Declares that all Members, even if they have not ratified the Conventions in questions, have an obligation arising from the very fact of membership in the Organization, to respect, to promote and to realize, in good faith and in accordance with the Constitution, the principles concerning the fundamental rights which are the subject of those Conventions, namely: (a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; and (d) the elimination of discrimination in respect of employment and occupation.

3. Recognizes the obligation on the Organization to assist its Members in response to their established and expressed needs, in order to attain these objectives by making full use of its constitutional, operational and budgetary resources, including by the mobilization of external resources and support, as well as by encouraging other international organizations with which the ILO has established relations, pursuant to article 12 of its Constitution, to support these efforts: (a) by offering technical cooperation and advisory services to promote the ratification and implementation of the fundamental Conventions; (b) by assisting those Members not yet in a position to ratify some or all of these Conventions in their efforts to respect, to promote and to realize the principles concerning fundamental rights which are the subject of those Conventions; and (c) by helping the Members in their efforts to create a climate for economic and social development.

4. Decides that, to give full effect to this Declaration, a promotional follow-up, which is meaningful and effective, shall be implemented in accordance with the measures specified in the annex hereto, which shall be considered as an integral part of this Declaration.

5. Stresses that labour standards should not be used for protectionist trade purposes, and that nothing in this Declaration and its follow-up shall be invoked or otherwise used for such purposes; in addition, the comparative advantage of any country should in no way be called into question by this Declaration and its follow-up.

ANNEX

FOLLOU-UP TO THE DECLARATION

I. OVERALL PURPOSE

1. The aim of the follow-up described below is to encourage the efforts made by the Members of the Organization to promote the fundamental principles and rights enshrined in the Constitution of the ILO and the Declaration of Philadelphia and reaffirmed in this Declaration.

2. In line with this objective, which is of a strictly promotional nature, this follow-up will allow the identification of areas in which the assistance of the Organization through its technical cooperation activities may prove useful to its Members to help them implement these fundamental principles and rights. It is not a substitute for the established supervisory mechanisms, nor shall it impede their functioning; consequently, specific situations within the purview of those mechanisms shall not be examined or re-examined within the framework of this follow-up.

3. The two aspects of this follow-up, described below, are based on existing procedures: the annual follow-up concerning non-ratified fundamental Conventions will entail merely some adaptation of the present modalities of application of article 19, paragraph 5(e) of the Constitution; and the global report will serve to obtain the best results from the procedures carried out pursuant to the Constitution.

II. ANNUAL FOLLOW-UP CONCERNING NON-RATIFIED FUNDAMENTAL CONVENTIONS

A. Purpose and scope

1. The purpose is to provide an opportunity to review each year, by means of simplified procedures to replace the four-year review introduced by the Governing Body in 1995, the efforts made in accordance with the Declaration by Members which have not yet ratified all the fundamental Conventions.

2. The follow-up will cover each year the four areas of fundamental principles and rights specified in the Declaration.

B. Modalities

1. The follow-up will be based on reports requested from Members under article 19, paragraph 5(e) of the Constitution. The report forms will be drawn up so as to obtain information from governments which have not ratified one or more of the fundamental Conventions, on any changes which may have taken place in their law and practice, taking due account of article 23 of the Constitution and established practice.

2. These reports, as compiled by the Office, will be reviewed by the Governing Body.

3. With a view to presenting an introduction to the reports thus compiled, drawing attention to any aspects which might call for a more in-depth discussion, the Office may call upon a group of experts appointed for this purpose by the Governing Body.

4. Adjustments to the Governing Body's existing procedures should be examined to allow Members which are not represented on the Governing Body to provide, in the most appropriate way, clarifications which might prove necessary or useful during Governing Body discussions to supplement the information contained in their reports.

III. GLOBAL REPORT

A. Purpose and scope

1. The purpose of this report is to provide a dynamic global picture relating to each category of fundamental principles and rights noted during the preceding four-year period, and to serve as a basis for assessing the effectiveness of the assistance provided by the Organization, and for determining priorities for the following period, in the form of action plans for technical cooperation designed in particular to mobilize the internal

and external resources necessary to carry them out.

2. The report will cover, each year, one of the four categories of fundamental principles and rights in turn.

B. Modalities

1. The report will be drawn up under the responsibility of the Director-General on the basis of official information, or information gathered and assessed in accordance with established procedures. In the case of States which have not ratified the fundamental Conventions, it will be based in particular on the findings of the aforementioned annual follow-up. In the case of Members which have ratified the Conventions concerned, the report will be based in particular on reports as dealt with pursuant to article 22 of the Constitution.

2. This report will be submitted to the Conference for tripartite discussion as a report of the Director-General. The Conference may deal with this report separately from reports under article 12 of its Standing Orders, and may discuss it during a sitting devoted entirely to this report, or in any other appropriate way. It will then be for the Governing Body, at an early session, to draw conclusions from this discussion concerning the priorities and plans of action for technical cooperation to be implemented for the following four-year period.

IV. IT IS UNDERSTOOD THAT:

1. Proposals shall be made for amendments to the Standing Orders of the Governing Body and the Conference which are required to implement the preceding provisions.

2. The Conference shall, in due course, review the operation of this follow-up in the light of the experience acquired to assess whether it has adequately fulfilled the overall purpose articulated in Part I.

The foregoing is the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up duly adopted by the General Conference of the International Labour Organization during its Eighty-sixth Session which was held at Geneva and declared closed the 18 June 1998.

IN FAITH WHEREOF we have appended our signatures this nineteenth day of June 1998.

The President of the Conference,

The Director-General of the International Labour Office.

''This is a big step forward for the ILO and its members as we enter the 21st Century. With the passage of this Declaration, the ILO has underlined and clarified the importance of the fundamental rights of workers in an era of economic globalization. It firmly demonstrates that we can and will move forward in an effort to see trade and labor concerns as mutually supportive—not mutually exclusive.

As we have said and as President Clinton stated in his speech to the World Trade Organization on May 18, we must continue to forge a working relationship between the ILO and the WTO. We continue to see it as vitally important to a strengthened trading system that we advance the effort to protect basic workers rights. That remains our policy and our commitment.

This Declaration and its follow-up procedure furthers our abilities to pursue these objectives. Nothing in this Declaration restricts our ability to advance together the liberalization of international trade and the protection of basic worker rights. As the ILO has stated, the Declaration does not impose any restrictions in this regard on members.

It is also clear, with this recommitment to core values, that the ILO members have accepted the need to be accountable. And with this action, there will now be a process within the ILO to demonstrate that accountability.

I was honored to be a part of this historic ILO meeting and to work with my colleagues to adopt this crucial Declaration that outlines a vision for the next century for this organization. Clearly we proved in these weeks in Geneva, that a consensus can be reached among governments and between employer and worker groups.

There were long and difficult negotiations over this Declaration, but I was always confident about the outcome because, from the beginning, there was a consensus among us, a shared objective and an historical obligation to do what we have done.''●

UNSHACKLE LEADERS OF AMERICA'S EDUCATION

● Mr. COVERDELL. Mr. President, the results of the 1998 Stanford 9 tests—better known as the SAT's—are now available. Overall, the results are dismal. No matter what improvements may be noted here and there, the bottom-line numbers reveal a failing education system that shortchanges the students and parents who rely upon it.

In each of the four categories of performance—below basic, basic, proficient, and advanced, the story is the same. As a group, the kids fall farther behind as they progress through the system. That's the case with regard to both math skills and reading.

That disturbing news is all the more reason for those of us who are committed to structural reform of this country's schools to redouble our efforts, especially in providing education alternatives for low-income families.

In the process, we should not overlook the need for sound management in our schools. Indeed, managerial reforms, implemented on the State and local level, will be crucial to the success of education reform. That is the point made by Donald Bedell, Chairman of the Bedell Group and a longtime consultant in management and organizational structure for major corporations.

Mr. Bedell has outlined his thinking along those lines in a brief paper that exhorts Congress to ''unshackle leaders of American education.'' His insights are on target, and I ask that they be printed in the RECORD.

The material follows:

UNSHACKLE LEADERS OF AMERICA'S EDUCATION

The never-ending and often contentious national debate over the future course of public education disguises the negative impact excessive administrative control exerts on student academic achievement. How?

It concentrates on finding ''solutions'' in Washington and in state capitols, year after year after year, for each of the endless number of individual school functions that yearn for assistance. Yet, bureaucracies in all four management levels unnecessarily complicate and slow decision-making, cause costs to rise, burden classroom teachers with intolerable administrative burdens, and share responsibility for student academic scores that have stayed flat for a generation. The overhang of irresponsible mandates continues to plague efficient management efforts.

A detailed study of Indianapolis public schools budgets (IPS) by the Friedman Foundation, for example, indicated that annual cost per student was $9,886, (double the U.S. average), school enrollment between 1990 and 1996 dropped from 52,000 to 43,000, while administrative costs rose from $370 to $500 per pupil and little more than 30% of its budget paid for teacher salaries. Its student scholastic record, compared to state, national and IPS results, an average of 10% below the national average, 25% below the state results and 35% below the Catholic school average in Indianapolis.

It seems clear that The Friedman Foundation, and Mayor Goldsmith, believe that the IPS current condition demands a thorough management restructuring including reduction of administrative overhead, including additional voucher programs and turning over several dozen non-education support services to private sector contractors. On any professional cost-benefit analysis, development of effective managers and leaders wins by an overwhelming margin.

Meanwhile, attention of many leaders has been diverted from focusing on laying the foundation, and nurturing it, for more efficient school organization structures at all four levels—each state, local school boards, district superintendents and school principals. They are the management ''balance wheel'' function that must be charged with primary responsibility for improved education—not Congress, not the Education Secretary, not the President.

Those four entities alone bear the total responsibility to deliver an improving body of high school graduates—not curriculum experts, not standards experts, not teacher selection experts, not police surveillance of students. On the quality of public school leadership and management, as in the business community, rests the future of public schools, in the words of the Educational Research Service as early as 1992.

Unfortunately, organization and management matters are still viewed by some as an overpowering, fearsome, inscrutable, unchanging and monolithic structure manipulated by unknown backroom shadowy characters. Nonetheless this command and control management culture survived world wide for 100 years! Initiated by the King of Prussia in the 1880s, it has served America's military and business organizations well through wars, depressions, industrial revolutions and bloody foreign revolutions. It got the job done and brought a successful conclusion to World War II that left America at the top of the heap in international economic and political affairs.

But, beginning in the 1960s, the emergence of the most stunning and enormous revolutions in the volume and depth of all scientific inquiry, improved product manufacturing, expanded global trade and investment, and vast communications demands, swamped business operations. It forced business management to devise new operational procedures that adjusted to this new reality. It demanded a new flexibility to manage the data, and, to provide opportunities for individuals to increase their contributions to a more productive society.

Organization structure became organic and specific to each institution and its purpose. In business historian Alfred Chandler's words, ''Structure follows strategy. But it must be flexible to allow for changes. Organization design and structure require thinking, analysis and a systemic approach. The new organization paradigm turns a monumental relic of the past into a living current organism.''

What are the dynamics of such new flexible structures? Maximize personal and financial resources. In Peter Drucker's words, leaders can't allow organization structure to remain static, or ''just evolve. The only things that

evolve are disorder, friction, malperformance.

What then is the driving force of strategy and tactics? Recognition that all institutions, including public education, are subject to competition. There is no specific structure to strategy development that leaders should follow. But not until a decision is made at the top of the four levels of management to construct a well-articulated purpose, and then to accept discovering, understanding, documenting, and exploiting insights as a means to create more value than competing organizations, can be solid basis of strategy be laid.

Would the education sector face the sometimes painful adjustments of restructuring as the private sector? Not necessarily. Once a long range schedule and target established, the time frame could extend over 5 or even 10 years, taking advantage of personnel attrition and retirements and the influx of new students. Firing 30% of the District of Columbia central office, announced recently, in one fell swoop, could easily be avoided except in severe financial crises.

What are possible Congressional education strategies?

(1) Encourage state governments to unshackle state education leaders by deregulating school boards and by re-invigorating school district superintendents, school boards, principals, and teachers by releasing them from state mandates, statutes, rules and regulations, as former Motorola Chairman Galvin suggested.

(2) Promote an ''Executive Scholarship Fund'' for 3,000 eligible education sector managers at various levels each education year, for 5 years, for training in business management practices. The cost? At $5,000 each, maximum cost would amount to $15 million to be borne 20% by grantees, or a net $12 million.

(3) Promote a ''Teacher's Management Improvement Fund,'' for 12,000 eligible teachers each school year for 5 years @ $1500 for a total of $18 million to be borne 20% by grantees or a net of $14.4 million.

(4) Continue to consider funding a wide variety of education programs to states and local entities, despite continuing evidence that student academic remains flat or worse.

(5) Withhold support for a $22 billion 2-year federal funding program for local school building programs, and a $12 billion plan over 7 years to hire 100,000 teachers as proposed by the President.

On any credible professional measurement, the development of effective managers and leaders wins by an overwhelming vote. They can and do make mistakes, but without them, society wanders about in an amorphous atmosphere of confusion and indecision—without positive results. Such an environment would contribute nothing to the development of America.●

THE U.S. COAST GUARD AUXILIARY

● Mr. MURKOWSKI. Mr. President, I rise to call the attention of my colleagues to the distinguished record of the United States Coast Guard Auxiliary, which today marks its 59th year of operation.

Most of us know this fine group of men and women only as the civilian arm of the Coast Guard—a volunteer group of friends and neighbors who offer safe boating and navigation classes, and perform courtesy inspections to ensure that our boats are equipped the way they should be.

However, Mr. President, there is far more to the Auxiliary. The Auxiliary was formed when the clouds of war threatened all the civilized world, and when war came to the United States, the members of the Auxiliary served their country well.

Recently, the commander of United States Coast Guard Group San Francisco, Captain Larry Hall, spoke to Auxiliary Flotilla 5–7 on the 55th anniversary of its formation. His address is a capsule history of the Auxiliary in general, and of San Francisco's ''Diablo'' flotilla as a specific example, as well as a look at how the Auxiliary and the active-duty Coast Guard work together to keep Americans safe.

Mr. President, I ask to have Captain Hall's remarks printed in the RECORD.

The remarks follow:

REMARKS TO COMMEMORATE THE 55TH ANNIVERSARY OF ''DIABLO'' FLOTILLA 5–7 COAST GUARD AUXILIARY

(By Captain Lawrence A. Hall, USCG).

Immediate Past District Commodore Marilyn McBain, Vice Commodore Mike Maddox, District Rear Commodore Jack O'Neill, Flotilla Commander Bill Graham, Members of Diablo Flotilla 5–7, fellow members of Team Coast Guard, and friends:

You have honored me with the kind invitation to speak to you on this special occasion * * * to share this important piece of Coast Guard History—of the Coast Guard Auxiliary and the role Flotilla 5–7 played in it. Needless to say, the Auxiliary has been an important part of our Service's history during this century, and as an active-duty Coast Guard member, I'm honored to be associated with you all.

I realize that many of you here tonight have personal memories of World War II, and that some of you served our country with distinction during those years of trial for our nation. Of course, I'm but a youngster, and wasn't even a gleam in my parents' eye until nine years after the war ended! I don't share any of those memories, and had to borrow from someone else. So, before I get too far along in talking about the Auxiliary's early years, let me credit Malcolm Willoughby's book The Coast Guard in World War II, published in 1957 by the U.S. Naval Institute. It's an excellent reference.

Let me start at the beginning * * * The forerunner of the Coast Guard Auxiliary, originally called the Coast Guard Reserve, was created on June 23, 1939. Its missions were to:

Promote safety of life at sea and upon navigable waters,

Disseminate information relating to the laws, rules and regulations concerning motorboats and yachts,

Distribute information and knowledge concerning the operation and yachts, and,

Cooperate with the Coast Guard

It seems that we were just yesterday celebrating the Auxiliary's 50th anniversary—I know we're not getting any older, but shudder to think that somehow time's flown, and next year we'll actually be celebrating the Auxiliary's 60th!

To continue * * * With war underway in Europe, on February 19, 1941, Congress passed the Auxiliary and Reserve Act. The Act in effect created a real military Coast Guard Reserve as we have today, added the uniformed but unpaid Coast Guard Temporary Reserve, and gave you, the civilian arm of the Coast Guard, your present name. Then war broke out * * * and you jumped into action. I've read that Seattle flotillas actually commenced patrols on the evening following the Pearl Harbor Attack. Many patrols were quickly established elsewhere, with Auxiliarists putting in countless hours patrolling in their own vessels. By June 1942 the Auxiliary had grown to about 11,500 people, with 9,500 boats organized into 44 flotillas.

At first any Auxiliary member could volunteer the services of his boat, himself, and crew for temporary service in the Temporary Reserve. In this way, the Coast Guard drew on trained Auxiliarists for the performance of regular Coast Guard duties afloat on a military basis, and the Auxiliary became chiefly a source of military supply.

The program for temporary reservist on full-time duty with pay was originally established to aid the acquisition of badly needed reserve boats and people from the Auxiliary because the need for small craft in the early days was extremely urgent. Men were enrolled for temporary duty for specific periods such as three or five months, and usually assigned to their own vessels. They were not transferred from their particular boat or out of District. Their duty was chiefly with the Coastal Picket Fleet from June through November 1942, when this type of duty was discontinued.

As the war tempo increased and port security responsibilities grew, the Coast Guard leadership realized that the Auxiliary's civilian status prevented their effective wartime use. Not only did Auxiliarists lack military authority, but when going out on anti-submarine warfare patrol, they risked, if captured, being executed as spies! The need for militarization was obvious, the result being that the majority of Auxiliarists were eventually enrolled in the Coast Guard Temporary Reserve. This final setup for the Temporary Reserve, enacted on 29 October 1942, included Auxiliarists in a part-time no-pay status. The Temporary Reserve gradually took over patrol responsibilities from the Auxiliary, with Auxiliary patrols finally being discontinued in 1 January 1943. In the various configurations of the Temporary Reserve, the Auxiliary provided a nucleus of men well-qualified in small boat handling, along with their boats. This force, which by war's end numbered 30,000 Temporary Reservists and 1,000 boats recruited from the Auxiliary, allowed our more able-bodied men to be sent to the combat theaters, and performed a service on the home front which was vital to our national security.

So, it was in this context that the Diablo flotilla was created in 1943. Though I don't have access to much in the way of Flotilla historical records, your Flotilla Commander Bill Graham tells me that, depending on how you count it, the Diablo flotilla was either the sixth flotilla—or one of the first nine flotillas—formed in the Northern Region of the Eleventh District. I'm sure that your predecessors in this Flotilla had a large part in patrolling the lower Sacramento and San Joaquin Rivers as well as the upper San Francisco and San Pablo Bays. People from Diablo Flotilla undoubtedly gave their service to the Temporary Reserve, making a vital contribution to the security of the Bay and Delta areas. I have to think this was no insignificant task, given the strategic sites at the Naval Weapons Station and Port Chicago, Mare Island Naval Shipyard, and the oil refineries of the area. This, and they still performed all their usual boating safety functions.

Now I'll fast forward from the forties to modern times. Flotilla 507 has been an active force in promoting safe boating in the Delta. I note that:

In 1994, under Jack O'Neill's leadership, you were lauded as the District Eleven (Northern Region) outstanding flotilla.

In 1996, with Michael Hays as Flotilla Commander, you were given the award as Outstanding Flotilla in Division 5.

In 1997, led by Tim Martell, you collected two of seven District awards for flotillas, for public affairs and for highest number of vessel examinations.

Looking at recent Auxiliary Management Information System (AUXMIS) reports, which I thank your Immediate Past Commodore and District Staff Officer for Information Systems, Marilyn McBain for making happen, I see you're still building good numbers:

I see strength in your membership—77, which includes 14 Auxiliary Operators!

I see strength in your public education: two Boating Skills and Seamanship (BS&S) and three Sailing and Seamanship (S&S) courses in 1996; four BS&S, one S&S and four Boating Safely courses given in 1997; and 19 class sessions in various courses given so far this year.

I see strength in your vessel examination program: 20 examiners conducting 459 CME's in 1997, up from 210 in 1996—and you've already completed 210 exams so far this year.

I see strength in your Marine Dealer Visit Program, with between five and seven Marine Dealer Visitors making 66 visits in 1996, 88 visits in 1997, and still building numbers this year.

In these and all your other programs—Operations, Public Affairs, Member Training—you show that the Diablo Flotilla is active, is connecting with the public, is making a difference. I hope you still have room on your trophy shelf, since you'll no doubt be adding more ''hardware'' to it!

This brings us to today. I stand here as the Group Commander within whose area of responsibility you spread the gospel of safe boating. I'm here to tell you that I am your partner in serving the public—the Coast Guard's customers in the lower Delta and Suisun Bay. Our safety missions are mutually dependent, and firmly linked together. Since taking command of Group San Francisco last Summer, I have embarked the Group on the strategy of community interaction. Yes, we in the Group do exist to provide critical search and rescue resources to the citizens of Central California and to enforce Federal laws where necessary. But the greatest of our missions is in protecting the safety of recreational boaters in the area we serve. I see the recreational boater's life as a continuum, starting when they buy and equip their vessel, continuing hopefully with some good education. Then comes the voyage, which usually, hopefully ends safely, but sometimes ends in a search and rescue case or an adverse Coast Guard boarding. In the past we at the Group dwelled too much on that far end of the continuum, especially in our huge number of law enforcement boardings—and I'm sure you read about it in the local maritime press. Where I am guiding our efforts now is to the start of that continuum—before the boater gets underway. To that end, I've directed Group personnel to steer their efforts at meeting and getting to know the boaters:

We're walking the docks, boat ramps, and marinas, seeing the boaters with their vessels, answering their questions, giving advice, steering them toward the products you offer—vessel exams and boating safety courses.

We're making more public appearances: at boat shows, yacht clubs, service clubs, and schools.

We're making friendly contacts with boaters on the water, commending them for safe boating practices, for wearing their personal floatation devices (PFDs), for being conscientious.

We're listening to the boaters, constantly looking for better ways we can serve them.

Finally, to show my regard for your vessel exam program, I have directed Coast Guard crews to not conduct random boardings on recreational vessels showing a current Courtesy Marine Examination sticker. We'll still board all vessels, including those with current CMEs, any time we can articulate a valid reason, such as for unsafe operation. But again, we will not randomly board vessels showing the sticker—proof of their commitment to equip their boats properly. I believe in your vessel exam program, and want to give boaters all possible motivation to let you aboard!

In all our efforts, while we won't ever give up our responsibility to enforce boating safety law when necessary, we're out to show the boating public that we're a partner with them in maximizing success and enjoyment in their boating experience. In face-to-face contact I want them to see that we're real people, just like them, who have an important job to do.

Now, here's where our fortunes really are linked. It's no surprise that we all have been searching for good measures of effectiveness in our boating safety programs—for ways that we can relate our hours of effort into the desired outcome of safer boating. Knowing that the Commandant has established a goal that we save at least 90 percent of distressed boaters after Coast Guard notification, I think we can make a difference there. To that end, I am measuring the number of person hours and personal contacts made by Group San Francisco people. This hopefully will translate in the next couple years to an increase in the number of people coming to you for vessel examinations and registering for safe boating courses—whether Coast Guard Auxiliary or U.S. Power Squadron. Finally, increased vessel exams and boating course students should translate to both a reduction in search and rescue cases among recreational boaters and better outcomes for the cases we do respond to. We're making the effort to encourage boating safety, and hope that our future numbers bear it out.

With this, I ask a couple things of you, the Diablo Flotilla. First, keep up the great work. You've got a rich tradition, going back to earliest days of the Auxiliary. You've got the strength in numbers to keep it going. Second, work to ensure that the quality of your vessel exam and public education programs is second to none, along with your Marine Dealer Visit Program, which is yet another way that we can direct boaters to the services we offer. I'm depending on it and I'm doing the same with the services that we in Group San Francisco perform.

In closing, I'm extremely proud to call you partners, members of Team Coast Guard and Team Group San Francisco. Be proud of where your Flotilla has come from, of the missions you've performed, and of your excellence yet to come. We'll be there with you. May we all be—Semper Paratus. Thank you. ●

RETIREMENT OF MR. A. GERALD ERICKSON

● Ms. MOSELEY-BRAUN. Mr. President, I would like to take a few minutes today to recognize a gentleman who is retiring from a distinguished career as President of the Chicago-based Metropolitan Family Services, Mr. A. Gerald Erickson. In his 27 years as President of this valuable agency, Jerry Erickson has demonstrated an outstanding level of commitment to under-served families and individuals in Chicago. Under his leadership, Metropolitan Family Services has a record of great accomplishments in improving the opportunities and quality of life for thousands of low-income Chicagoans.

In 1958, Jerry Erickson began his career with the agency, then known as United Charities, as a social worker fresh out of school and a two year stint in the Army. After earning a Master's Degree in Social Work from the University of Chicago in 1960, Jerry remained with United Charities full time, and in 1971 became President.

Two and a half years ago, and a quarter of a century into Mr. Erickson's tenure, United Charities changed its name to Metropolitan Family Services. Through this and many other organizational changes over the years, Jerry Erickson has remained steadfastly committed to serving the under-privileged residents of the Chicago metropolitan area.

As Chicago's oldest and largest nonsectarian social services organization, Metropolitan Family Services provides services ranging from family counseling to financial education for more than 100,000 families in the Chicago area. The agency operates on an annual budget of approximately $22 million, and has recently concluded a successful $15 million private fundraising campaign. The success of the organization can be attributed to the committed hard work of all of the agency's staff, and to great leadership from Jerry Erickson. Through their efforts, the agency's future will be bright and long-lasting.

Through out his career, Jerry Erickson has carried himself in a soft-spoken, modest manner which has led many of his colleagues in the field of social work to refer to him as the ''Jimmy Stewart of social services.'' Now, in classic Jerry Erickson character, he is quietly retiring as the President of Metropolitan Family Services and is passing the reigns on to a successor he helped choose.

Those who know and work with Jerry Erickson should be heartened by his promise to continue to work as a consultant to social service agencies. And Jerry's successor, Richard Jones, Ph.D., is highly qualified and committed to continuing and expanding the great work of Metropolitan Family Services.

Through his work with Metropolitan Family Services, as well as his participation and leadership in various national social services task forces, associations, and alliances, Jerry Erickson has well earned his reputation as a national leader in social work. Jerry Erickson's work is a model of service for all Americans to follow, and I commend his lasting commitment to serving the most vulnerable in our society.

On behalf of all the lives he has touched in his outstanding career with Metropolitan Family Services, I want to thank him and wish him good luck and Godspeed in all of his new endeavors.●

ALPHA SIGMA TAU CELEBRATES 100TH ANNIVERSARY

● Mr. ABRAHAM. Mr. President, I rise today to recognize an important event that will take place in the state of Michigan. Alpha Sigma Tau, a national sorority, will be celebrating its 100th anniversary this summer.

Alpha Sigma Tau was founded at Michigan State Normal College, (now Eastern Michigan University) Yspilanti, Michigan on November 4, 1899. The Founding Sisters were: Helene M. Rice, Adiance Rice, May Gephart, Ruth Dutcher, Mayene Tracy, Eva O'Keefe, Mabel Chase and Harriet Marx. Alpha Sigma Tau aims to attract women of good character and spirit. One of the sororities' main goals is scholastic achievement.

Alpha Sigma Tau was nationalized in 1925. There are 59 active collegiate chapters and 3 active existing colonies in the United States. In 1949, the sorority became a National Panhellenic Council member and was represented on the Executive Committee from 1979 until 1985. Alpha Sigma Tau was honored to have a member serve as President from 1983–85. Alpha Sigma Tau National Foundation, founded in 1985, offers a wide variety of scholarships, awards, grants and loans to the sorority sisters. Additionally, the sorority contributes philanthropically to several causes.

The celebration of the 100th anniversary will take place at the Centennial Convention at the Sheraton Inn in Ann Arbor, Michigan from Tuesday, June 23 until Saturday, June 27. The celebration will include over 300 collegiate and alumnae women and their guests. Alpha Sigma Tau will be presenting Eastern Michigan University with a gift to commemorate the occasion. I extend my warmest regards to all who are involved with this celebration.●

MRS. ELLIE MCNAMARA

● Mr. LEAHY. Mr. President, I rise today with great pleasure to recognize Mrs. Ellie McNamara for a career of exemplary service in Vermont public schools. Her career spans four decades, beginning in 1958 as a fourth grade teacher, and for the last 17 years as principal of the C.P. Smith primary school in Burlington. She will retire at the close of this school year.

There is no better evidence than the work of Mrs. McNamara to the truth of the adage, ''There is no substitute for a good teacher.''

The devotion with which she met the challenges of teaching and then as a principal won her the hearts and minds of students, faculty and parents alike. She has made a difference.

Even as she moves into retirement she continues to serve as a role model for all of us. I wish her well as she moves into the next stage of her life.

Marcelle and I have known Ellie McNamara, her husband Jim who is a distinguished lawyer and her wonderful family for decades. Burlington and Vermont are proud of her and her family.

I ask that an article regarding her retirement from the Burlington Free Press be printed in the RECORD.

The article follows:

[From the Burlington Free Press, May 28, 1998]

RETIREMENT IS PRINCIPAL LOSS

(By Anne Geggis)

Guests, gifts and tokens celebrating Ellie McNamara's 17 years leading Burlington's C.P. Smith School keep pouring in as the days of her career run out.

The message they all bring: Don't go.

Wednesday, community members ranging from kindergartners to her now-grown students to Gov. Howard Dean gathered to admire the longtime principal's accomplishments. Janet Breen, a mother of three, wasn't the only wistful attendee.

''She's a wonderful woman, wonderful,'' Breen said. ''I wish she'd retire after my toddler left, but that would be 10 years.''

Dean told the assembled crowd that McNamara is the reason his kids are in Burlington schools. Faculty members got teary-eyed talking of the fun she has brought to the New North End elementary school.

''It's a huge loss,'' sighed Leslie Kaigle, a School Board member from the Old North End who has worked with McNamara on school committees. ''Her connections with families, with people . . .''

McNamara, however, remains firm that a career started in 1958 teaching his fourth-grade at the now-demolished Converse School, should come to an end now.

''You should leave while the audience is still clapping,'' she said, flashing her trademark toothy smile.

The force of a personality that can memorize the names of all 358 of her students and their siblings and parents, is something to be reckoned with. In the space of a half hour Wednesday, she examined a scraped knee, started a purple fleece jacket on the road to a reunion with its owner and watched more than 100 wriggling bodies during lunch.

There's a devilish side, too: She's been known to take her hairdresser's phone calls before the superintendent's. Holding a conversation with her requires that eyes remained fixed on her. Look away for a moment and she's gone around a corner. She's often quoted as saying, ''I've got to see you. I'll be back on a minute.''

But ask what's planned for C.P. Smith's final assembly on the last day of school, and the frenetic pace of this 62-year-old grandmother of six stills.

''The final assembly . . .'' she said, a catch in her voice. Eyes suddenly turn misty. ''That's when . . . well, I can't talk about it now.''

Linda Dion, who has been school secretary for 16 of McNamara's 17 years, picked up where McNamara left off: ''At the end of the assembly, the fifth-graders march out as we sing the C.P. Smith song. This time, Ellie will be marching out behind them.''

IN RECOGNITION OF THE SESQUICENTENNIAL OF THE VILLAGE OF DIMONDALE

● Mr. LEVIN. Mr. President, I rise today to pay tribute to the Village of Dimondale, located in Eaton County, Michigan, which will hold its Sesquicentennial celebration from June 26–28, 1998.

Dimondale was established in 1848 by Isaac Dimond, a wealthy former New York resident who had purchased 4,000 acres of land in Michigan in 1837. Mr. Dimond and his wife, Sarah, left New York for his ''wild land'' in Michigan in 1840, after poor investments caused them to lose most of their possessions. In 1848, Mr. Dimond built his house on Jefferson Street, and the Dimondale School District was formed, signifying the establishment of the community. Isaac Dimond founded several businesses in Dimondale, including a saw mill, a general store and a grist mill. In 1860, Isaac Dimond returned to New York, where he died in 1862.

Today's residents of Dimondale are proud to celebrate the history and heritage of Isaac Dimond and the village he created 150 years ago. During the Sesquicentennial festivities, Dimondale residents are encouraged to dress in period clothing while participating in a family picnic and watching a baseball game featuring the Kent Base Ball Club of Grand Rapids, Michigan, which has been in existence for 130 years and which plays by the rules the game followed in the 1800s.

Mr. President, I know my colleagues will join me in congratulating the residents of Dimondale, Michigan, on this special occasion.●

JOEL BARLOW, DIPLOMAT AND PATRIOT

● Mr. LIEBERMAN. Mr. President, I rise to honor one of America's earliest diplomats and a distinguished native of Connecticut, Joel Barlow. On June 28, in a modest ceremony, a bronze biographical tablet will be dedicated to Barlow in the churchyard of the tiny village of Zarnowiec, Poland, where Barlow died and was laid to rest in 1812. The event is organized and the tablet donated by the Joel Barlow Memorial Fund, in cooperation with the American Center of Polish Culture and DACOR, Diplomatic and Consular Officers Retired (of the U.S. State Department).

Joel Barlow was born in 1754 and raised in Redding, Connecticut. His ancestors were among the earliest settlers of the region. After graduating from Yale University in 1778, he took an additional Divinity course and joined George Washington's army as a chaplain, serving for three years until the end of the Revolution. He slipped home from his army duties long enough to marry Ruth Baldwin, the sister of a Yale classmate. They married in secret because of her father's initial objection.

At the close of the war in 1782, the couple moved to Hartford, where Barlow helped publish the magazine ''American Mercury,'' writing political pamphlets, satires, and poetry. He was one of a group of satirical writers, mostly Yale men, known as the ''Hartford Wits.'' At that time, he also completed and published the first version of his American verse epic, ''The Vision of Columbus.'' It is said that in this work, he was the first writer in English

to use the words ''civil,'' ''civic,'' and ''civilization'' in their modern senses. He also envisioned a future international council very much like today's United Nations, dedicated to peacekeeping, cultural exchange, and development of the arts.

In 1786, Barlow studied law and was admitted to the Bar. He worked as a promoter for the Scioto Land Company. In 1788, Barlow went to Paris to promote the sale of the Scioto Land, a huge tract of Ohio wilderness opened by the government for settlement, to European emigrants. A large group of bourgeois French refugees traveled to Ohio to settle in the land, but the American promoters had not made any preparations for their reception, and they met terrible privations in the wilderness. By the time Ruth joined her husband in Paris in 1790, American organizers of the Scioto company were exposed as profiteering frauds; Barlow, however, was proven innocent. The colony, called Gallipolis, survived despite the hardships, but Barlow's reputation with his countrymen had been seriously damaged.

Barlow was in Paris during the fall of the Bastille on July 14, 1789. He was a friend of Thomas Paine and other Revolutionary sympathizers, English and American. He wrote his major tract ''Advice to the Privileged Orders'' and his verse-satire ''The Conspiracy of Kings'' in London, where he and Ruth had gone to avoid the Jacobin disorders. The ''Advice'' so offended the British government that it banned the book and tried to arrest Barlow, who fled into hiding in Paris. His ''Letter to the National Convention of France,'' a proposal for a new French constitution, so impressed the Assembly delegates that in 1792, they made him an honorary citizen of the new Republic, an honor he shared with Washington, Hamilton, Madison, and Paine. In the final throes of the Terror, when Louis XVI and Marie Antoinette were executed in 1793, Barlow was in southeast France helping organize the Savoy, newly captured from Italy, as a political division of the new Republic.

Fluent in French, sympathetic to the Republic, and successful in business, the Barlows were popular with the reformers and intelligentsia, as well as such scientific innovators as the balloonist Montgolfier. They were also close to Robert Fulton, who arrived in France in 1797, and worked for some years on prototypes of his steamboat, torpedo boat, and other engineering projects. Fulton later did the illustrations for a large, handsome second version of Barlow's epic, heavily revised and retitled ''The Columbiad,'' published in Philadelphia in 1807.

In 1796, during Washington's second term, Barlow resolved our first hostage crisis. He was sent to Algiers as consul to help with implementation of our peace treaty with that state and to secure the release of over one hundred American seamen, some of whom had been held captive by Algerian corsairs since 1785. This required great patience and diplomatic skill on his part, not to mention payment of substantial sums to local officials, but he succeeded where others had failed. He stayed on as consul for a year after the hostages were freed before returning to Paris in 1797.

After 18 years abroad, the Barlows returned to America in 1805, hoping to spend the rest of their lives at home. Thomas Jefferson wanted Barlow to write an American history, and in 1807, at Jefferson's urging, the Barlows moved to a house and small estate in Washington that Barlow named Kalorama, ''beautiful view'' in Greek. However, in 1811, President James Madison appointed Barlow as Minister to France. His task was to negotiate for compensation for French damages to American shipping and to make a trade treaty. Reluctant, but always ready to serve his country, Barlow took his wife, as well as his nephew Thomas as secretary, and returned to France in 1811. Once there, however, Barlow met nothing but delays because of Napoleon's wars in Europe.

Finally, the Emperor, engaged in a winter campaign against Russia, summoned Barlow to meet with him in Poland, in Wilna (now Vilnius). But the French armies were utterly defeated by the Russians and the winter. Napoleon fled south, ignoring his appointment. With Thomas, his staff, and other diplomats, Barlow fled through the freezing weather toward Germany to escape the pursuing Cossacks, missing Napoleon, who hurried straight to France. Barlow died of pneumonia in Zarnowiec, between Warsaw and Krakow, on December 24, 1812. (There is a disagreement about the date; the existing church tablet in Poland gives it as December 26.) It took his nephew more than two weeks to bring news of his death to Ruth in Paris, and it was three months before the news reached America. Joel Barlow was mourned widely in France, but back at home, President Madison was more distressed by the loss of the treaty than of the man. Perhaps this diplomat, patriot, and man of letters had stayed away for too long.●

TRIBUTE TO U.S. DISTRICT COURT JUDGE MATTHEW PERRY

● Mr. HOLLINGS. Mr. President, I rise today to honor one of South Carolina's most beloved citizens and one of the nation's most eminent jurists: U.S. District Court Judge Matthew Perry.

Matthew Perry grew up under ''Jim Crow,'' yet he overcame every barrier to his betterment that society threw up. He relied on his loving and supportive family as well as his own inner strength, wholesome ambition, and unerring moral compass to persevere in the face of naked hatred and discrimination. As one South Carolina newspaper recently noted, he ''had the benefits of good guidance and a good head, and the difficult challenge of growing up under a great adversity.''

Matthew Perry put this adversity to good use. ''Jim Crow'' forged his character in steel, and his experience of unjust laws drove him to devote his life to justice. Against long odds, and with much greater effort than that required of more privileged students, he obtained his law degree and set to work to tear down the structure of segregation in South Carolina.

As a lawyer in the 1960s, Matthew Perry was a leading figure in the Civil Rights Movement. He was instrumental in advancing black South Carolinians' rights and played a leading role in many important legal cases, particularly in defending civil rights activists who were prosecuted for their participation in non-violent demonstrations and sit-ins.

Among the significant cases Matthew Perry helped prepare and argue were Edwards v South Carolina, in which the U.S. Supreme Court established important First Amendment protections for demonstrators; Peterson v City of Greenville, in which the Court enlarged the jurisdiction of federal constitutional protections over premises that had previously been considered outside federal anti-discrimination rules; and Newman v Piggie Pork Enterprises, one of the Court's earliest interpretations of the Civil Rights Act of 1964.

Mr. President, today it is difficult to appreciate the courage of Matthew Perry's convictions and devotion to the cause of civil rights for black Americans. He worked long hours without pay, but money was the least of his concerns. In the 1950s and '60s, his advocacy of equal rights for all and an end to segregation earned him the visceral hatred of many, and his activism sometimes placed his life in danger. Yet the lessons of his childhood served him well, and he endured threats and taunts to triumph over a corrupt and fundamentally unjust system. In the end, Matthew Perry's idealism, intelligence, and integrity helped put an end forever to segregation and to firmly establish the universal principle of equality for all.

Mr. President, it was my privilege to recommend to President Jimmy Carter that he nominate Matthew Perry to a seat on the U.S. District Court in South Carolina. In 1979, Matthew Perry was officially appointed to the Court. He was the first and to date only black judge on the Federal District Court in South Carolina.

As always, Judge Perry is a pioneer. His example is an inspiration not just to black attorneys but to aspiring jurists of all classes and races. His life proves that with courage, conviction, and hard work, one can surmount even life's greatest challenges and contribute to society's lasting improvement.

Mr. President, Princeton University recently awarded Judge Perry an honorary Doctor of Laws degree. This moment was one of great pride for Judge

Perry as well as for all South Carolinians. The citation which accompanied the degree is an eloquent tribute to Judge Perry's example and legacy. I ask that the Princeton University's tribute to Judge Matthew Perry be printed in the RECORD.

The tribute follows:

MATTHEW J. PERRY, JR.

DOCTOR OF LAWS

Senior United States District Judge South Carolina. Matthew Perry was appointed in 1979 to the U.S. District Court by President Carter and is the first and only African-American in South Carolina history to hold that position. As a lawyer during the 1960s he was a major force in the Civil Rights Movement in South Carolina. He played a leading role in a number of significant legal cases, especially to assist activists who participated in sit-ins and other demonstrations and who were being criminally prosecuted. Among the cases he helped prepare were *Edwards v. South Carolina,* in which the United States Supreme Court established significant first amendment protections for demonstrators; *Peterson v. City of Greenville,* in which the Supreme Court enlarged the jurisdiction of federal constitutional protections over premises that had previously been thought to be outside federal antidiscrimination rules; and *Newman v. Piggie Pack Enterprises,* one of the Supreme Court's early interpretations of the Civil Rights Act of 1964. For many years he was the only lawyer available in South Carolina to represent African-American defendants in capital cases. South Carolina State University (B.S. 1948; LL.B., 1951).

A pioneer whose tireless and skillful adovocacy helped protect and propel the pioneering actions of others, he was the leading attorney for the Civil Rights Movement in South Carolina. Often without pay, he provided knowledgeable, timely, and wise counsel to young activists we now rightly view as heroes. Inside and outside the courtroom, his legal acumen and his social vision helped to secure Constitutional protections for such freedoms as speech and assembly, and helped to replace discrimination with opportunity. As the first-and so far only-African-American judge on the federal district court in his native state, he extends a lifelong commitment to integrity and fairness, to liberty and justice for all.●

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NOS. 105–53 AND 105–54

Mr. FRIST. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaties transmitted to the Senate on June 23, 1998, by the President of the United States:

First, Treaty with Niue on Delimitation of a Maritime Boundary (Treaty Document No. 105–53);

Second, Treaty with Belize for Return of Stolen Vehicles (Treaty Document No. 105–54).

I further ask that the treaties be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's messages be printed in the RECORD.

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

The messages of the President are as follows:

To the Senate of the United States:

I transmit herewith, for advice and consent of the Senate to ratification, the Treaty Between the Government of the United States of America and the Government of Niue on the Delimitation of a Maritime Boundary. The Treaty was signed in Wellington May 13, 1997. The report of the Department of State is enclosed for the information of the Senate.

The sole purpose of the Treaty is to establish a maritime boundary in the South Pacific Ocean between the United States territory of American Samoa and Niue. The 279-mile boundary runs in a general east-west direction, with the United States islands of American Samoa to the north, and Niue to the south. The boundary defines the limit within which the United States and Niue may exercise maritime jurisdiction, which includes fishery and other exclusive economic zone jurisdiction.

Niue is in free association with New Zealand. Although it is self-governing on internal matters, Niue conducts its foreign affairs in conjunction with New Zealand. Niue has declared, and does manage, its exclusive economic zone. Therefore, the United States requested, and received, confirmation from New Zealand that the Government of Niue had the requisite competence to enter into this agreement with the United States and to undertake the obligations contained therein.

I believe this Treaty to be fully in the interest of the United States. It reflects the tradition of cooperation and close ties with Niue in this region. This boundary was never disputed.

I recommend that the Senate give early and favorable consideration to this Treaty and advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 23, 1998.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the Government of the United States of America and the Government of Belize for the Return of Stolen Vehicles, with Annexes and Protocol, signed at Belmopan on October 3, 1996. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty is one of a series of stolen vehicle treaties being negotiated by the United States in order to eliminate the difficulties faced by owners of vehicles that have been stolen and transported across international borders. When it enters into force, it will be an effective tool to facilitate the return of U.S. vehicles that have been stolen and taken to Belize. The Treaty establishes procedures for the recovery and return of vehicles that are registered, titled, or otherwise documented in the territory of one Party, stolen in the territory of that Party or from one of its nationals, and found in the territory of the other Party.

I recommend that the Senate give early and favorable consideration to the Treaty, with Annexes and Protocol, and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 23, 1998.*

EXECUTIVE SESSION

NOMINATION OF EDWARD L. ROMERO TO BE AMBASSADOR TO SPAIN AND AMBASSADOR TO ANDORRA

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate go into executive session and proceed to the following nomination reported by the Foreign Relations Committee today:

Edward Romero to be Ambassador to Spain and Ambassador to Andorra.

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

The clerk will report.

The legislative clerk read the nomination of Edward L. Romero, of New Mexico, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Andorra.

The Senate proceeded to consider the nomination.

Mr. DOMENICI. Mr. President, I am pleased to introduce an old personal friend and a highly qualified individual as the nominee for the U.S. Ambassador to Spain.

Ed Romero is not only a native New Mexican, he is a descendant of the Spanish colonists who first settled in New Mexico in 1598. Mr. Romero's personal biography represents both a commitment to his heritage and diligence as a upstanding citizen of this country.

In the fulfillment of his duties as a New Mexican and an American, Mr. Romero headed several delegations to Mexico to forge the relationships necessary to expand business opportunities. He was also a member of the U.S. delegation to the Helsinki accords.

Mr. Romero was the founder and Chief Executive Officer of Advanced Sciences, Inc. Mr. Romero also founded the Albuquerque Hispanic Chamber of Commerce and is currently on the Boards of several Hispanic and Latin American Business and Cultural Associations and Foundations. In his civic and community pursuits, he has been recognized by organizations as diverse as the National Kidney Foundation, New Mexico's Air National Guard and the New Mexico Anti-Defamation League. Mr. Romero has traveled extensively in Spain and speaks fluent Spanish.

Mr. President, it is my pleasure and, indeed, an honor to introduce to the Senate an individual as distinguished and qualified for the position of Ambassador to Spain as Edward Romero. I believe his background and commitment will make him a gracious, competent and effective representative of the U.S. I fully support his nomination and respectfully ask my colleagues in the Senate for their careful consideration of Mr. Romero as the next U.S. Ambassador to Spain.

Mr. FRIST. Mr. President, I ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nomination appear at this point in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nomination considered and confirmed is as follows:

DEPARTMENT OF STATE

Edward L. Romero, of New Mexico, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

Edward L. Romero, of New Mexico, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Andorra.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

ORDERS FOR WEDNESDAY, JUNE 24, 1998

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 9:30 a.m. on Wednesday, June 24. I further ask that on Wednesday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate then resume consideration of the Coverdell A+ education conference report.

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

Mr. FRIST. Mr. President, I further ask unanimous consent that there be 2 hours for debate remaining on the Coverdell conference report divided in the following manner:

Senator GRAHAM, 20 minutes; Senator KERRY, 10 minutes; Senator TORRICELLI, 15 minutes; Senator DASCHLE, 15 minutes; Senator COVERDELL, or his designee, 1 hour.

Further, that following the expiration or yielding back of time, the Senate proceed to a vote on adoption of the conference report.

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

Mr. FRIST. Mr. President, I further ask unanimous consent that following disposition of the education conference report the Senate immediately resume consideration of S. 2057, the Department of Defense authorization bill.

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

PROGRAM

Mr. FRIST. Mr. President, for the information of all Senators, the Senate will reconvene on Wednesday at 9:30 a.m. and resume consideration of the Coverdell education conference report.

Under the previous order, after the expiration or yielding back of debate time, the Senate will proceed to a vote on adoption of the conference report. That vote is expected to occur at approximately 11:30 a.m. Following that vote, the Senate will immediately resume consideration of the defense authorization bill.

The majority leader has announced that it is his hope that the defense bill can be concluded by Wednesday evening, or Thursday at the latest.

Members are encouraged to come to the floor during Wednesday's session to offer and debate their amendments to the defense bill under short time agreements. Therefore, rollcall votes should be expected throughout tomorrow's session of the Senate.

For the remainder of the week, the Senate may also consider the Higher Education Act, the IRS reform conference report, any available appropriations bills, and any other legislative or executive items that may be cleared for action.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:06 p.m., adjourned until Wednesday, June 24, 1998, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 23, 1998:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

JANE E. HENNEY, OF NEW MEXICO, TO BE COMMISSIONER OF FOOD AND DRUGS, DEPARTMENT OF HEALTH AND HUMAN SERVICES, VICE DAVID A. KESSLER, RESIGNED.

COMMODITY FUTURES TRADING COMMISSION

BARBARA PEDERSEN HOLUM, OF MARYLAND, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING APRIL 13, 2002. (REAPPOINTMENT)

DEPARTMENT OF COMMERCE

KENNETH PREWITT, OF NEW YORK, TO BE DIRECTOR OF THE CENSUS, VICE MARTHA F. RICHE, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 23, 1998:

DEPARTMENT OF STATE

EDWARD L. ROMERO, OF NEW MEXICO, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SPAIN.

EDWARD L. ROMERO, OF NEW MEXICO, TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ANDORRA.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

INTRODUCTION OF THE CHILDREN'S HEALTH INSURANCE ACCOUNTABILITY ACT

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mrs. MORELLA. Mr. Speaker, I rise to introduce the Children's Health Insurance Accountability Act. Children are not ''little adults.'' They have health care needs that often require pediatric expertise to understand, diagnose, and treat correctly.

This legislation recognizes the fundamental fact that children's health and developmental needs are different than those of adults. Children, therefore, should not be left out of the debate on managed care quality and consumer protection, as they so often are.

In fact, the President's Advisory Commission neglected to mention children when it released its original ''Bill of Rights'' last fall. As a result, 121 organizations both nationally and at the local level co-signed a letter to the Commission urging its members not to make the same mistake twice. As a result, the Commission notes in its recently released final report, ''Children have health and developmental needs that are markedly different from adults and require age-appropriate care. Developmental changes, dependency on others, and different patterns of illness and injury require that attention be paid to the unique needs of children in the health system.'' The Commission adds, ''Attention to the quality of health care for children is especially important given their health and developmental needs and their promise for the future.''

Unfortunately, many of the bills that have been introduced in the Congress to address various aspects of health care quality and consumer protection do not incorporate the special needs of children to receive quality care and appropriate care when needed to ensure their healthy development. What does this mean?

Child-friendly health care means allowing families to pick a pediatrician as the child's primary care provider.

Child-friendly health care means providing children access to a pediatric specialist rather than an adult specialist for a life-threatening, disabling or chronic condition.

Child-friendly health care means allowing families to appeal health plans' decisions to someone who understands the care of children, such as a provider with pediatric expertise.

Child-friendly health care means ensuring that plans report information in a manner that is separate for both the adult and child enrollees using measures that are specific to each group. Health care cannot be ''one size fits all.'' Children need ''Straight A'' health plans—plans that address children's specific needs in terms of Access to Care, Appeals, and Accountability.

Organizations endorsing this initiative include: the American Academy of Pediatrics, the National Association of Children's Hospitals, the National Organization of Rare Diseases, the ARC of the United States, Families USA, the Association of Maternal and Child Health Programs, the American Academy of Child and Adolescent Psychiatry, the American College of Emergency Physicians, Families USA, the Children's Defense Fund and the National Mental Health Association.

I share the concerns of a growing number of parents about the quality of their children's health care, and I will work to ensure that managed care recognizes children's unique health needs.

A TRIBUTE TO JOHN J. YOUNG

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. PORTMAN. Mr. Speaker, today I rise to recognize the distinguished career of a friend and constituent, John J. Young, upon his retirement as Executive Director of the Hamilton County Alcohol and Drug Addiction Services Board. The ADAS Board is responsible for planning and coordinating alcohol and drug addiction services in Hamilton County, Ohio.

Mr. Young received his Bachelor of Science degree from Xavier University in 1967, and received his Masters in Education from the University of Cincinnati in 1972. He has been an Advanced Member of the American College of Addiction Treatment Administrators since 1989. Prior to his current executive leadership with the ADAS Board, John served over 20 years managing and delivering alcohol and other drug addiction services in the Greater Cincinnati area.

John was instrumental in the conversion of the former Rollman Psychiatric Institute to the Hamilton County Alcohol and Drug Addiction Services Center. His efforts have resulted in developing the alcohol and drug treatment component of the Hamilton County Drug Court, the first such initiative in the state of Ohio. John is also currently co-chair of the Community Task Force of the Coalition for a Drug Free Greater Cincinnati. He is a member of the Governor's Council on Alcohol and Drug Addiction for the State of Ohio, and is a founding member of Ohio's Federation of Alcohol and Drug Addiction Services Boards.

John has not limited his community involvement to just alcohol and drug addiction services. He is Vice President of the Executive Committee of the Hamilton County Family and Children First Council. He is a member of Leadership Cincinnati, Leadership Ohio, the Cincinnatus Association, and the Hamilton County Corrections Planning Board and the Hamilton County Human Services Planning Board.

John Young has devoted much of his career to serving others in our community, and all of us in Cincinnati thank John for his service and wish him well in his future pursuits.

RECOGNIZING MARIA CONTRERAS

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. KENNEDY of Massachusetts. Mr. Speaker, today I rise to recognize a truly unique individual. Maria Contreras is the founder and coordinator of Soldiers of Health in Roxbury, Massachusetts.

Ms. Contreras, an immigrant from the Dominican Republic, was recognized by the Community Health Leadership Program, supported by The Robert Wood Johnson Foundation, as one of this year's ten outstanding individuals changing the shape of health care in America. Selected from more than 500 candidates from all over the country, Ms. Contreras will receive $100,000 for her work to improve access to health and social services for more than 500 families in the Roxbury, Massachusetts area.

A 23-year resident of the Egleston Square neighborhood, Ms. Contreras watched her neighbors suffer violence, depression, illness and isolation. In 1995, when a 16-month old infant was injured in a drive-by shooting, Contreras refused to stand by and watch. She began a dialogue, talking to kids on street corners and meeting with tired parents, frightened neighbors and frustrated police.

Ms. Contreras' attempts at bringing neighbors together were initially met with finding a door slammed in her face. She is an effective advocate. After getting to know many of the youth-at-risk, Ms. Contreras listened to what they had to say and came up with realistic alternatives to hanging out on street corners such as after school tutoring programs, enrollment in GED courses, part and full-time jobs and week-long hiking trips.

In 1996, Ms. Contreras' launched Soldiers of Health, a neighbor-to-neighbor outreach program that addresses the violence, poor health and substandard living conditions by reconnecting people-in-need to available services. Currently, 14 soldiers who live in Egleston Square spend 22 hours each month walking their assigned streets, meeting as many people as possible. They pay attention to the health concerns of the elderly and get to know the kids hanging on the corner. Over time, they break down barriers to link people together whether it is helping them access the medical assistance they need or getting the education that's necessary to move beyond the corner and into a job.

Mr. Speaker, I want to congratulate and thank Maria Contreras for her dedication and work in making Roxbury a better place and a model for tomorrow.

CONGRATULATIONS TO MACIE HANRAHAN

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. CALVERT. Mr. Speaker, I rise today to congratulate and commend a young lady from my district who has brought pride and honor to her family, friends and school. Macie Hanrahan, a student at Raney Intermediate School in Corona, California, won first place in the junior division individual performance category at National History Day.

National History Day is an annual competition in which students research and learn about events in history. Competitions are held at the district, state and national levels and are judged by historians and educators. Students present their historical findings in papers, exhibits, performances and media presentations. The theme of this year's event was ''Migrations in History: People, Ideas, Cultures.''

As an American of Irish descent, Macie chose Irish Migration of the 1840's as her topic, with a performance entitled ''Deori! Forced From Erin's Soil.'' In her performance, she used the voices of three girls from Ireland, England and America to show differing perspectives of the Irish potato famine, the forced migration that followed, and the experiences that people of different cultures went through during this time in history. To win this event, Macie conducted exhaustive research, including using the National Archives, the Library of Congress, U.S. and Irish Census Records, and original diaries, letters and newspapers of the time.

On behalf of the residents of the 43rd congressional district of California, I congratulate Macie for her hard work and a job well done and wish her continued success in all of her future endeavors.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1999

SPEECH OF

HON. MICHAEL D. CRAPO

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4060) making appropriations for energy and water development for the fiscal year ending September 30, 1999, and for other purposes:

Mr. CRAPO. Mr. Chairman, I rise to express my strong opposition to the Foley-Miller-Markey-Kucinich-Sanders amendment to eliminate funding for the Depart of Energy's (DOE) Nuclear Energy Research Initiative (NERI).

As you know, NERI is the only new nuclear research and development program funded in the FY 1999 Energy and Water Development Appropriations Bill. This new program, which is supported by the President's Committee of Advisors on Science and Technology, will support long-term research in advanced nuclear technologies, such as proliferation-resistant reactor and fuel technologies and high efficiency reactor concepts. This competitive, peer-reviewed grants program will support the best ideas from the United States nuclear industry, universities, and national laboratories. In addition, NERI will help maintain the United States' leadership and expertise in advanced energy technologies.

NERI enjoys strong support from the nuclear industry, universities, and DOE national laboratories. My home state of Idaho is privileged to have some of the most talented nuclear scientists and researchers in the world at the Idaho National Engineering and Environmental Laboratory and at Argonne National Laboratory-West. NERI will permit these world-class scientists and engineers the opportunity to advance nuclear science and engineering well into the next century. If the United States expects to be considered a world leader in nuclear science and technology, it must fund programs like NERI that advance our knowledge in nuclear science and technology.

Mr. Speaker, I urge my colleagues to vote against the amendment.

TRIBUTE TO THE HONORABLE JOHN W.H. BASSETT

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. KENNEDY of Massachusetts. Mr. Speaker, I rise to pay tribute today to the late John Bassett, a great Canadian and a great friend of the United States.

John Bassett was one of those unique individuals who not only witnessed the great events of our century but who truly helped shape them.

He served with gallantry in World War II, was a broadcast media pioneer, supported the creation of Israel, ushered in the modern sports era, and was a friend to Presidents and Prime Ministers, columnists and news anchors, quarterbacks and hockey centers.

When John died last month, Canada lost an honored citizen and the United States a distinguished ally. And the Kennedy family lost a great friend.

When I was a young boy, Toronto Maple Leaf pucks were always rolling around our house at Hickory Hill and then in the Oval Office when we visited my uncle Jack there. John Bassett made every Kennedy a fan of his Maple Leafs—and under his ownership in those years, the Toronto team won three consecutive Stanley Cups in the National Hockey League.

He built the Canadian Football League as well by signing a young Joe Theisman out of Notre Dame to quarterback his Toronto Argonauts Football Team. His sports empire grew to include the Birmingham Bulls of the World Hockey League and the Tampa Bay Bandits of the United States Football League, which fielded gridiron greats Steve Spurrier, Larry Csonka, Jim Kiick, and Paul Warfield.

But John Bassett didn't just have an eye for sports talent—he had a genius for marketing it. He bought newspapers and television stations, and used them to turn athletes into celebrities.

His string of newspapers included the Sherbrooke Daily Record, a small paper being published in the Eastern Provinces of Quebec; and the Toronto Telegram, one of Canada's leading dailies up until its demise in 1971. He made sure the Telegram lived on by turning over its newspaper boxes and news library to the Toronto Sun, getting that paper on the newsstands just two days after the Telegram ceased publishing.

In 1960, at the dawn of the modern media age, John founded the television station CFTO–TV in Toronto under the umbrella of Baton Broadcasting. Under his direction, and now that of his son and my good friend Doug Bassett, Baton has become the largest private television broadcasting company in Canada—the owners of 20 TV stations, three national cable channels, and Canada's only private national television network, CTV.

As you might expect, John Bassett the media mogul and sports czar always felt right at home with anyone. I remember my mother describing John sitting at ease aboard Lord Beaverbrook's yacht—five crew member serving each guest, the sleek hull so long it made Rupert Murdoch's boat look like a bathtub.

But she also recalls his great laugh and good spirit sailing in a one-master off the coast of Maine with Robert and Ethel or John and his young bridge Jackie—with nothing more than a picnic lunch and a cooler swung over the gunwales.

Like all great men, John had a great heart, and gave generously of his time to great causes. He was personal friends with the founders of modern Israel—David Ben Gurion, Golda Meir, Moshe Dayan and Menachem Begin. He worked tirelessly to support the young state, and became the first non-Jew honored by the Jewish National Fund of Canada for his selfless work.

And after my father's death, John and his family showed great kindness to my family by establishing the Robert F. Kennedy Memorial in Canada, which continues to thrive under the generous leadership of the Bassett family.

While lucky in sports, John wasn't so lucky in politics, twice running for Parliament without success. But typical of John Bassett, he found other ways to serve. In 1989, Prime Minister Brian Mulroney appointed him Chairman of the Security Intelligence Review Committee, the watchdog group for the national security service. he also served as a Privy Councillor of Canada.

In recognition of his career in business, media, sports, and civil and political affairs, John Bassett has received both his country's highest honor, the Companion of the Order of Canada, and the highest honor of his home province, the Order of Ontario.

John Bassett will be missed by many, but especially by his family. My heart goes out to Isabel and Doug and all the Bassett children, grandchildren, and great-grandchildren—indeed to every member of the extended Bassett family who felt the great sweep of his extraordinary life.

John Bassett's life was epic in scope but intensely human in the kindness he showed to everyone along the way. Canada has lost a great citizen, and we've all lost a great friend.

PERSONAL EXPLANATION

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. OWENS. Mr. Speaker, I was detained yesterday and missed the following rollcall votes. Had I been present, I would have voted in the following manner:

H. Con. Res. 228, Money Laundering Investigations in Mexico, rollcall no. 255 ''yea''.

H. Res. 451, Oppose Increase in Postal Rates, rollcall no. 256 ''yea''.

H.R. 4059, Military Construction Appropriations for FY 1999, rollcall no. 254 ''yea''.

H.R. 4060, Energy and Water Development Appropriations for FY 1999, rollcall no. 253 ''yea''.

Amendments to H.R. 4060 by Rep. Foley to eliminate the bill's $5 million in funding for the Energy Department's Nuclear Energy Research Initiative, rollcall no. 252 ''nay''.

CONGRATULATIONS TO SARA BONILLA

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. RIGGS. Mr. Speaker, Sara Bonilla was born in the small town of Cartago, Costa Rica on May 15, 1956. She is the proud mother of three sons, Fabian Martinez, Juan Carlos and Reuben Augusto, who reside in Batann, Limon, Costa Rica. In 1989, Sara came to the United States to live with relatives in Los Angeles, California.

Since Sara arrived in the United States, she has worked very hard at many different jobs, oftentimes two at a time, to assist her family in Costa Rica. Sara enrolled in and completed classes in both English and computers at a local college. One of the biggest highlights in her life—as well as a big step in her independence—was when she received her driver's license and purchased a used automobile.

Over the years, Sara has constantly sought to improve her English proficiency and her job skills. Today, after ten years, Sara is reaching her goal. Today, at the Masonic Auditorium in San Francisco, California, Sara Bonilla will be sworn in as a citizen of the United States. I offer Sara my congratulations, from one American to another.

INTRODUCTION OF THE SOCIAL SECURITY RESOLUTION

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. NADLER. Mr. Speaker, today, I am proud to introduce House Resolution 483 regarding strengthening of the Social Security system. I am pleased that this resolution has 59 original cosponsors and has been endorsed by 14 national organizations representing millions of Americans.

This is a very important day for Social Security. It marks the true beginning of our national debate about the privatization of this great social insurance program.

I say the true beginning because, until today, the Social Security debate has been one-sided and has shut out the voice of the American people. For too many months, there has been a growing consensus in Washington that privatization—substitution private individual accounts for all or part of Social Security—is a done deal, that economists think it's the only way to go, that young people are clamoring for private accounts, and that Americans in general want it.

This is simply not true. There is no wellspring of public support for privatizing Social Security, there is merely a wellspring of expensive public relations creating the illusion of public support. Today, I am introducing a resolution into the House opposing the creation of private accounts as a substitute for Social Security. This resolution has 59 original co-sponsors and the initial endorsements of national advocacy groups representing Americans of all ages and all walks of life. Together, these initial endorsers represent tens of millions of Americans who are opposed to wrecking the promise of Social Security by privatizing it. Together, I believe this alliance represents the true sense of the American people: that privatizing Social Security is a bad idea and is unnecessary. The early support for this resolution, still in its early stages, should make us question the myth that there is massive public support for partially replacing Social Security with private accounts.

The introduction of this resolution also debunks the myth that there is overwhelming Congressional support for privatization. Fifty-nine Members of Congress, so far, have endorsed this resolution, more than have spoken out in favor of private accounts in general.

This resolution also debunks the well-financed myth that Social Security is in a state of grave crisis. As this year's Trustee report tells us, Social Security—at the very worst—faces a manageable gap of 2.19 percent of taxable payroll. This gap can be closed without reducing Social Security benefits, without raising the retirement age, without forcing individuals to put their retirement income at risk through individual private accounts, and without raising tax rates. This 2.19 percent is not only manageable, but it is quite possibly overstated by the Trustees, who, out of fiduciary caution, use economic assumptions that have been described as extremely pessimistic by leading economists. Let me state it clearly—Social Security is not going bankrupt; Social Security faces a manageable gap which can be closed without dismantling the basic insurance functions it provides.

Finally, I would like to express my hope that the introduction of this resolution will spark a more realistic analysis of privatization. With few exceptions, the creation of private accounts has been presented as a panacea for Social Security's troubles. This view is baffling to many of us in that it overlooks obvious problems with using private stock market accounts as a substitute for Social Security. For example:

The creation of private accounts doesn't account for the millions of children, disabled workers, and widowed spouses who collect disability and survivors' benefits from Social Security;

The switch from a self-funded social program to private accounts will cost Americans many billions of dollars, a transition cost that will hurt the youngest workers the worst;

Individual private accounts fail to protect individuals from severe downturns in the market; and

Even a system of individual private accounts that enjoys a good average return on investment means that millions of Americans whose investment perform below average will be thrust into poverty.

Social Security is not just a retirement program. Social Security is a national insurance program which, for a remarkably low premium, protects Americans from economic misfortune at every stage of our lives. Even at the best of times, people need insurance, and it is vital that we protect Social Security and preserve its current structure. It is my hope that this resolution will help clarify the public debate and move us in that direction.

TRIBUTE TO CATHY FROST

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to Fresno Businesswoman Cathy Frost, owner of Bennett Frost Personnel Services, for her efforts and success in the business arena. Cathy Frost's business has grown to be one of the most successful and thriving personnel services in Fresno.

Cathy Frost was born in Selma, California in 1946. She is married to Robert Frost and has two children, Brian and Kevin. Cathy Frost received a Bachelor of Arts degree from San Jose State College.

Bennett Frost Personnel Services is a successful business that began with only three employees and has now grown to 19. Mrs. Frost's interest in making a difference in the community has landed her the distinction of becoming the first woman president of the Fresno Metropolitan Museum. Other activities include serving as the vice-chair of the New United Way campaign and chair of the search committee for an executive director for the same organization. Cathy Frost is also a member of The Business Council, the Human Resource Association and the YMCA search committee for an executive director.

Mr. Speaker, it is with great honor that I pay tribute to Cathy Frost for her efforts and success in the business arena. It is the leadership and care exhibited by Mrs. Frost that should serve as a role model for business owners all over America. I ask my colleagues to join me in wishing Cathy Frost many years of success.

PERSONAL EXPLANATION

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. PORTMAN. Mr. Speaker, a town meeting in my district that was scheduled at a time when the House was not expected to be in session prevented me from being here for yesterday's vote on H.R. 4060, the FY 1999 Energy and Water Development Appropriations bill. I strongly support H.R. 4060. Had I been present, I would have voted YES.

This bill contains $275,347,000 for the Fernald Environmental Management Project (FEMP), which is based in my Congressional District near Cincinnati, Ohio. The former Fernald Feed Materials Production Center, now the FEMP, was a Department of Energy facility that was part of the United States' nuclear weapons production complex for nearly forty years from 1951 to 1988. The site is heavily contaminated with nuclear waste and other hazardous materials, and has been the focus of extensive cleanup efforts for several years.

H.R. 4060 fully funds the President's request for the Fernald cleanup under the Defense Facilities Closure Account. The Closure Account is designed to ensure the accelerated cleanup of this site under budget and ahead of the original schedule. Accelerated cleanup will not only result in a considerable savings to the taxpayers but also help to protect public health. I would like to point to a disturbing study recently released by the Center for Disease Control that estimates a 1 to 12 percent increase in lung cancer deaths to residents in the Fernald study area as a result of exposure to radon gas emitted from the site's K–65 Silos. The CDC's findings serve to emphasize the need to fully fund the Closure Account, which would ensure that the accelerated cleanup proceeds on schedule to safeguard the residents in the community from future radioactive exposure.

Mr. Speaker, I believe this funding for the FEMP strongly serves the public interest. I commend Chairman LIVINGSTON, Ranking Member OBEY, Chairman MCDADE, and Ranking Member FAZIO as well as their colleagues on the Appropriations Committee and the Energy and Water Development Subcommittee for including these vital funds in the bill. I also want to thank the House for overwhelmingly approving H.R. 4060 by a vote of 405–4.

HONORING THE 125TH ANNIVERSARY OF JONESFIELD TOWNSHIP

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. CAMP. Mr. Speaker, it is with great pride that I rise to recognize a distinguished Township in Mid-Michigan as it celebrates its 125th Anniversary. Chartered in 1873, Jonesfield Township was originally known as Green—named after the owner of a local lumber mill. Now a 125 years later, Jonesfield Township has grown and prospered around the quiet community of Merrill. Jonesfield is named after one of its earliest settling families, the Jones' which happened to stumble upon the community after taking the wrong road in the attempt to settle in the area surrounding Grand Rapids.

Jonesfield Township and the community of Merrill are known for the closeness of the residents and their friendly community spirit. Its residents classify the area as a quiet farming community. Today, as the community celebrates its 125th Anniversary it recognizes the excellence of the churches, schools, fire department, and farm families that have help development Jonesfield Township into a thriving community. It is the hard work and dedication of many generations that built this community.

This weekend the Jonesfield Township will reflect on its past and the residents can be very proud of their history and growth over the past 125 years. On Saturday, as the citizens of Jonesfield Township reflect on their past—they can be proud of how their community started and where it is today. It is a special, caring community that has grown without sacrificing their special heritage.

SALUTING THE RIGHT TO ORGANIZE INTO LABOR UNIONS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. KUCINICH. Mr. Speaker, today I rise to salute one of our most cherished rights as Americans: the right of working people to bank together and organize into labor unions to achieve higher wages and better working conditions.

When people first go to work for a non-union employer, they do so as individuals. Often times, they are not familiar with the specific conditions of work at their workplace. Sometimes those conditions are acceptable, and provide the sort of income that can support them and their families. But, too often those conditions are substandard and the wages are insufficient. In this situation, workers discover that they have many interests in common. They find that by joining together they can begin to work out responses and solutions to the problems that they face in the workplace. And they find that organizing into a labor union is their best vehicle to better treatment, improvements in working conditions, and expand respect on the job.

Since the massive organizing drives of the 1930s, unions have come to play an important role in American society. Unions contribute to the stability of our economy by helping to ensure that working people have the income to purchase the products and services of industry. Unions give workers a voice on the job. Unions help to close the wage gap between men and women. And unions help to uphold fairness and equality of opportunity for all their members in the workplace.

Unfortunately, the right to organize is increasingly under attack. Millions of workers would decide to join a union if they could be assured that they would not be punished for making that decision. Instead, workers who express their pro-union sympathies are routinely harassed, forced to undergo closed-door meeting with employers, and even fired.

In my own district on the west side of Cleveland, the right to organize is not safe. For example, a company with $80 million in sales pays its workers at starting wage of $6.25 per hour, barely above the minimum wage. This is a company that received a tax abatement from the City of Cleveland to construct a new building. The company's sales have been growing, but that growth has not translated into higher wages and benefits, or better working conditions. Most employees support themselves and their families on weekly paychecks of less than $200. Retiring employees do not have a pension plan they an count on. Safety conditions are terrible. Employees have lost fingers and, in one case, an arm. When fires have broken out in the plant, employees have been required to continue work.

Faced with these low wages and dangerous conditions, these workers turned to the Union of Needletrades, Industrial and Textile Employees—UNITE. After workers contacted UNITE, 60 percent of them signed cards saying that they wanted the union to represent them. A petition for election has been filed with the National Labor Relations Board. Yet in the first two weeks of the union's organizing campaign, the following has happened: the employer has held captive audience meetings to frighten the workers; the company has threatened to close the factory completely; and the company has intimidated vocal union supporters by issuing written warnings against them, some for work offenses that occurred months earlier. The union predicts that this anti-union campaign will continue and become more intense in the next six weeks before the union election.

I wish I could report this sort of behavior is unusual. But often this is typical action by employers to block the right to organize by any means necessary. This sort of behavior is shameful. It is turning the clock back to the 19th Century, when workers had few rights.

To guarantee the stability and prosperity of our democratic society, workers must have the right to choose—freely and openly—whether to join together with their fellow workers and select the union of their choice. I urge my colleague to stand up and declare that:

Workers have the right to organize;

People have a right to a job . . . at fair wages with decent benefit;

Workers have a right to a safe workplace . . . and a right to compensation if they are injured;

People have a right to decent health care; and

People have a right to participate in the political process.

The foundation for all of these rights is the right to organize. To all those workers and employees who are fighting to exercise that right to organize, I salute you. Your struggle is difficult and painful, but you are proceeding in the finest traditions of our American history.

A TRIBUTE TO CLARK BURRUS, VICE CHAIRMAN, FIRST CHICAGO CAPITAL MARKETS, INC.

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. LIPINSKI. Mr. Speaker, I pay tribute to an outstanding leader and businessman, Mr. Clark Burrus, Vice Chairman of First Chicago Capital Markets, Inc., who was recently honored by the First National Bank of Chicago.

Mr. Burrus has served the First National Bank of Chicago for nearly twenty years, constantly contributing his innovative ideas and valuable insight. Before joining The First National Bank of Chicago, Mr. Burrus served the city of Chicago under Mayors Martin Kennelley, Richard J. Daley, Michael Bilandic, and Jane Byrne. Mr. Burrus was chairman of the Transition Committee on Finance for Mayor Harold Washington and co-chaired Mayor Byrne's Pension Study Commission. Starting in 1975, I had the pleasure of working with Mr. Burrus, while I was an Alderman and he was City Comptroller. It was always a

pleasure to work with Mr. Burrus, as he consistently served the city in an unassuming, unselfish, and effective manner.

Mr. Burrus continues to dedicate his time, expertise, and leadership to his community. He serves on various boards and commissions including several health care boards, higher education committees, as well as metropolitan planning councils. He was the past chairman and treasurer of the Chicago Unit Board of Directors of the American Cancer Society. Mr. Burrus is also a current member and past Chairman of the Chicago Transit Authority.

Mr. Speaker, I commend Mr. Clark Burrus for the valuable leadership and knowledge he has contributed to his workplace and community. I would like to extend my best wishes for many more years of service to his community.

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1999

SPEECH OF

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4059) making appropriations for military construction, family housing, and base realignment, and closure for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes:

Mr. HOYER. Mr. Chairman, I rise in support of this bill and would like to commend the work of both the Chairman, Mr. PACKARD, and the Ranking Member, Mr. HEFNER. Further, I would like to express my sincere appreciation for the work and friendship of Mr. HEFNER. He is truly one of our finest members and it has been my distinct honor to have served with him in this body. The Committee has done an outstanding job in crafting a bill which addresses both the military needs and quality of life concerns for the men and women in our armed services. Make no mistake, our military personnel deserve the best that we in Congress can offer, and this bill takes many of the necessary steps required to improve the quality of life for our military families. The focus this bill places on family housing, child development centers, medical facilities and treatment centers is critical if we are going to continually recruit and retain our best people. While this bill does not meet every deficiency in our military facilities, it continues the approach of budgeting for the highest priority needs of our armed services. Additionally, I believe it represents a firm commitment by this Congress to our men and women in uniform to continue our efforts to improve their living and working conditions.

Further, I would like to express my appreciation to the Committee for their quick response to fund the Continuous Processing Facility at Indian Head. As many of you know, an accidental explosion damaged a portion of this building in February. Although my funding request was unexpected, the Committee responded to this priority by providing funds for a facility which in the long run will be more efficient and flexible in meeting the Defense Department's energetics requirements. Lastly, I would like to thank the Committee for supporting the Administration's request for the replacement of the Annealing Ovens Facility at Indian Head. This new facility will function in a more efficient fashion and address important environmental concerns in my district. Again, I thank the Chairman and Ranking Member, and I urge my colleagues to support this bill.

''DAY TO MAKE OUR VOICES HEARD''

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. VISCLOSKY. Mr. Speaker, I rise today to talk about the critical importance of union organizing in protecting working families. ''The Day To Make Our Voices Heard'' campaign highlights successful organizing drives and shows how they improve workers' standards of living and working conditions. The campaign focuses public attention on the many obstacles workers face in exercising their right to union representation. This week's events are especially important in building coalitions among workers, union leaders, as well as political and community leaders—coalitions that will hold up the example of responsible employers and build public pressure against employers who trample the right of their workers to organize.

In Northwest Indiana—the region I represent—and throughout our country, the opportunity to join a union means a guarantee that workers share in the benefits of increased productivity. The ability to join a union means that you will earn an average 34 percent more than a nonunion worker. The ability to join a union means that you are more likely to receive health benefits from your employer and higher quality benefits that will protect your family members in the case of a serious illness. The ability to join a union means that you are more likely to have a decent pension that will provide you and your spouse with a secure retirement. The ability to join a union means that you will have a greater say in how your workplace is run, which will lead to a safer and more productive workplace.

And what has protecting workers' ability to join unions meant to our country? Over the past century, America's unions have helped build the largest middle class in the history of the world. As we move into the next century, good union jobs will continue to be essential to building and maintaining communities that are strong both economically and socially.

Now you would think that the Congress would be doing everything it could to protect workers right to union representation. Sadly, that is not the case. Just this March, the Republican majority in the House pushed through legislation that would overturn a unanimous 1995 Supreme Court decision recognizing the right of all workers to seek employment, regardless of their membership in a union or their support for union representation in their new workplace. And every year, we see attempts in the Congress to cut funding for the National Labor Relations Board—the federal agency responsible for preventing unfair labor practices by employers and unions.

Mr. Speaker, it is high time that Members of the House make our voices heard in support of union organizing efforts across the country. We owe this—higher wages, better benefits, safer workplaces—and much more to the working men and women of America.

A TRIBUTE TO MEGAN JOHNSTON-COX & IRENE SORENSON

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine achievement of Megan Johnston-Cox, an eighth grade student from Home Street Middle School in Bishop, California. Megan was a recent competitor in the National History Day Competition (June 14–18) at the University of Maryland. The competition, sponsored by the Constitutional Rights Foundation, involved students from across the United States who submitted essays on this year's theme: ''Migration in History: People, Cultures, and Ideas.'' In fact, Megan's project was selected for display at the National Archives branch office near the University of Maryland on June 17.

Megan qualified for the national competition by first winning California State History Day competitions at both the county and state levels. Her essay, entitled ''Farm to Factory: The Migration of Yankee Women,'' traced the migration of women from the farms to the textile mills in Lowell, Massachusetts. Megan also researched the impact and development of the textile industry in the United States.

Megan's outstanding accomplishments were undoubtedly guided by the leadership of her teacher, Mrs. Irene Sorenson. Irene is a past winner of the Richard Farrell Award from the Constitutional Rights Foundation which recognized her as the National History Day Teacher of Merit in 1995. Also in 1995, Irene sent another student, Will Baylies, to the National History Day competition. Clearly, the dedication of young students such as Megan and Will, and the guidance of teachers like Irene Sorenson, make our public school system the finest in the world.

Mr. Speaker, I ask that you join me and our colleagues in recognizing Megan Johnston-Cox for her fine accomplishment. To say the least, her fine work is admired by all of us. I'd also like to commend Irene Sorenson for her fine leadership and her devotion to such remarkable educational standards. Students like Megan and instructors like Irene set a fine example for us all and it is only appropriate that the House pay tribute to them both today.

HONORING VIRGILIO AND ANGELA BORRELLI

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. ENGEL. Mr. Speaker, Virgilio and Angela Borrelli are celebrating fifty years of marriage. These two marvelous people met before Virgilio went off to serve his country in World War II. He returned in 1946 and began his courtship of Angela and on March 14, 1948 they were married in Saint Anthony's Church in Yonkers, New York.

Angela has been active in the Yonkers Aquahung Women's Democratic Club as well as doing extensive charity work. Virgilio was born in Malito in southern Italy in 1923 and came to America in 1937. He is president of a construction firm and has involved himself extensively in the community. He is a founding member of the Italian City Club. His name is on ''The Wall'' at Ellis Island.

They and their three children, Sam, Yvonne, and Margaret Angeletti, and five grandchildren, are celebrating this grand occasion. I join all who believe in love in congratulating them for fifty years together.

IN SUPPORT OF A ''DAY TO MAKE OUR VOICES HEARD''

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. MILLER of California. Mr. Speaker, I rise to express my support for the working men and women in unions around the country who will showcase their ambitions, visions, successes and heartaches in what is being called a ''Day to Make our Voices Heard.''

We should be proud of their efforts to create unions to give a voice to their aspirations. These men and women embody the democratic ideal. They have joined together to help create better working conditions for themselves and for all Americans.

Unfortunately, the limited rights that workers currently enjoy do not protect them from unfair and uncivil treatment by some employees. And even these limited rights are under attack by the Republican majority.

Let me give you an example from my district of the unfair actions that some employers will take against employees that have joined together to form a union.

One hundred and one workers at Pacific Rail Services, an intermodal yard in Richmond, California, overwhelming voted to join the International Longshore and Warehouse Union last September. The Union negotiated an agreement with Pacific Rail Services, which included wage and benefit increases. But just before it was officially signed, Burlington Northern/Sante Fe pulled the contract from Pacific Rail Services and gave it to another company. All 101 of the newly organized workers at Pacific Rail Services were thrown out on March 15 and a new, non-union workforce brought in.

Despite outrageous acts such as this one, the Republican majority is determined to weaken even further the right of employees to organize and advocate on their own behalf. The majority has already passed a bill through the House to give employers the power to hire and fire workers based solely on their support for union representation.

This so called ''Fairness for Small Business and Employees Act of 1998'' would undermine one of the most basic rights, the right to freedom of association. The bill permits employees to discriminate against workers on the basis of the workers' union support. It would permit, even encourage, employers to interrogate applicants on their preference for union representation and to refuse to hire an application on this basis.

Attacks like these make ''A Day to Make Our Voices Heard'' even more important. They remind us that we should be strengthening, not weakening, the rights of employees to ensure they receive fair and timely resolution of their concerns. I join my colleagues in applauding the efforts of workers all across the country to publicize the strong contributions unions make to a productive and civil workplace and highlight unfair business practices, and to bolster the efforts to those of us in Congress to protect workers' rights.

THE RIGHT TO ORGANIZE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. MENENDEZ. Mr. Speaker, only a short time ago at the turn of this century workers faced sweatshops, low wages, no benefits, and unsafe work places—conditions highlighted in books from the period like Upton Sinclair's, The Jungle. These books weren't simply fiction because they described the very real conditions that existed at the time. It's not a period to which I want to return.

Unions played an enormous role in improving these deplorable conditions of the past. But today unions are fighting for their very existence. In our country, as unions have declined, the gap between rich and poor has widened. By attacking unions, the Republicans have been working overtime to return to a past where unions didn't exist but the conditions unions sought to improve did.

Since coming to Congress I've seen labor unions come under attack from all sides: Efforts to repeal Davis-Bacon, pushing down the prevailing wage; decimating OSHA, putting workers' safety at risk; and stalling efforts to raise the minimum wage. That's the climate in Washington.

In spite of these attacks, America's workers still seek to form and join unions. Why? Unions promote the rights of workers, they endorse affirmative action, and they work to close unjustified wage gaps for women and minorities. That's what unions do for American workers.

Mr. Speaker, today's climate is not hospitable to working Americans who wish to organize. There have been documented examples of companies carrying on campaigns to keep their workers from organizing. They've used illegal threats, refusals to promote, illegal warnings, illegal work rules, illegal interrogations, and even illegal surveillance to force workers not to organize.

We can't turn a blind eye to these disturbing practices that workers seeking to organize face everyday. Unfortunately, back-handed tactics and intimidation go a long way to discourage working men and women from organizing. And that's what opponents of unions bank on. These are some of the harshest attacks possible on working Americans and their rights. They're attacks on entities which provide working men and women with the opportunity to improve their lives, their living standards, communities, and companies.

The fact is that not only do union workers earn an average of 33 percent more than non-union workers, but they also are much more likely to have stronger health and pension benefits. We need to let workers know that unions and their members will be there to strongly support the efforts of those who seek to organize. Labor unions help all working Americans—organized or not. That's why tomorrow's ''Day to Make Our Voices Heard'' events are so important.

Working men and women built this country, and the labor movement's struggle is their struggle. That struggle never ends and must never be taken for granted. The long uphill climb from the turn of this century could be rolled back by an avalanche of Republican anti-worker ploys. Let's bring back freedom of assembly and freedom of speech to the workplace. Let's respect working Americans' free choice when they seek to organize.

IN MEMORY OF REV. ROBERT JOSEPH STEVENS

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. HASTINGS of Florida. Mr. Speaker, it is with great sadness and regret that I must rise today to inform the House that the Rev. Robert J. Stevens recently passed away.

Mr. Speaker, Rev. Stevens was a good friend. And, though he has passed, I want to take this opportunity to stand before you today in order to recognize his remarkable career.

As some of you may know, Rev. Stevens spent most of his career serving as one of South Florida's finest morticians. With sensitivity and compassion, Rev. Stevens worked to comfort mourners during what is always a very difficult time in a person's life.

Rev. Stevens graduated from Palm Beach County's Roosevelt Senior High School in 1958. Furthermore, he completed advanced studies at McAllister College of Embalming in New York and North Carolina A & T University. He returned to South Florida to enter into the Stevens Bros. Funeral Home family business in 1973, where he worked until his death several weeks ago.

Rev. Stevens always believed that his greatest achievement was being called into the Ministry to preach the word of God. He was the founder and pastor of New Christ Missionary Baptist Church in West Palm Beach.

In addition to Rev. Stevens' work in his church and funeral home business, he was an active leader of the Florida State Morticians Association, the National Funeral Directors and Morticians Association, and the Masons. His extraordinary work on behalf of these organizations will continue to preserve his memory, well into the future.

The passing of Rev. Stevens is a difficult one for me personally. However, Mr. Speaker, I know that he will be missed even more by the people of South Florida. He was there for them as a pastor and as a friend. He will surely be missed.

A TRIBUTE TO MAYOR ELIHU HARRIS

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Ms. LEE. Mr. Speaker, Mayor Elihu Harris of Oakland has served the public for twenty-

one years as an elected official at both the state and municipal levels. For thirteen years, Mr. Harris served as a California State Assemblyman; over the course of his tenure, he served as Chairman of the Joint Legislative Audit Committee and the Jurisdictional Committee, and sponsored many pieces of legislation that have had a direct impact on the City of Oakland and its citizens.

For the past eight years, Mr. Harris has served as the Mayor of the City of Oakland, leading the drive to rebuild and strengthen our great City. In the wake of the 1989 Loma Prieta earthquake and the 1991 Oakland Hills firestorm—two of the most devastating events in recent city history—among other significant challenges, Harris has provided invaluable leadership and vision, and levied resources to support redevelopment, growth, and community in Oakland.

The Mayor's campaign to renew the City of Oakland has proved highly successful: in 1993, Oakland was designated an All American City by the National Civic League, and Money Magazine has ranked Oakland as one of the top places to live for two consecutive years. Under Harris' watch, crime rates and unemployment have dropped, and the City has experienced a tremendous influx of new business, construction, and jobs.

Equally important is Mr. Harris' record as the People's Champion. Throughout his term, Mayor Harris has worked closely with Oakland's citizens to create new and innovative ways to address important community issues. By providing strong leadership in an atmosphere of inclusiveness, Mr. Harris has mobilized people to believe that they can and will make a difference. A true Citizen-Mayor, Elihu Harris is especially passionate about children and about education: while serving as Oakland's mayor, he launched several important endeavors to support education, among them Camp Read-A-Lot and Project 2000, Ready to Learn.

On June 26, 1998, Mayor Harris will receive an Achievement Award from the Oakland East Bay Democratic Club. The 9th District joins the Oakland East Bay Democratic Club in honoring Mayor Elihu Harris for his years of dedicated service to our community.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1999

SPEECH OF

HON. JIM DAVIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 22, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4060) making appropriations for energy and water development for the fiscal year ending September 30, 1999, and for other purpose:

Mr. DAVIS of Florida. Mr. Chairman, I rise in support of H.R. 4060, the Fiscal Year 1999 Energy and Water Development Appropriations Bill. Given the limited resources available to the Committee in this era of increasingly tight budgets, this legislation is a balanced bill which represents a bipartisan effort to meet the important energy and water development needs of our Nation.

One area in which I must express concern and disappointment, however, is the funding for the critically important Everglades restoration projects. During last year's historic balanced budget agreement, Everglades funding was held up as one of the few protected domestic discretionary spending priorities. Unfortunately, just one year later, this legislation is unable to meet the critical needs of this restoration effort.

The Everglades National Park is truly one of our Nation's natural treasurers and provides tremendous resources which are vital to the environmental health and quality of life in the State of Florida. While we have made great progress in raising awareness of the fragile nature of this diverse ecosystem, much work remains to be done to restore and protect the park for this and future generations.

My hope is that as we move this process forward and begin to work in conference with the Senate, that we will recede to the Senate levels of funding for this work, specifically for the Army Corps of Engineers construction efforts in Central and Southern Florida, the Kissimmee River, and the Everglades and South Florida Ecosystem Restoration projects.

Mr. Chairman, I look forward to working with Members from both side of the aisle to secure adequate funding for these Everglades restoration projects.

MR. KENDALL'S RESPONSE TO MR. STARR'S PRESS RELEASES CONCERNING THE CONTENT MAGAZINE ARTICLE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. CONYERS. Mr. Speaker, I ask unanimous consent to enter into the RECORD the following letter from the President's attorney, David E. Kendall, to Independent Counsel Kenneth Starr.

June 16, 1998.

Hon. KENNETH W. STARR,
Independent Counsel,
1001 Pennsylvania Avenue, N.W.,
Suite 490—North, Washington, DC.

DEAR JUDGE STARR: In the past three days, you have issued two press releases on the subject of leaks from your office. I think it is appropriate to respond to this public relations initiative.

In neither of these two press releases have you denied even a syllable of what the Steve Brill ''Pressgate'' article quotes you and your staff as saying. You accuse Mr. Brill of misinterpreting but not misquoting, and that's highly significant.

Your statements in the Brill article are at breathtaking variance with your previous public statements about your duties and actions. Your statements consistently have led the public to believe you would tolerate no leaks of any kind. On January 21, 1998, you stated at your public press conference, ''I can't comment on the investigation as a matter of practice and of law. I just can't be making comments about the specific aspects of our investigation, including to confirm specific activity or not. . . . As an officer of the court, I just cannot breach confidentiality.'' At your public press conference on February 5, 1998, you stated in a CNN interview, ''I'm not going to comment on the status of our negotiations [with Ms. Lewinsky's lawyers] . . . I hope you understand, especially when you ask a question about the status of someone who might be a witness, that goes to the heart of the grand jury process. . . . Those are obligations of law; they're obligations of ethics. . . . I am under a legal obligation not to talk about facts going before the grand jury.'' In your public February 6, 1998, letter to me, you stated that ''leaks are utterly intolerable'' (your words, not mine) and you went on to say ''I have made the prohibition of leaks a principal priority of the Office. It is a firing offense, as well as one that leads to criminal prosecution.'' (Emphasis added).

What is so astonishing about your comments in the Brill article is that they contradict not simply our view but your own frequently and publicly expressed views both about the need to put a stop to leaking and your own protestations about your and your own staff's utter innocence in that regard.

Your press releases do not, however, address three simple points (there is much else that could be said, of course).

(1) If you need to talk to the press, why not do so on the record?

The Rule of the Department of Justice's Criminal Division promulgated by President Reagan's Assistant Attorney General in charge of the Criminal Division was: ''Never talk off the record with the media. If you don't want your name associated with particular comments or remarks, you shouldn't make them to media representatives.'' That's a good rule, because it makes everyone aware of who is making a particular statement, and it's especially important if what you're really trying to do is ''engender public confidence'' in your office. What possible justification do you have for secrecy? It's irresponsible and (under the circumstance) hypocritical.

(2) You are wrongly applying post-indictment standards of allowable prosecutorial comment.

Caught flat-footed by the Brill article, you've attempted to shift your ground by pointing to rules and opinions regarding post-indictment comment by prosecutors. As you well know, the standards are different after an indictment has been brought. At that point, the grand jury has found probable cause to make a criminal charge, the indictment has been openly announced, the defendant has significant procedural rights, including the right to have counsel appointed who will, among other things be able to respond to prosecutorial comments. Prior to indictment, the rule is that grand jury secrecy, a protection designed for witnesses and persons investigated but never finally charged, mandates prosecutorial silence and the confidentiality of grand jury proceedings.

(3) The view of Rule 6(e) that you express in the Brill article and (now) in your press releases is demonstrably not the law.

You are now attempting to justify leaking by you and your Office by claiming that the information your office has covertly given to the media is not covered by Rule 6(e) because, in your own words as quoted by Mr. Brill, ''it is definitely not grand jury information, if you are talking about what witnesses tell FBI agents or us before they testify before the grand jury or about related matters. . . . So, it I a not 6–E.'' (Emphasis in original.) Again, as you well know, this is not the law of the District of Columbia Circuit (or, for that matter, any other circuit). In the Dow Jones case decided by the United States Court of Appeals for the District of Columbia Circuit on May 5, 1998, that court summarized the secrecy rules legally applicable to grand jury investigations. Citing many cases of this Circuit and others decided over the years, the Court of Appeals emphasized that Rule 6(e) is to be given a broad

meaning to encompass much more than simply what transpires within the four walls of the grand jury room. The coverage of the Rule ''includes not only has occurred and what is occurring, but also what is likely to occur. Encompassed within the rule of secrecy are the 'identities of witnesses or jurors, the substance of testimony' as well as actual transcripts, 'the strategy or direction of the investigation, the deliberations or questions of jurors, and the like.'" (Emphasis added.) Your public statements in January and February accurately state the law, but your statements to Mr. Brill do not, and the actions of your Office are in violation of the law.

The media leaks by your Office also violate the ethics rules for federal prosecutors, see, e.g., DOJ Manual §§1–7.510; 1–7.530, which under the Independent Counsel Act you are obligated to comply with unless to do so would be ''inconsistent with the purposes'' of the Act. Complying with the DOJ's anti-leaking guidelines could hardly be ''inconsistent'' with the mission of your office.

Sincerely,

DAVID E. KENDALL.

A TRIBUTE TO DR. JAMES TOBIN

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. STUPAK. Mr. Speaker, at the age of 74, when most men and women might consider that it's time to settle back and enjoy the benefits of retirement, a medical doctor in my district has signed a four-year contract with his local hospital, Bell Memorial Hospital in Ishpeming, Michigan. This extension means that Dr. James Tobin, who also serves as mayor of his home town of Ishpeming, has now begun his second half-century of practicing medicine.

Actually, it's been more than a half century. The son of a doctor who himself practiced medicine until he was 79, Dr. Tobin admitted to a reporter in a recent story in the Marquette Mining Journal that he delivered his first baby in 1947 while only a medical student. Now, 9,000 babies later, Dr. Tobin still conducts his family practice, including obstetrics and gynecology, performs general surgery, and puts in by his own admission about 60 hours of work a week.

His biography recounts the facts of his life and career. A native of the borough of Queens, New York. A 1948 graduate of the Long Island College of Medicine. A 10-year veteran of the U.S. Army Medical Corps. A resident of Marquette County in my Northern Michigan congressional district since 1962. A member of the Ishpeming city council and four times mayor of Ishpeming. An Ishpeming Chamber of Commerce member and former chamber president. Member of a variety of local, state and national medical societies. A visionary chairman of a Michigan governor's task force whose work helped advance the quality of neonatal care at Marquette General Hospital. Church member. Husband. Father of five girls and one boy. Grieving father of a college-age daughter killed in a tragic automobile accident only last December.

This biographical outline can give us a sketch of Dr. Tobin as a member of his community, but it cannot come close to painting a picture of the impact of a family doctor on those around him. In a lifetime of family medical practice, Dr. Tobin has shared intimately in the lives of thousands and thousands of his friends and neighbors, an involvement rich in the pageantry of life and death. In addition to his human drama, Dr. Tobin in the past 50 years has witnessed a revolution in medicine akin to the revolutions in other branches of science.

Advances in life-saving equipment, medicine and techniques, however, has not come without a trade-off in the way medicine is practiced, as Dr. Tobin frankly admits. Working without the benefit of CAT scans or Ultrasound, doctors once had to more carefully hone their skills of observation. ''Your eyes, your fingertips, all of your senses,'' all came into necessary play, he says, adding, perhaps most importantly, ''you had to listen to your patients, too.''

We must go beyond the biographical outline, as well, to get a better view of a genuine human being concerned about the health of all individuals in his community. As the Mining Journal stated, Dr. Tobin has tried to follow in his father's footsteps, assuring all those patients who come into his office that they will be treated. ''Dad took care of rich and poor alike,'' Dr. Tobin says in fond recollection. ''Nobody ever got turned away for lack of money.''

Mr. Speaker, the people of northern Michigan will officially recognize and celebrate this lifetime of dedication—this story for which the final chapters have not yet been written—at a special gathering on June 30. I ask all my colleagues in the U.S. House to join me in praising the selfless commitment of Dr. James Tobin to the health and well-being of his fellow man.

JAMES H. BAKER—A MAN OF HISTORY

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. BARCIA. Mr. Speaker, in each of our communities we have the legacy of historic figures who worked to make a difference. In my district and my home town of Bay City, we have the privilege of having been the home of James Baker, the first black to run for a statewide public office in Michigan. His candidacy was one hundred years ago this month, and is a point of history of importance to all Americans.

Les Arndt has written an informative review of James Baker in the June 1998 issue of *Wonderful Times*, I submit this article to be included in the RECORD as part of my statement. I commend Mr. Arndt's column to all of our colleagues.

[From the Wonderful Times, June 1998]

MEMORY LANE

(By Les Arndt)

On June 21, 1898, exactly 100 years ago this month, the People's Party convention in Grand Rapids nominated Bay Cityan James H. Baker for state land commissioner by acclamation, and he became the first black to run for a statewide public office in Michigan.

Baker campaigned throughout Michigan, and excerpts from one of his campaign posters, paid for by the Committee to Elect James H. Baker, on October 12, 1898, read as follows: ''To the colored citizens and other voters of Michigan: Whereas the People's Party was the first to recognize a colored man on the same ticket, therefore we ask your individual support for James H. Baker. We know he is worthy and well qualified to fill the position and recommend him for your consideration. We beg you to advocate his cause, not for him alone, for he is paving the way for others.''

Bay City was newly chartered when James H. Baker came here in 1867 to make his permanent home and become the keystone to Bay City's black community, after he was mustered out of the First Michigan Infantry as an orderly to General Ely and meritorious service with a black Pennsylvania regiment during several major Civil War campaigns.

The city was still in its infancy, electing a prominent lumberman, Nathan B. Bradley, as mayor only two years previously in the historic first election under city charter, which was held seven days before the end of the Civil War.

When James H. Baker came here in the 1860s, he found only six blacks residing in Bay City. He became a dominant figure not only among fellow blacks but also as a community leader. He bacame a barber, then policeman, and finally the proud owner of the New Crescent Lunch Counter and Ladies' Dining Room at 805 N. Water, which he boasted as ''serving no alcoholic drinks.''

He was a delegate to the First Colored Men's State Convention at Battle Creek, March 25, 1884; a member of a committee of Michigan Negroes who petitioned the state lawmakers ''for the right of suffrage'' and avid backer to a movement to send a black delegate-at-large to the Republican National Convention in Chicago in the late 1880s.

Baker was born in Manchester, Va., where his father, also James H., landed after emigrating from Ireland. A son, Oscar W., was born here in August 1879, and he was scarcely six years old when he was struck by a Pere Marquette Railway train at the 11th and Jefferson crossing and eventually lost a leg. That unfortunate accident launched the Bakers' longtime connection with the law.

The father brought suit in young Oscar's name and won a $5,000 judgment. Although bad investments contributed to the dissipation of the cash before Oscar was 21, he went to the University of Michigan Law School with monies earned as secretary to Michigan Lt. Gov. Orin W. Robinson.

Graduating from law school in 1902, Oscar began practice here with white lawyer Lee E. Joslyn. In 1906, he brought suit against the railroad on the grounds it had been a mistake to pay the $5,000 without securing a bond from his father. After winning in Circuit Court here, the Michigan Supreme Court ruled against him, holding that payment of the $5,000 to the attorneys who were to turn it over to the Bakers qualified as a valid procedure.

As a result of the case, insurance companies, railroads, etc. began to require that a guardian be appointed for minors in civil cases.

Oscar, Sr. was the city's first black attorney, and he became a master courtroom psychologist, especially in criminal cases. He served as director for the association which sponsored professional baseball here at the turn of the century.

James H. Baker's grandsons, Oscar J. and James W., were long-time attorneys here, with the former founding what today is the Baker & Selby law firm after graduation from the U-M Law School in 1935. After practicing for nearly a half-century, Oscar Jr. has retired. In 1937, he was chairman of the State Bar's legal redress committee, traveling the state in helping blacks acquire their rights.

In the mid-1960s Oscar Jr. joined the National Lawyer's Guild voting rights promotion in Mississippi for two consecutive summers, participating in civil rights marches. He also participated in civil rights protests in Detroit.

THE WIPO COPYRIGHT TREATIES IMPLEMENTATION ACT

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1998

Mr. COBLE. Mr. Speaker, I submit for the RECORD a copy of correspondence between myself and Congressmen BOUCHER and CAMPBELL on the WIPO Copyright Treaties Implementation Act.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, June 16, 1998.

Hon. TOM CAMPBELL,
U.S. Representative for the 15th District of California, Washington, DC.
Hon. RICK BOUCHER,
U.S. Representative for the 9th District of Virginia, Washington, DC.

DEAR TOM AND RICK: Thank you for visiting with me in my office recently regarding H.R. 2281, the ''WIPO Copyright Treaties Implementation Act.'' I appreciate the concerns you expressed with respect to H.R. 2281 as it was reported from the House Committee on the Judiciary.

I expressed to you that I would consider your thoughts and respond to you in detail, and am pleased to do so in this letter.

I believe that many of your concerns, which are enumerated in your substitute bill, H.R. 3048, have been addressed already in a reasonable manner in amendments to the bill adopted by the Subcommittee on Courts and Intellectual Property and the Committee on the Judiciary in the House and by the Committee on the Judiciary and on the floor in the Senate (regarding the Senate companion bill, S. 2037). Others have been addressed in legislative history in House Report 105–551 (Part I) which accompanies the bill, as well as in Senate Report 105–190, which accompanies the Senate companion bill. Still others may be addressed as the House Committee on Commerce exercises its sequential jurisdiction over limited portions of the bill and as I work with interested members on developing a manager's amendment to be considered by the whole House. I anticipate including many of the amendments made by the Senate in the manager's amendment, along with other provisions. I anticipate that a conference will be necessary to reconcile the House and Senate versions of the bills.

While I am unable to support the specific provisions of H.R. 3048, for reasons I will explain in this letter, I am willing to work with you in the coming weeks to address additional concerns regarding the impact of this legislation on the application of the ''fair use'' doctrine in the digital environment and on the consumer electronics industry. I wish to stress, however, that I believe the bill, as amended by the House and Senate thus far, and explained by both the House and the Senate Judiciary Committee reports, already addresses these issues in several constructive ways.

I believe it is important, in order to recognize properly the efforts undertaken by the Congress and the Administration to address the concerns of the consumer electronics and fair use communities, to review the history of H.R. 2281 and to evaluate all of the provisions that have been either added to or deleted from the bill since its development leading to introduction in this Congress. As I am sure you will appreciate, I am sensitive to your concerns and have worked diligently with members and all parties involved to create a balanced and fair proposal that will result in the enactment of legislation this Congress.

In February, 1993, the Administration formed the Information Infrastructure Task Force to implement Administration policies regarding the emergence of the Internet and other digital technologies. This task force formed a Working Group on Intellectual Property Rights to investigate and report on the effect of this new technology on copyright and other rights and to recommend any changes in law or policy. The working group held a public hearing in November, 1993, at which 30 witnesses testified. These witnesses represented the views of copyright owners, libraries and archives, educators, and other interested parties. The working group also solicited written comments and received over 70 statements during a public comment period. Based on oral and written testimony, the working group released a ''Green Paper'' on July 7, 1994. After releasing the Green Paper, the working group again heard testimony from the public through four days of hearings held around the country. More than 1,500 pages of written testimony were filed during a four-month comment period by more than 150 individuals and organizations.

In March, 1995, then-Chairman Carlos Moorhead solicited informal comments from parties who had submitted testimony regarding the Green Paper, including library and university groups, and computer and electronics groups, in order to work effectively with the Administration on jointly developing any proposed updates to U.S. copyright law that might be necessary in light of emerging technologies.

In summer, 1995, the working group released a ''White Paper'' based on the oral and written testimony it has received after releasing the Green Paper. The White Paper contained legislative recommendations which were developed from public comment in conjunction with consultation between the House and Senate Judiciary Committees, the Copyright Office and the Administration.

In September, 1995, Chairman Moorhead in the House and Chairman Hatch in the Senate introduced legislation which embodied the recommendations contained in the White Paper and held a joint hearing on November 15, 1995. Testimony was received from the Administration, the World Intellectual Property Organization and the Copyright Office. The House Subcommittee on Courts and Intellectual Property held two days of further hearings in February, 1996. Testimony was received from copyright owners, libraries and archives, educators and other interested parties. In May, 1996, the Senate Judiciary Committee held a further hearing. Testimony was received from copyright owners, libraries and other interested parties. These hearings were supplemented with negotiations in both bodies led by Representative Goodlatte (as authorized by Chairman Moorhead) in the House and by Chairman Hatch in the Senate. Further negotiations were held by the Administration in late summer and fall of 1996.

During consideration of the ''NII Copyright Protection Act of 1995,'' Chairman Moorhead requested that Mr. Boucher and Mr. Berman of California lead negotiations between interested parties regarding the issue of circumvention. While these negotiations were helpful in streamlining and clarifying the issues to be discussed, they ultimately did not result in an agreement.

It is important to note that shortly after its establishment, the Administration task force's working group convened, as part of its consideration, a Conference on Fair Use (CONFU) to explore the effect of digital technologies on the doctrine of fair use, and to develop guidelines for uses of works by libraries and educators. Because of the complexities involved in developing broad-based policies for the adaptation of the fair use doctrine to the digital environment, and due to much disagreement among the participants (including within the library and educational communities), CONFU did not issue its full report until nearly two years after it was convened. An Interim Report was released by CONFU in September 1997 on the first phase of its work. No consensus was reached on how to apply the fair use doctrine to the digital age. In fact, the CONFU working group on interlibrary loan and document delivery concluded in a report to its Chair that it is ''premature to draft guidelines for digital transmission of digital documents.'' The work of CONFU continues today and a final report should be released soon with no agreed conclusions. As you can see, developing sweeping legislation, rather than relying on court-based ''case or controversy'' applications of the doctrine, is exceedingly difficult to do.

Since before the debate began with the establishment of a task force in the United States in 1993, the international community had also been considering what updates should be made to the Berne Convention on Artistic and Literary Works in order to provide adequate and balanced protection to copyrighted works in the digital age. This culminated in a Diplomatic Conference hosted by the World Intellectual Property Organization at which over 150 countries agreed on changes needed to accomplish this goal.

This goal was not reached easily, however, and many of the issues being debated by the Administration and the Congress in the United States concerning fair use and circumvention were aired at the Diplomatic Conference, with significant changes made to accommodate fair use concerns and the effect on the consumer electronic industries. Representatives of both groups participated in the Conference and aggressively sought to maintain proper limitations on copyright. They succeeded. For example, language was added to ensure that exceptions such as fair use could be extended into the digital environment. The treaty also originally contained very specific language regarding obligations to outlaw circumvention. It was changed to state that all member countries ''shall provide adequate legal protection and effective legal remedies against the circumvention of effective technological measures that are used by authors in connection with the exercise of their rights under this Treaty.'' This left to each country the development of domestic legislation to accomplish this goal.

After the United States signed the WIPO Treaties, the Administration again began negotiations led by the Department of Commerce and the Patent and Trademark Office, in consultation with the Copyright Office and the Congress, to develop domestic implementing legislation for the treaties. It built upon the efforts already accomplished by the release of the Green Paper and the White Paper and all of the testimony and comments heard as part of that process, the House and Senate bills introduced in the 104th Congress and all of the hearing testimony and negotiations associated with them, and the negotiations held by the Administration leading up to and during the Diplomatic Conference. Again, comments were solicited from fair use and consumer

electronics groups. In the summer of 1997, the Administration submitted to the Congress draft legislation to implement the treaties. In July, 1997, Chairman Hatch and I introduced the current pending legislation in each house. Importantly, the legislation was tailored to match the treaty language by establishing legal protection and remedies not against any technological measures whatsoever, but only ''against the circumvention of effective technological measures that are used by authors in connection with the exercise of their rights.''

The fair use and consumer electronics groups succeeded, just as they had at the Diplomatic Conference, in assuring in the introduced version of the bills the maintenance of proper limitations on copyright. The Administration had considered originally banning both the manufacture and use of devices which circumvent effective technological measures and had no specific provision on fair use, since Section 107 of the Copyright Act would, of course, continue to exist after enactment of the legislation. The word ''use'' was eliminated in the device provision and a specific provision relating to the adoption of the fair use doctrine in the digital environment was added.

As it was introduced, H.R. 2281 contained two important safeguards for fair use. First, the bill dealt separately with technological measures that prevent access and technological measures that prevent copying. As to the latter, the bill contained no prohibition on the act of circumvention itself, leaving users free to circumvent such measures in order to make fair use copies. Second, the savings clause in subsection 1201(d) ensures that defenses to copyright protection, including fair use, are unaffected by the prohibitions on circumvention. For example, circumvention of an effective technological measure that controls access to a work does not preclude, or affect in any way, a defense of fair use for copying the work. Moreover, the bill as introduced did not expand exclusive rights or diminish exceptions and limitations on exclusive rights.

Again, a series of legislative hearings were held by the House and Senate Judiciary Committees at which testimony was again heard from copyright owners, libraries and archives, educators, consumer electronics groups and other interested parties. In February, 1998, almost five years to the date of the establishment of the Administration's working group, taking into account all of the concessions and negotiations leading up to it, the first markup was finally held in Congress by the Subcommittee on Courts and Intellectual Property on this important legislation. As is evident by the timetable involved in the development of this legislation, and considering the number of hearings, negotiations and conferences dedicated to its contents, this bill certainly has not been placed on any ''fast-track.''

In the course of Subcommittee and Committee consideration of the bill in the House, the gentleman from Massachusetts, the Ranking Democratic Member of the Subcommittee, Mr. Frank, and I, proposed a number of improvements to the bill, which were adopted by the Committee, that benefit libraries and nonprofit educational institutions. We introduced a special ''shopping privilege'' exemption that permits nonprofit libraries and archives to circumvent effective technological measures in order to decide whether they wish to acquire lawfully a copy of the work. We added a provision that requires a court to remit monetary damages for innocent violations of sections 1201 or 1202. And we eliminated any possibility that nonprofit libraries and archives or educational institutions can be held criminally liable for any violation of sections 1201 or 1202, even when such violations are willful.

These changes add protection to language already included in the bill which safeguard manufacturers of legitimate consumer electronic devices. Unlike the ''NII Copyright Protection Act of 1995,'' which would have prohibited devices ''the primary purpose or effect of which is to circumvent,'' H.R. 2281 sets out three narrow bases for prohibiting devices. A device is prohibited under section 1201 only if it is primarily designed or produced to circumvent, has limited commercially significant use other than to circumvent, or is marketed specifically for use in circumventing. This formulation means that under H.R. 2281, it is not enough for the primary effect of the device to be circumvention. It therefore excludes legitimate multipurpose devices from the prohibition of section 1201. Devices such as VCRs and personal computers do not fall within any of these three categories (unless they are, in reality, black boxes masquerading as VCRs or PCs).

In addition, H.R. 2281 as introduced does not require any manufacturer of a consumer electronic device to accommodate existing or future technological protection measures. ''Circumvention,'' as defined in the bill, requires an affirmative step of ''avoiding, bypassing, removing, deactivating, or otherwise impairing a technological protection measure.'' Language added in the Senate, referred to below, clarified this even further.

In addition to all of the foregoing, there are a number of amendments that were made in the Senate bill that will be included in the manager's amendment to H.R. 2281. These include: an expansion of the exemptions for nonprofit libraries and archives in 17 U.S.C. § 108 to cover the making of digital copies without authorization, for purposes of preservation, security or replacement of damaged, lost or stolen copies; an expansion of section 108 to cover the making of digital copies without authorization in order to replace copies in the collection that are in an obsolete format; a provision directing the Register of Copyrights to make recommendations as to any statutory changes needed to apply the limitations on liability of online service providers to nonprofit educational institutions that act in the capacity of service providers; a provision directing the Register of Copyrights to consult with nonprofit libraries and nonprofit educational institutions and submit recommendations on how to promote distance education through digital technologies, including any appropriate statutory changes; a savings provision stating that nothing in section 1201 enlarges or diminishes vicarious or contributory liability for copyright infringement in connection with any technology, product, service, device, component or part thereof; a provision that states explicitly that nothing in section 1201 requires accommodation of present or future technological protection measures; a provision to ensure that the prohibition on circumvention does not limit the ability to decompile computer programs to the extent permitted currently under the doctrine of fair use; and a provision ensuring that technology will be available to enable parents to prevent children's access to indecent material on the Internet.

I believe that these are constructive provisions that precisely and carefully address specific concerns you have raised in H.R. 3048. In order to assure that fair use applies in the digital environment, in addition to the above changes, I have also agreed to include in the manager's amendment an amendment to Section 107 of the Copyright Act to make it continue to be technology-neutral with respect to means of exploitation.

It may be helpful, in addition to discussing what is contained in H.R. 2281 and the Senate companion, and what will be included in the manager's amendment, to raise directly with you some of the identifiable problems I see associated with H.R. 3048 as introduced.

Section 2 of H.R. 3048 would make two changes to Section 107 of the Copyright Act. It would add a specific reference to make explicit that fair use can apply to both analog and digital transmissions and would direct courts, in weighing fair use, to give no independent weight to either (1) the means by which a work is exploited under the authority of the copyright owner, or (2) the copyright owner's use of a copy protection technology. By amending Section 107 in this manner, H.R. 3048 implies that, currently, Section 107 does not apply to digital transmissions, or at a minimum, suggests that uses that are not mentioned specifically in the statute are less favored than those that are. Given that courts have been applying presently the fair use doctrine to digital transmissions, the risks inherent in burdening Section 107 with technology-specific language must be weighed against any benefit of added clarity the amendment would provide. Because no clarity is needed, since courts routinely apply the doctrine to digital transmissions, it is my opinion that the detriments of such a change outweigh any perceived benefits. As I mentioned, I would be pleased to clarify Section 107 by deleting any references to enumerated rights in Section 106 to reaffirm the application of fair use on the digital environment, rather than by placing technology-specific language in the limitation itself.

The other amendment to section 107 you propose would, for the first time, direct courts to ignore possibly relevant information in making a fair use determination. As it has developed over time, courts have been allowed to look, depending on the case or controversy in question, at the totality of the facts and circumstances surrounding a given use. This has enabled courts to reach a fair result. If, for example, a user breaks a ''technological lock'' in order to gain access to a work, the user has engaged in activity that goes beyond the bounds of traditional fair use. Fair use has never been interpreted to afford users a right of access. The provision you propose would grant to users a right of free access, rather than a right of fair use. H.R. 3048, therefore, in my opinion, changes U.S. policy in an extreme manner that undermines the free market principles protecting a creator's right to control initial access, as opposed to all uses, of his or her work.

H.R. 3048 also would make the ''first sale doctrine,'' codified in Section 109 of the Copyright Act, applicable to digital transmissions of copies of works. The first sale doctrine limits the exclusive rights granted a copyright owner with respect to a particular copy of a work to the first sale or transfer of that copy. Thereafter, the purchaser or transferee of that particular copy may generally sell, lend, rent or give it away without violating the copyright owner's distribution right. This doctrine was created by the courts to secure the alienability of tangible property and to curb any effort by a copyright owner to control the after-market for resales of the same copy of a work.

Section 4 of H.R. 3048 would exempt the performance, distribution or display (and the reproduction, to the extent necessary for the performance, display or distribution) of a lawfully-acquired copy of a work (presumably including, under the bill, one obtained for free through circumvention, as long as such circumvention was done for obtaining a copy to make a fair use of portions of it), by means of a transmission to a single recipient, provided that the ''original'' copy is destroyed.

In my opinion, this extension of the first sale doctrine is antithetical to the policies

the doctrine was intended to further. The alienability of tangible property is not at issue, since no tangible property changes hands in a transmission. Further, it does not address specifically the ability to control the after-market for resales of the same copy of a work, wince in this case distribution of a work by digital transmission necessarily requires a reproduction—it is not the same copy. The bill's answer to this quandary—that the original copy must be destroyed—is unenforceable and certainly not a substitute for disposition of a tangible copy. Destruction involves an affirmative act, generally in the privacy of a home, that is difficult to police and would involve significant invasions of privacy if it were policed effectively.

Further, regardless of whether the original copy is destroyed, the new copy would be free of contractual or other controls placed on the original copy by the copyright owner. It is also likely that this provision would have a much greater impact on an owner's primary market for new copies of a work than the current first sale doctrine has on the primary market for physical copies. Unlike used books, digital information is not subject to wear and tear. The ''used'' copy is just as desirable as the new one because they are indistinguishable. For this reason, Congress has curtailed the first sale doctrine as it applies to the rental of sound recordings and software in the past, to prevent posing so great a burden on a copyright owner so as to undermine the incentive to create works which is the driving force behind the Copyright Act.

H.R. 3048 would also broaden Section 110(2) of the Copyright Act so that the performance, display, or distribution of any work (rather than just the performance of a nondramatic literary or musical work and the display of any work) through digital transmission (rather than just through audio broadcasts) would be allowed without the permission of the copyright holder, as long as it is received by students, or by government employees as part of their duties. This broad expansion of the distance learning provisions currently codified in the Copyright Act would permit the transmission of a wide variety of Internet-based or other remote-access digital transmission formats for distance education and raises serious questions about safeguards to prevent such transmissions from unauthorized access. In other words, it may facilitate piracy.

Both CONFU and the Senate have discussed the intricacies involved in safeguarding transmissions used for distance learning purposes and have agreed that it is premature to enact specific legislation at this time. As discussed earlier, the Senate has included a provision in its companion bill, which I plan to include in the House manager's amendment, that will provide for a study with legislative recommendations on this issue, within a six-month time frame. This study will be better able to address the complex problems I have identified.

Section 7 of H.R. 3048 would amend Section 301(a) of the Copyright Act to preempt enforcement of certain license terms under state law. Specifically, it would preempt any state statute or common law that would enforce a ''non-negotiable license term'' governing a ''work distributed to the public'' if such term limited a copying of material that is not subject to copyright protection or if it restricted the limitations to copyright contained in the Copyright Act. In effect, it would prohibit standard form agreements, used in the context of copies distributed to the public, that purport to govern use of noncopyrightable subject matter or limit certain exceptions and limitations, such as fair use.

The use of standard form licensing agreements has become prevalent in the software and information industries, as owners seek to protect their investment in these products against the risk of unauthorized copying. Section 7 would result in destroying the ability of the producer of a work to create specific licenses tailored to the circumstances of the marketplace, or, in the case of factual databases and other valuable but noncopyrightable works, destroy the most significant form of protection currently available. This could result, for example, in the loss of crucial revenues to stock and commodity exchanges who rely on such contracts to disseminate information.

Attempts to introduce language similar to Section 7 of H.R. 3048 into Article 2B of the Uniform Commercial Code (UCC) have been rejected repeatedly by the UCC Article 2B Drafting Committee on several occasions. The National Conference of Commissioners on Uniform State Laws also rejected a proposal similar to the one you propose as has the American Law Institute. I agree with these bodies that restricting the freedom to contract in the manner proposed in H.R. 3048 would have a negative effect on the availability of information to consumers.

H.R. 3048 also proposes several changes to Section 108 of the Copyright Act regarding archiving and library activities. As you are aware, library groups and copyright owners have come to an agreement regarding changes in this section to update the Act for the digital environment and those changes were incorporated by the Senate in the companion bill. I will include those same provisions in the manager's amendment in the House.

Finally, the new Section 1201 contained in H.R. 3048 would not prohibit manufacturing or trafficking in devices purposely created to gain unauthorized access to copyrighted works, and insofar as it prohibits conduct, would permit circumvention in the first instance for purposes of fair use. In other words, H.R. 3048, as I discussed earlier, would grant to users a right never before allowed—free access to copyrighted works in order to make a fair use. I believe that is unwise policy and tilts the balance away from the protection of works in a free market economy toward the free provision of works to anyone claiming to make a fair use. This would, I believe, ultimately lead to much more litigation against libraries and others who lawfully engage in fair use and ultimately would diminish the number of works made available over new media.

While it would be impossible to communicate to you all of the problems contained in the exact language of H.R. 3048, I wanted to, in truncated form, reveal my serious concerns with the bill. In its current form, for the above reasons and others, I would oppose it as a substitute to H.R. 2281, as amended. I remain dedicated, however, to working with you, as I have in the past, to address your concerns in a reasonable manner that will result successfully in changes to our nation's copyright law that will benefit both owners and users of works.

I truly believe that we are at the beginning of a long process of addressing adaptation to the digital environment. It is not possible at this point to enact legislation that will contemplate all uses of a work and, as CONFU members aptly point out, many will have to be addressed as we move forward. I am committed, however, to preserving fair use in the digital age and thank you for your valuable and continuing insight and interest.

Sincerely,

HOWARD COBLE,
Chairman,
Subcommittee on Courts and Intellectual Property.

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S6833–S6916

Measures Introduced: Seven bills and one resolution were introduced as follows: S. 2202–2208 and S. Res. 253. **Pages S6885–86**

Measures Reported: Reports were made as follows:

S. 1754, to amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health professions and disadvantaged health education programs, with an amendment in the nature of a substitute. (S. Rept. No. 105–220)

S. Res. 237, expressing the sense of the Senate regarding the situation in Indonesia and East Timor. **Page S6883**

Measures Passed:

Energy and Water Development Appropriations: Pursuant to the order of June 18, 1998, Senate passed H.R. 4060, making appropriations for energy and water development for the fiscal year ending September 30, 1999, after striking all after the enacting clause and inserting in lieu thereof the text of S. 2138, Senate companion measure, as passed by the Senate. Also, pursuant to the order of June 18, 1998, Senate insisted on its amendment, requested a conference with the House thereon, and the following conferees were appointed on the part of the Senate: Senators Domenici, Cochran, Gorton, McConnell, Bennett, Burns, Craig, Stevens, Reid, Byrd, Hollings, Murray, Kohl, Dorgan, and Inouye. **Page S6861**

Subsequently, the passage of S. 2138 was vitiated and the measure was indefinitely postponed. **Page S6861**

Department of Defense Authorizations: Senate resumed consideration of S. 2057, to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, and to prescribe personnel strengths for such fiscal year for the Armed Forces, taking action on amendments proposed thereto, as follows: **Pages S6833–52, S6861, S6863–67**

Adopted:

Thurmond (for Warner) Amendment No. 2942, to clarify the responsibility for submission of information on prices previously charged for property or services offered. **Pages S6846–47**

Levin (for Kerry/McCain/Smith of New Hampshire) Amendment No. 2943, to recognize and honor former South Vietnamese commandos. **Pages S6847–48**

Thurmond (for Kerry/McCain/Smith of New Hampshire) Amendment No. 2944, to provide for payments to certain survivors of captured and interned Vietnamese operatives who were unmarried and childless at death. **Page S6848**

Levin (for Kerry/McCain/Smith of New Hampshire) Amendment No. 2945, to clarify the recipient of payments to Vietnamese operatives captured and interned by North Vietnam. **Page S6849**

Thurmond (for Bond) Amendment No. 2946, to extend the authorization and authorization of appropriations for the construction of an automated 100-meter baffled multi-purpose range at the National Guard Training Site in Jefferson City, Missouri. **Page S6849**

Levin (for Kennedy) Amendment No. 2803, to state the sense of the Senate regarding declassification of classified information of the Department of Defense and the Department of Energy. **Page S6849**

Thurmond (for Kyl) Amendment No. 2921, to require a visual examination of all documents released by the National Archives to ensure that such documents do not contain restricted data or formerly restricted data. **Pages S6849–50**

Levin/Conrad/Kempthorne/Kennedy/Bingaman Amendment No. 2947, to highlight the dangers posed by Russia's massive tactical nuclear stockpile, and urge the President to call on Russia to proceed expeditiously with promised reductions. **Page S6850**

Thurmond (for Grams) Amendment No. 2948, to provide for the presentation of a United States flag to members of the Armed Forces being released from active duty for retirement. **Pages S6850–51**

Thurmond (for Hutchison) Amendment No. 2949, to require a report on options for the reduction of infrastructure costs at Brooks Air Force Base, Texas. **Page S6851**

Levin (for Inouye) Amendment No. 2950, to require a report regarding the potential for development of Ford Island within the Pearl Harbor Naval Complex, Oahu, Hawaii. **Page S6851**

Feinstein Amendment No. 2405, to express the sense of the Senate regarding the Indian nuclear tests. **Pages S6833, S6867**

Brownback Modified Amendment No. 2407 (to Amendment No. 2405), to repeal a restriction on the provision of certain assistance and other transfers to Pakistan. **Pages S6833, S6864–67**

Withdrawn:

Warner motion to recommit the bill to the Committee on Armed Services with instructions to report back forthwith with all amendments agreed to in status quo and with a Warner Amendment No. 2735 (to the instructions on the motion to recommit), condemning forced abortions in the People's Republic of China. **Page S6833**

Warner Amendment No. 2736 (to the instructions of the motion to recommit), of a perfecting nature. (The amendment fell when the motion to recommit was withdrawn) **Page S6833**

Warner Modified Amendment No. 2737 (to Amendment No. 2736), condemning human rights abuses in the People's Republic of China. (The amendment fell when the motion to recommit was withdrawn) **Pages S6833–39**

During consideration of this measure today, Senate also took the following action:

By 14 yeas to 82 nays (Vote No. 167), Senate failed to table Amendment No. 2737, listed above. **Pages S6833–39**

By a unanimous vote of 96 nays (Vote No. 168), Senate failed to table Division I of Amendment No. 2737, to condemn those officials of the Chinese Communist Party, the Government of the People's Republic of China, and other persons who are involved in the enforcement of forced abortions by preventing such persons from entering or remaining in the United States. **Pages S6839–46, S6852, S6861, S6863**

By unanimous-consent agreement, the vote scheduled on the motion to close further debate on the bill, was vitiated. **Page S6854**

Senate will continue consideration of the bill on Wednesday, June 24, 1998.

Education Savings Act for Public and Private Schools—Conference Report: Senate began consideration of the conference report on H.R. 1882, to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, and to increase the maximum annual amount of contributions to such accounts. **Pages S6867–75**

A unanimous-consent time-agreement was reached providing for further consideration of the conference report on Wednesday, June 24, 1998, with a vote on adoption of the conference report to occur thereon. **Page S6916**

Removal of Injunction of Secrecy: The injunction of secrecy was removed from the following treaties:

Treaty with Niue on Delimitation of a Maritime Boundary (Treaty Doc. 105–53); and

Treaty with Belize for Return of Stolen Vehicles (Treaty Doc. 105–54).

The treaties were transmitted to the Senate today, considered as having been read for the first time, and referred, with accompanying papers, to the Committee on Foreign Relations and was ordered to be printed. **Page S6915**

Nominations Confirmed: Senate confirmed the following nominations:

Edward L. Romero, of New Mexico, to be Ambassador to Spain.

Edward L. Romero, of New Mexico, to serve concurrently and without additional compensation as Ambassador to Andorra. **Pages S6915–16**

Nominations Received: Senate received the following nominations:

Jane E. Henney, of New Mexico, to be Commissioner of Food and Drugs, Department of Health and Human Services.

Barbara Pedersen Holum, of Maryland, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 2002.

Kenneth Prewitt, of New York, to be Director of the Census. **Page S6916**

Messages From the House: **Page S6879**

Measures Referred: **Page S6879**

Measures Placed on Calendar: **Page S6879**

Communications: **Pages S6879–80**

Petitions: **Pages S6880–83**

Executive Reports of Committees: **Pages S6883–85**

Statements on Introduced Bills: **Pages S6886–89**

Additional Cosponsors: **Pages S6889–90**

Amendments Submitted: **Pages S6890–S6907**

Authority for Committees: **Page S6907**

Additional Statements: **Pages S6907–15**

Record Votes: Two record votes were taken today. (Total—168) **Pages S6839, S6852**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 7:06 p.m., until 9:30 a.m., on Wednesday, June 24, 1998. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S6916.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—COMMERCE/JUSTICE/STATE

Committee on Appropriations: Subcommittee on Commerce, Justice, State, and the Judiciary approved for full committee consideration an original bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies programs for the fiscal year ending September 30, 1999.

APPROPRIATIONS—INTERIOR

Committee on Appropriations: Subcommittee on Interior and Related Agencies approved for full committee consideration an original bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30,1999.

NOMINATIONS

Committee on Armed Services: Committee concluded hearings on the nominations of Gen. Richard B. Myers, USAF, to be Commander-in-Chief, United States Space Command, Vice Adm. Richard W. Mies, USN, to be Commander-in-Chief, United States Strategic Command, and Lt. Gen. Charles T. Robertson, Jr., USAF, to be Commander-in-Chief, United States Transportation Command and Commander, Air Mobility Command, after the nominees testified and answered questions in their own behalf.

PUERTO RICO

Committee on Energy and Natural Resources: Committee concluded oversight hearings to examine certain implications with regard to the future of Puerto Rico's political status should that country choose independence from the United States and become a sovereign nation, including the status of United States citizenship of persons born in and residing in Puerto Rico, and trade and tariff implications, after receiving testimony from Johnny H. Gillian, Senior Specialist, American Constitutional Law, Congressional Research Service, Library of Congress; Richard L. Thornburgh, Kirkpatrick and Lockhart, former United States Attorney General, and Gregory T. Nojeim, American Civil Liberties Union, both of Washington, D.C.; and Manuel Rodriguez-Orellana, Puerto Rican Independence Party, Emilio Soler Mari, Accion Democratica Puertorriquena, Luis Vega-Ramos, PROELA, and Juan M. Garcia Passalacqua all of San Juan, Puerto Rico.

WATER RESOURCES DEVELOPMENT

Committee on Environment and Public Works: Subcommittee on Transportation and Infrastructure concluded hearings on S. 2131, to authorize funds for the conservation and development of water and related resources, and to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, after receiving testimony from Joseph W. Westphal, Assistant Secretary of the Army for Civil Works; Michael Davis, Deputy Assistant Secretary of the Army for Civil Works; Maj. Gen. Russell L. Fuhrman, Director of Civil Works for the Army Corps of Engineers; Mayor Kenneth E. Pringle, Borough of Belmar, New Jersey; Councilwoman Louisa M. Strayhorn, City of Virginia Beach, Virginia, on behalf of the Kempsville Borough; Grover Fugate, Rhode Island Coastal Resources Management Council, Wakefield; Kurt J. Nagle, American Association of Port Authorities, Alexandria, Virginia; Scott C. Faber, American Rivers, Washington, D.C.; and Stephen H. Higgins, Broward County Department of Natural Resource Protection, Broward County, Florida, on behalf of the American Coastal Coalition.

BUSINESS MEETING

Committee on Foreign Relations: Committee ordered favorably reported the following business items:

S. 1344, to target assistance to support the economic and political independence of the countries of South Caucasus and Central Asia, with an amendment in the nature of a substitute;

S. Con. Res. 97, expressing the sense of Congress concerning the human rights and humanitarian situation facing the women and girls of Afghanistan, with amendments;

S. Res. 237, expressing the sense of the Senate regarding the situation in Indonesia and East Timor;

S. Res. 240, expressing the sense of the Senate with respect to democracy and human rights in the Lao People's Democratic Republic, with amendments;

Montreal Protocol No. 4 to Amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air signed at Warsaw on October 12, 1929, as amended by the Protocol done at The Hague on September 8, 1955 (Ex. B, 95th Cong. 1st sess.), with one declaration and two provisos;

Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, adopted at Paris on November 21, 1997, by a conference held under the auspices of the Organization for Economic Cooperation and Development. Convention signed in Paris on December 17, 1997, by the United States and 32 other nations (Treaty Doc. 105–43), with one understanding, one declaration, and three provisos; and

The nominations of Shirley Elizabeth Barnes, of New York, to be Ambassador to the Republic of Madagascar, William Davis Clarke, of Maryland, to be Ambassador to the State of Eritrea, Paul L. Cejas, of Florida, to be Ambassador to Belgium, Jeffrey Davidow, of Virginia, to be Ambassador to Mexico, Vivian Lowery Derryck, of Ohio, to be Assistant Administrator for Africa, Agency for International Development, Eric S. Edelman, of Virginia, to be Ambassador to the Republic of Finland, Nancy Halliday Ely Raphel, of the District of Columbia, to be Ambassador to the Republic of Slovenia, George Williford Boyce Haley, of Maryland, to be Ambassador to the Republic of The Gambia, Michael Craig Lemmon, of Florida, to be Ambassador to the Republic of Armenia, John O'Leary, of Maine, to be Ambassador to the Republic of Chile, Rudolf Vilem Perina, of California, to be Ambassador to the Republic of Moldova, Katherine Hubay Peterson, of California, to be Ambassador to the Kingdom of Lesotho, Edward L. Romero, of New Mexico, to be Ambassador to Spain, and to serve concurrently and without additional compensation as Ambassador to Andorra, Cynthia Perrin Schneider, of Maryland, to be Ambassador to the Kingdom of the Netherlands, Nancy E. Soderberg, of the District of Columbia, to be Alternate Representative of the United States for Special Political Affairs in the United Nations, with the rank of Ambassador, and to be an Alternate Representative of the United States to the Sessions of the General Assembly of the United Nations during her tenure of service as Alternate Representative of the United States for Special Political Affairs in the United Nations, Charles Richard Stith, of Massachusetts, to be Ambassador to the United Republic of Tanzania, Kenneth Spencer Yalowitz, of Virginia, to be Ambassador to the Republic of Georgia, and a Foreign Service Officer Promotion list (John M. O'Keefe) received in the Senate on September 3, 1997.

Also, committee began mark up of S. Res. 238, expressing the sense of the Senate regarding human rights conditions in China and Tibet, but did not complete action thereon and recessed subject to call.

RELIGIOUS FREEDOM

Committee on the Judiciary: Committee held hearings on S. 2148, to protect religious liberty by extending the Religious Freedom Restoration Act's rule of protection to the full extent of Congress's statutory authority and by assisting the Courts in enforcing the free exercise clause of the Constitution by enacting enforcement measures under the 14th Amendment by requiring the government to disprove violations of constitutional rights, receiving testimony from Rabbi David Zwiebel, Agudath Israel of America, Marci A. Hamilton, Benjamin N. Cardozo School of Law/Yeshiva University, and Christopher L. Eisgruber, New York University School of Law, all of New York, New York; Dallin H. Oaks, Church of Jesus Christ of Latter-Day Saints, and Michael W. McConnell, University of Utah College of Law, both of Salt Lake City, Utah; Richard D. Land, Ethics and Religious Liberty Commission of the Southern Baptist Convention, Nashville, Tennessee; Elliot M. Mincberg, People for the American Way, Washington, D.C.; and Douglas Laycock, University of Texas at Austin School of Law.

Hearings were recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 14 public bills, H.R. 4109–4122; and 4 resolutions, H. Res. 483 and 486–488, were introduced. **Pages H5063–64**

Reports Filed: Reports were filed as follows:

H.R. 2538, to establish a Presidential commission to determine the validity of certain land claims arising out of the Treaty of Guadalupe-Hidalgo of 1848 involving the descendants of persons who were Mexican citizens at the time of the Treaty, amended (H. Rept. 105–594);

H.R. 4112, making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999 (H. Rept. 105–595);

H. Res. 484, providing for consideration of H.R. 4103, making appropriations for the Department of Defense for the fiscal year ending September 30, 1999 (H. Rept. 105–596); and

H. Res. 485, providing for consideration of H.R. 4104, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999 (H. Rept. 105–597). **Page H5063**

Guest Chaplain: The prayer was offered by the guest Chaplain, Rev. Mike Coleman of Hannibal, Missouri. **Page H4971**

Recess: The House recessed at 9:50 a.m. and reconvened at 10:00 a.m. **Page H4970**

Suspensions: The House agreed to suspend the rules and pass the following measures:

Drug-Free Workplace Act: H.R. 3853, amended, to promote drug-free workplace programs (passed by a yea and nay vote of 402 yeas to 9 nays, Roll No. 257); and **Pages H4974–81, H4983**

Internet Tax Freedom Act: H.R. 4105, to establish a national policy against State and local interference with interstate commerce on the Internet, to exercise congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet, to establish a national policy against federal and state regulation of Internet access and online services. **Pages H5028–37**

Agriculture Appropriations Act: The House began consideration of amendments to H.R. 4101, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999. Further consideration will resume on Wednesday, June 24. **Pages H4984–H5028**

Agreed To:

The Bereuter amendment that prohibits the Secretary of Housing and Urban Development from denying a loan guarantee for multifamily rental units in rural areas if the interest on the loan is exempt from inclusion in gross income for purposes of chapter 1 of the Internal Revenue Code of 1986; **Pages H5016–17**

The Bass amendment that reduces funding for the Wildlife Service livestock protection program by $10 million (agreed to by a recorded vote of 229 ayes to 193 noes, Roll No. 259). **Pages H5024–28**

Rejected:

The Obey amendment that sought to strike section 736 that extends the time for USDA to implement rulemaking on the milk marketing orders system by six months and continue the Northeast Interstate Dairy Compact; **Pages H5002–15**

The Dooley amendment that sought to transfer $49.3 million from special grants for agricultural research to implement provisions of the Agricultural Research, Extension, and Education Act of 1998; **Pages H5017–18**

The Neumann amendment that sought to prohibit the use of funding to provide a peanut price support loan rate greater that $550 per ton for quota peanuts (rejected by a recorded vote of 181 ayes to 244 noes, Roll No. 258); **Pages H5018–24, H5027–28**

Point of order was sustained against the Petri amendment that sought to terminate congressional consent for the Northeast Interstate Dairy Compact on April 4, 1999. **Pages H5015–16**

Agreed by unanimous consent that debate on the Miller of Florida amendment related to sugar, if offered, and all amendments thereto would be limited to 60 minutes allocated as follows: Representative Miller of Florida, 30 minutes; Representative Skeen, 15 minutes; and Representative Kaptur or her designee, 15 minutes. **Page H5027**

H. Res. 482, the rule that provided for consideration of the bill, was agreed to earlier by voice vote. **Pages H4981–83**

Amendments: Amendments ordered printed pursuant to the rule appear on page H5065.

Quorum Calls—Votes: One yea and nay vote, and two recorded votes developed during the proceedings of the House today and appear on pages H4983, H5027–28, and H5028. There were no quorum calls.

Adjournment: Met at 9:00 a.m. and adjourned at 8:38 p.m.

Committee Meetings

LABOR-HHS-EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education approved for full Committee action the Labor, Health and Human Services, and Education appropriations for Fiscal Year 1999.

INTERNATIONAL BANKING AND FINANCE—YEAR 2000 CHALLENGE

Committee on Banking and Financial Services: Held a hearing on the Year 2000 Challenge to International Banking and Finance. Testimony was heard from Ernest T. Patrikis, First Vice President, Federal Reserve Bank of New York; and public witnesses.

EMERGENCIES—BUDGETARY TREATMENT

Committee on the Budget: Task Force on Budget Process, hearing on Budgetary Treatment of Emergencies. Testimony was heard from James Lee Witt, Director, FEMA; from the following officials of the CBO: James Blum, Deputy Director; and Theresa Gullo, Chief, State and Local Government Cost Estimates; and Keith Bea, Specialist, American National Government, Congressional Research Service, Library of Congress.

STATES' ALTERNATIVE ENVIRONMENTAL COMPLIANCE STRATEGIES

Committee on Commerce: Subcommittee on Oversight and Investigations, held a hearing on States' Alternative Environmental Compliance Strategies. Testimony was heard from Michael Gryszkowiec, Director, Planning and Reporting, GAO; the following officials of the EPA: Nikki L. Tinsley, Acting Inspector General; and Eric Schaeffer, Director, Office of Regulatory Enforcement; David B. Struhs, Commissioner, Department of Environmental Quality, State of Massachusetts; and Mike Phillips, Director, Strategic Projects and Planning, Department of Environmental Protection, State of Florida.

ANTI-SLAMMING MEASURES

Committee on Commerce: Subcommittee on Telecommunications, Trade, and Consumer Protection held a hearing on Protecting Consumers Against Slamming, focusing on the following bills: H.R. 3888, Anti-slamming Amendments Act; and H.R. 3050, Slamming Prevention and Consumer Protection Act of 1997. Testimony was heard from Representatives Goodlatte; Smith of New Jersey and Bass; Lawrence E. Strickling, Deputy Bureau Chief, Common Carrier Bureau, FCC; and public witnesses.

COMPREHENSIVE SCHOOL REFORM PROGRAM

Committee on Education and the Workforce: Subcommittee on Early Childhood, Youth, and Families held a hearing on Comprehensive School Reform Program. Testimony was heard from Gerald Tirozzi, Assistant Secretary, Elementary and Secondary Education, Department of Education; and public witnesses.

CAMPAIGN FUNDRAISING

Committee on Government Reform and Oversight: Adopted a resolution granting Congressional immunity to Irene Wu, Nancy Lee, Larry Wong, and Kent La regarding the Committee's campaign fundraising investigation.

CHILD CUSTODY PROTECTION ACT

Committee on the Judiciary: Ordered reported amended H.R. 3682, Child Custody Protection Act.

Committee recessed subject to call.

EXPORTS OF SATELLITES TO CHINA—U.S. POLICY

Committee on National Security: and the Committee on International Relations concluded joint hearings on U.S. policy regarding the export of satellites to China. Testimony was heard from Walter B. Slocombe, Under Secretary, Policy, Department of Defense; John Holum, Acting Under Secretary, Political Affairs, Department of State; and William Reinsch, Under Secretary, Export Administration, Department of Commerce.

OVERSIGHT—FOREST SERVICE LAW ENFORCEMENT

Committee on Resources: Subcommittee on Forests and Forest Health held an oversight hearing on Forest Service Law Enforcement. Testimony was heard from Barry T. Hill, Associate Director, Energy, Resources, and Science Issues, GAO; Robert Joslin, Deputy Chief, Forest Service, USDA; and a public witness.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on National Parks and Public Lands approved for full Committee action the following bills: S. 1693, Vision 2020 National Parks System Restoration Act; and H.R. 4004, to authorize the Secretary of the Interior to provide assistance to the Casa Malpais National Historic Landmark in Springerville, Arizona, and to establish the Lower East Side Tenement National Historic Site.

The Subcommittee also held a hearing on H.R. 3705, Ivanpah Valley Airport Public Lands Transfer

Act. Testimony was heard from Pete Culp, Assistant Director, Minerals, Realty and Resource Protection, Bureau of Land Management, Department of the Interior; and a public witness.

DEFENSE APPROPRIATIONS

Committee on Rules: Granted, by voice vote, a modified open rule providing 1 hour of debate on H.R. 4103, making appropriations for the Department of Defense for the fiscal year ending September 30, 1999. The rule waives points of order against consideration of the bill for failure to comply with clause 2(l)(6) of rule XI (requiring a three day layover of the committee report), clause 7 of rule XXI (requiring printed hearings and reports to be available for three days prior to consideration of general appropriations bills), or section 306 of the Budget Act of 1974 (prohibiting consideration of legislation within the jurisdiction of the Budget Committee unless reported by that committee). The rule provides that the amendments printed in the report of the Committee on Rules accompanying the resolution shall be considered as adopted in the House and in the Committee of the Whole.

The rule waives points of order against provisions in the bill which do not comply with clause 2 of rule XXI (prohibiting unauthorized or legislative provisions in an appropriations bill) and clause 6 of rule XXI (prohibiting reappropriations in a general appropriations bill). The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. The rule allows for the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. The rule provides that consideration of section 8106 for amendment under the five minute rule shall not exceed one hour. Finally, the rule provides one motion to recommit with or without instruction. Testimony was heard from Representatives Young of Florida, Gilman, Sessions, Murtha, Skaggs and Maloney of New York.

TREASURY, POSTAL SERVICE, GENERAL GOVERNMENT APPROPRIATIONS

Committee on Rules: Granted, by voice vote, an open rule on H.R. 4104, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1999, providing one hour of general debate equally divided between the chairman and ranking minority member of the Committee on Appropriations. The rule waives points of order against consideration of the bill for failure to comply with clause 2(l)(6) of rule XI (requiring a 3-day layover of the committee report), or clause 7 of rule XXI (requiring printed hearings and reports to be available for 3 days prior to consideration of general appropriations bills). The rule provides that the amendments printed in part 1 of the report of the Committee on Rules accompanying the resolution shall be considered as adopted in the House and in the Committee of the Whole. The rule waives points of order against provisions in the bill, as amended, which do not comply with clause 2 of rule XXI (prohibiting unauthorized or legislative appropriations in a general appropriations bill) and clause 6 of rule XXI (prohibiting reappropriations in a general appropriations bill), except as specified in the rule. The rule waives all points of order against the amendments printed in part 2 of the Rules Committee report and provides that such amendments may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. The rule allows for the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Representatives Kolbe, Morella, Hoyer, Obey, Lowey, DeLauro and Maloney of New York.

EMPLOYMENT SECURITY FINANCING ACT

Committee on Ways and Means: Subcommittee on Human Resources held a hearing on H.R. 3684, Employment Security Financing Act of 1998. Testimony was heard from Grace Kilbane, Director, Unemployment Insurance Service, Department of Labor; Robert R. Cupp, Senator, President Pro Tempore, and Co-Chairman, Finance Committee, Senate, State of Ohio; Joseph Weisenburger, Deputy Commissioner, Department of Employment Security, State of New Hampshire; Douglas Jamerson, Secretary, Department of Labor and Employment Security, State of Florida; and public witnesses.

INDIVIDUAL TAXPAYERS AND SMALL BUSINESSES—TAX CODE COMPLEXITY IMPACT

Committee on Ways and Means: Subcommittee on Oversight held a hearing on the impact of complexity in the tax code for individual taxpayers and small

businesses. Testimony was heard from Carl Olandt, Unemployment Compensation Director of Accounts, Labor Department, State of Connecticut; and public witnesses.

TRADE MEASURES

Committee on Ways and Means: Subcommittee on Trade approved for full Committee action the following measures: H.R. 2316, to amend trade laws and related provisions to clarify the designation of normal trade relations; and H.J. Res. 120, disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam.

DOD COUNTERINTELLIGENCE

Permanent Select Committee on Intelligence: Subcommittee on Human Intelligence, Analysis, and Counterintelligence met in executive session to hold a hearing on DOD Counterintelligence. Testimony was heard from departmental witnesses.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, p. D654)

S. 423, to extend the legislative authority for the Board of Regents of Gunston Hall to establish a memorial to honor George Mason. Signed June 19, 1998. (P.L. 105–182)

S. 1244, to amend title 11, United States Code, to protect certain charitable contributions. Signed June 19, 1998. (P.L. 105–183)

COMMITTEE MEETINGS FOR WEDNESDAY, JUNE 24, 1998

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Banking, Housing, and Urban Affairs, to resume hearings on H.R. 10, to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, 10 a.m., SD–538.

Committee on Energy and Natural Resources, business meeting, to consider pending calendar business, 9:30 a.m., SD–366.

Committee on Foreign Relations, Subcommittee on International Economic Policy, Export and Trade Promotion, to hold hearings to examine the Asian financial crisis, 10 a.m., SD–419.

Subcommittee on European Affairs, to hold hearings to examine United States policy in Kosovo, 4 p.m., SD–419.

Committee on Governmental Affairs, to resume hearings to examine the state of computer security within Federal, State and local agencies, 10 a.m., SD–342.

Committee on the Judiciary, business meeting, to mark up S.J. Res. 40 and H.J. Res. 54, proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States, S.J. Res. 44, proposing an amendment to the Constitution of the United States to protect the rights of crime victims, and other pending legislation, 10 a.m., SD–226.

Subcommittee on Immigration, to hold hearings on the agricultural guestworker program, 2 p.m., SD–226.

Committee on Labor and Human Resources, business meeting, to mark up proposed legislation authorizing funds for human services programs, 9:30 a.m., SD–430.

Committee on Energy and Natural Resources, Subcommittee on Water and Power to hold joint hearings with the Committee on Indian Affairs, on S. 1771, to amend the Colorado Ute Indian Water Rights Settlement Act to provide for a final settlement of the claims of the Colorado Ute Indian Tribes, and S. 1899, entitled ''Chippewa Cree Tribe of the Rocky Boy's Reservation Indian Reserved Water Rights Settlement Act of 1998'', 2:45 p.m., SD–628.

Committee on Indian Affairs, business meeting, to mark up S. 1925, to make certain technical corrections in laws relating to Native Americans, and S. 1998, to authorize an interpretive center and related visitor facilities within the Four Corners Monument Tribal Park, 2:30 p.m., SD–628.

Full Committee to hold joint hearings with the Committee on Energy and Natural Resources' Subcommittee on Water and Power, on S. 1771, to amend the Colorado Ute Indian Water Rights Settlement Act to provide for a final settlement of the claims of the Colorado Ute Indian Tribes, and S. 1899, entitled ''Chippewa Cree Tribe of the Rocky Boy's Reservation Indian Reserved Water Rights Settlement Act of 1998'', 2:45 p.m., SD–628.

Select Committee on Intelligence, to hold closed hearings on intelligence matters, 10 a.m., SH–219.

House

Committee on Agriculture, Subcommittee on Forestry, Resource Conservation, and Research, to consider agricultural credit legislation, 10 a.m., 1300 Longworth.

Committee on Appropriations, Subcommittee on Commerce, Justice, State, and Judiciary, to mark up appropriations for Fiscal Year 1999, 2 p.m., H–309 Capitol.

Subcommittee on the District of Columbia, on Public Education, 9 a.m., on D.C. Corrections Fiscal Year 1999 Budget, 11 a.m., on D.C. Public Safety Fiscal Year 1999 Budget, 1 p.m., on Members of Congress; D.C. Government Officials; and public witnesses, 3 p.m., H–144 Capitol.

Committee on Commerce, to mark up the following bills: H.R. 872, Biomaterials Access Assurance Act of 1998; H.R. 2921, Multichannel Video Competition and Consumer Protection Act of 1997; H.R. 2281, Digital Millennium Copyright Act of 1998; H.R. 8, Border Smog Reduction Act of 1998; and H.R. 1689, Securities Litigation Uniform Standards Act of 1998; and to consider a Report finding Franklin L. Haney in Contempt of Congress and directing the Speaker to certify the Report with

respect to Mr. Haney to the U.S. Attorney for the District of Columbia, 10:30 a.m., 2123 Rayburn.

Committee on Education and the Workforce, to mark up the following bills: H.R. 3248, Dollars in the Classroom Act; and H.R. 3007, Commission on the Advancement of Women in Science, Engineering, and Technology Development Act, 10:30 a.m., 2175 Rayburn.

Subcommittee on Oversight and Investigations, to continue hearings on American Worker Project: Meeting the Needs of the 21st Century Workplace, 2 p.m., 2261 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on Civil Service, hearing on Civil Service Reform Issues, 10 a.m., 2247 Rayburn.

Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, to continue hearings on ''The Kyoto Protocol: Is the Clinton-Gore Administration Selling Our Americans? Part IV,'' 10 a.m., 2154 Rayburn.

Committee on International Relations, hearing on Colombian Heroin Crisis, 10 a.m., 2172 Rayburn.

Subcommittee on Africa, to mark up the following measures: H. Res. 415, to promote independent radio broadcasting in Africa; and H. Con. Res. 292, calling for an end to the recent conflict between Eritrea and Ethiopia, 2 p.m., 2200 Rayburn.

Subcommittee on International Economic Policy and Trade, hearing on China and Economic Engagement: Success or Failure? 1:30 p.m., 2172 Rayburn.

Committee on the Judiciary, oversight hearing on the Effects of Consolidation on the State of Competition in the Telecommunications Industry, 10 a.m., 2141 Rayburn.

Subcommittee on Courts and Intellectual Property, to mark up H.R. 3789, Class Action Jurisdiction Act of 1998, 2 p.m., B–352 Rayburn.

Subcommittee on Crime, hearing on H.R. 2380, Internet Gambling Prohibition Act of 1997, 2 p.m., 2237 Rayburn.

Committee on Resources, hearing on H.R. 1168, to encourage competition and tax fairness and to protect the tax base of State and local governments, 2 p.m., 1324 Longworth.

Committee on Rules, to consider a measure making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, 2:30 p.m., H–313 Capitol.

Committee on Science, oversight hearing on Houston, We Have a Problem: The Administration's Plan to Fix the International Space Station, 10 a.m., 2318 Rayburn.

Committee on Small Business Subcommittee on Government Programs and Oversight, hearing on the HubZone Program, 10 a.m., 311 Cannon.

Committee on Veterans' Affairs, to mark up the following bills: H.R. 3980, Persian Gulf Veterans Health Care and Research Act of 1998; and H.R. 4110, Veterans Benefits Improvement Act of 1998, 10 a.m., 334 Cannon.

Committee on Ways and Means, hearing on Managing the Public Debt in an Era of Surpluses, 10 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive, to mark up H.R. 3829, Intelligence Community Whistleblower Protection Act of 1998, 2 p.m., H–405 Capitol.

Next Meeting of the SENATE

9:30 a.m., Wednesday, June 24

Senate Chamber

Program for Wednesday: Senate will resume consideration of the conference report on H.R. 2646, Education Savings Act for Public and Private Schools, with a vote to occur thereon.

Senate will also resume consideration of S. 2057, DOD Authorizations.

Next Meeting of the HOUSE OF REPRESENTATIVES

10:00 a.m., Wednesday, June 24

House Chamber

Program for Wednesday: Consideration of H.R. 4101, Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, 1999 (complete consideration);

Consideration of H.R. 4103, Department of Defense Appropriations Act, 1999 (open rule, 1 hour of debate); and

Consideration of H.R. 4104, Treasury, Postal Service, and General Government Appropriations Act, 1999 (open rule, 1 hour of debate).

Extensions of Remarks, as inserted in this issue

HOUSE

Barcia, James A., Mich., E1206
Calvert, Ken, Calif., E1200
Camp, Dave, Mich., E1202
Coble, Howard, N.C., E1207
Crapo, Michael, D., Idaho, E1200
Conyers, John, Jr., Mich., E1205
Davis, Jim, Fla., E1205
Engel, Eliot L., N.Y., E1203
Fazio, Vic, Calif., E1203
Hastings, Alcee L., Fla., E1204
Kennedy, Joseph P., II, Mass., E1199, E1200
Kucinich, Dennis J., Ohio, E1202
Lee, Barbara, Calif., E1204
Lewis, Jerry, Calif., E1203
Lipinski, William O., Ill., E1202
Menendez, Robert, N.J., E1204
Miller, George, Calif., E1204
Morella, Constance A., Md., E1199
Nadler, Jerrold, N.Y., E1201
Owens, Major R., N.Y., E1201
Portman, Rob, Ohio, E1199, E1201
Radanovich, George P., Calif., E1201
Riggs, Frank, Calif., E1201
Stupak, Bart, Mich., E1206
Visclosky, Peter J., Ind., E1203

Congressional Record The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed at one time. ¶Public access to the Congressional Record is available online through *GPO Access,* a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103d Congress, 2d session (January 1994) forward. It is available on the Wide Area Information Server (WAIS) through the Internet and via asynchronous dial-in. Internet users can access the database by using the World Wide Web; the Superintendent of Documents home page address is http://www.access.gpo.gov/su_docs, by using local WAIS client software or by telnet to swais.access.gpo.gov, then login as guest (no password required). Dial-in users should use communications software and modem to call (202) 512–1661; type swais, then login as guest (no password required). For general information about *GPO Access,* contact the *GPO Access* User Support Team by sending Internet e-mail to gpoaccess@gpo.gov, or a fax to (202) 512–1262; or by calling Toll Free 1–888–293–6498 or (202) 512–1530 between 7 a.m. and 5 p.m. Eastern time, Monday through Friday, except for Federal holidays. ¶The Congressional Record paper and 24x microfiche will be furnished by mail to subscribers, free of postage, at the following prices: paper edition, $150.00 for six months, $295.00 per year, or purchased for $2.50 per issue, payable in advance; microfiche edition, $141.00 per year, or purchased for $1.50 per issue payable in advance. The semimonthly Congressional Record Index may be purchased for the same per issue prices. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington, D.C. 20402. ¶Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. ¶With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record.