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Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Dr. Washington Johnson II, Moranatha Seventh Day Adventist Church, Jackson, TN.

We are pleased to have you with us.

PRAYER

The guest Chaplain, Dr. Washington Johnson II, offered the following prayer:

Let us pray.

Almighty God, who has worked through leaders in all ages to shape the events of history, we pray for the women and men in this Senate today. May they sense Your guiding providence and find wonder in the thought that You have chosen them through the voice of the American people to lead this mighty Nation. While they are here in this historic Chamber, remind them of their accountability to You for every choice which they shall make. May they live humbly and peacefully before You as they lead in making laws to govern our land. May they remember the limitations of human wisdom and power, and may they rely constantly on You, the omnipotent One, for strength and guidance. Dwell in the secret places of their hearts and grant them peace. Reveal Yourself to them; be the unseen Friend beside them in every changing circumstance. And may we all aspire for the day when *nation shall not lift up sword against nation, neither shall they learn war anymore.*—Isaiah 2:4. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

SCHEDULE

Mr. GREGG. Mr. President, today the Senate will be in a period of morning business until 11:20 a.m. Following morning business, the Senate will begin consideration of H.R. 1664, the steel, oil, and gas appropriations legislation, with amendments expected to be offered. Therefore, votes are anticipated throughout the day. Tomorrow, it is the intention of the leader to take up and complete action on the State Department authorization bill. Therefore, votes will take place during Friday's session of the Senate.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. CRAPO). Under the previous order, leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of morning business not to extend beyond the hour of 11:20 a.m., with Senators permitted to speak for up to 10 minutes each.

Under the previous order, the Senator from New Hampshire, Mr. GREGG, is recognized to speak for up to 40 minutes.

NATIONAL FATHER'S RETURN DAY

Mr. GREGG. Mr. President, Senator LIEBERMAN and I today introduce a resolution which asks that June 20, Father's Day, be further designated as "National Father's Return Day." The purpose of this resolution is to highlight the fact that fathers are needed in the family.

I heard Governor George Bush speak this past weekend in New Hampshire, and one of the things that really resonated with me was that he said the

most important job we have is not being a Governor or being a Senator or being head of an assembly line or working at a restaurant; the most important job we have is to be good moms and pops. That is absolutely true. Unfortunately, in our country today, one out of every three children is currently in a household without a father. That has a devastating impact on the manner in which these children perceive life and the manner in which these children are raised.

We all know that in this time of difficult economic activity, where, unfortunately, it does take two parents working to raise a family in many households, there is great stress on the family to begin with and there is always the question of enough family time. There is always the question of having enough time to be with our children and have our children get from their parents the values and the ideas that are so critical.

Coupled with the fact that so many children are being raised in households where there is no father, it is absolutely critical that we refocus ourselves on the importance of the father in the household and that we say to those fathers who maybe have left the household and are not spending the type of time they should with their children, who are not coming back as regularly as they should or not taking the extra initiatives, the extra time it takes to be with their children during periods when it is convenient for both the mother and the father: Think about this, think about what you are doing, and think about your obligations as a father.

So this initiative which we put forward today, this resolution to designate June 20 as National Father's Return Day, has as its purpose to highlight this fact and to say to fathers throughout our Nation, think about your opportunity as a father, not only fathers outside the home but fathers who are still in the nuclear family,

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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think about your responsibilities and make sure you are living up to that obligation, because as a Nation I think we must all understand we are never going to be able to be a nation of values, a nation of moral strength, a nation of purpose, unless we give our children, the next generation, a sense of purpose, a sense of values, and a sense of moral strength. The father plays a major role in accomplishing that.

So this resolution, which I will not read in its entirety, although it is an excellent resolution, I must admit, has as its resolve clause:

Be it *Resolved*, That the Senate—

(1) recognizes that the creation of a better United States requires the active involvement of fathers in the rearing and development of their children;

(2) urges each father in the United States to accept his full share of responsibility for the lives of his children, to be actively involved in rearing his children, and to encourage the emotional, academic, moral, and spiritual development of his children;

(3) urges the States to hold fathers who ignore their legal responsibilities accountable for their actions and to pursue more aggressive enforcement of child support obligations;

(4) encourages each father to devote time, energy, and resources to his children, recognizing that children need not only material support, but also, more importantly, a secure, affectionate, family environment.

(5) urges governments and institutions at every level to remove barriers to father involvement and enact public policies that encourage and support the efforts of fathers who do want to become more engaged in the lives of their children;

(6) to demonstrate the commitment of the Senate to those critically important goals, designates June 20, 1999, as "National Father's Return Day";

(7) calls on fathers around the country to use the day to reconnect and rededicate themselves to their children's lives, to spend National Father's Return Day with their children, and to express their love and support for them.

Then it requests that the President issue a proclamation calling on the people of the United States to observe National Father's Return Day with appropriate ceremonies and activities.

I certainly appreciate the chance to participate in this resolution, which was the idea and the initiative of the Senator from Connecticut, who has so many good ideas in the area of trying to improve family values in our Nation.

So it is a pleasure for me to join with him on this resolution, to be a cosponsor of this resolution, and participate in offering it today.

I reserve the remainder of my time.

ORDER OF PROCEDURE

Mr. TORRICELLI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I ask unanimous consent that, of the 40 minutes reserved for the minority leader, 10 minutes be yielded to me and 10 minutes to Senator REED of Rhode Is-

land. I assume that would still accommodate the Senator from Connecticut. That would leave 20 minutes.

Mr. LIEBERMAN. I thank my friend from New Jersey. I have access to the time allotted to the Senator from New Hampshire.

Mr. GREGG. Will the Senator from New Jersey allow the Senator from Connecticut to go forward in conjunction with this resolution?

Mr. TORRICELLI. If that is the Senator's wish.

Mr. LIEBERMAN. If it fits the Senator's schedule. I don't expect to take but 10 minutes.

Mr. TORRICELLI. Mr. President, if I could amend my unanimous consent request that Senator LIEBERMAN be allowed to proceed, followed by myself for 10 minutes and Senator REED of Rhode Island for 10 minutes, and, furthermore, that Rebecca Morley, a fellow of Senator REED, be given access to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Reserving the right to object, and a friendly amendment of 10 minutes for the Senator from Illinois named DURBIN.

The PRESIDING OFFICER. Is there objection, with the suggested amendment?

Mr. GREGG. Mr. President, I further request that be amended to ask that Senator COLLINS have 10 minutes at the conclusion of the Senators who have just spoken.

The PRESIDING OFFICER. To restate the unanimous consent request, the Chair understands the request to be the Senator from Connecticut be allowed to go forward for 10 minutes at this time, followed by the Senator from New Jersey, the Senator from Rhode Island, the Senator from Illinois, and then—

Mr. GREGG. The Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine—each for 10 minutes, respectively.

Mr. TORRICELLI. Mr. President, reserving the right to object, and that Rebecca Morley, a fellow with Senator REED, be granted privileges of the floor.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GREGG. Mr. President, I yield 10 minutes of my time to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

NATIONAL FATHER'S RETURN DAY

Mr. LIEBERMAN. Mr. President, for most of us, Father's Day, which of course is this coming Sunday, is a special day of love, family, appreciation, a customary time for giving ties and, if you will allow me, for renewing ties of a different sort. But for a staggering number of American children, there will be no ties of either kind to cele-

brate this Sunday. The sad reality is that an estimated 25 million children—more than 1 out of 3—live absent their biological father, and 17 million kids live without a father of any kind. About 40 percent of the children living in fatherless households have not seen their dads in at least a year; and 50 percent of children who don't live with their fathers have never stepped foot in their father's home.

This growing crisis of father absence in America is taking a terrible toll on these children who are being denied the love, guidance, discipline, emotional nourishment, and daily support that fathers can provide. As dads disappear, the American family is becoming significantly weaker and less capable of fulfilling its fundamental responsibility of nurturing and socializing children and conveying values to them. In turn, the risks to the health and well-being of America's children are becoming significantly higher.

Children growing up without fathers, research shows, are far more likely to live in poverty, to fail in school, to experience behavioral and emotional problems, to develop drug and alcohol problems, to be victims of physical abuse and neglect and, tragically, to commit suicide. It is, of course, not just those children individually who are suffering but our society as a whole. Many mothers and fathers are so busy today that they are less involved in their children's lives than in the past. But this absence is particularly consequential when it comes to fathers, for they play such a critical role in socializing and providing boundaries to children, particularly to boys.

The devastating consequences of father absence for communities—and particularly urban communities—has been broadly documented in a report released just this week by the Institute For American Values and the Morehouse Research Institute. The report was titled "Turning the Corner on Father Absence in Black America." It was discussed in a powerful column by Michael Kelly, which appeared in Wednesday's Washington Post.

I ask unanimous consent that the entirety of Mr. Kelly's column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A NATIONAL CALAMITY

So now we are four, as along comes Jack, 8 pounds, 4 ounces, to join Tom, who for the record welcomes this development; and now I know what my job will be for the remainder of my days. I will be the man sitting behind the driver's wheel saying: Boys, listen to your mother.

This is a good job, and one of the better things about it is the nice clarity it lends to life. Fathers (and mothers) relearn that the world is a simple enough place. They discover that their essential ambitions, which once seemed so many, have been winnowed down to a minimalist few: to raise their children reasonably well and to live long enough to see them turn out reasonably okay. This doesn't seem like a great deal to ask for until you find out that it is everything to

you. Because, it turns out, you are every-thing to them.

We know this not just emotionally but empirically. We know—even Murphy Brown says so—that both fathers and mothers are essential to the well-being of children. Successive studies have found that children growing up in single-parent homes are five times as likely to be poor, compared with children who have both parents at home. They are twice as likely (if male, three times as likely) to commit a crime leading to imprisonment. They are more likely to fail at school, fail at work, fail in society.

What, then, would we say about a society in which the overwhelming majority of children were born into homes without fathers and who grew up, in significant measure, without fathers? We would say that this society was in a state of disaster, heading toward disintegration. We would say that here we had a calamity on a par with serious war or famine. And, if that society were our own, we would, presumably, treat this as we would war or famine, with an immediate and massive mobilization of all of our resources.

Of course, this society is our own. Of black children born in 1996, 70 percent were born to unmarried mothers. At least 80 percent of all black children today can expect that a significant part of their childhood will be spent apart from their fathers.

Millions of America's children live in a state of multiplied fatherlessness—that is, in homes without fathers and in neighborhoods where a majority of the other homes are likewise without fathers. In 1990, 3 million children were living in fatherless homes located in predominantly fatherless neighborhoods—neighborhoods in which a majority of the families were headed by single mothers. Overwhelmingly, those children were black.

These figures, and most of the others that follow, come from a report, "Turning the Corner on Father Absence in Black America," released to no evident great concern this week by the Morehouse Research Institute and the Institute for American Values.

As the report notes, things were not always thus. In 1960, when black Americans lived with systematic oppression, 78 percent of black babies were born to married mothers, an almost mirror reversal of today's reality. In the 1950s, a black child would spend on average about four years living in a one-parent home. An estimated comparable figure for black children born in the early 1980s is 11 years. According to the research center Child Trends, the proportion of black children living in two-parent families fell by 23 percentage points between 1970 and 1997, going from 58 percent to 35 percent.

The disaster of black fatherlessness in America is part of a larger crisis. In every major demographic group, fatherlessness has been growing for years. Among whites, 25 percent of children do not live in two-parent homes, up from 10 percent in 1970. Overall, on any given night, four out of 10 children in America are sleeping in homes without fathers. (True, in the past few years, the number of out-of-wedlock births has begun to fall, but that trend is too nascent and too modest to much affect the situation.)

Some people think all of this matters. One is David Blankenhorn, a liberal organizer who learned realities as a Vista volunteer and who 11 years ago founded the Institute for American Values, co-author of this week's report. It is Blankenhorn's modest suggestion that fathers are necessary to children, that their abdication on a large scale is calamitous to the nation and that the people who run the nation should do something serious about this.

The man who currently runs it is not a factor here; he does not do serious. What about the men who would run it? Al Gore says

nothing; he is too busy fighting the loss of green spaces in Chevy Chase. Bill Bradley preaches about racism but is silent about the ruination of a race. George W. Bush is full of compassionate conservatism, but he won't say quite what that is. And so on. History will wonder why America's leaders abandoned America's children, and why America let them do so.

Mr. LIEBERMAN. Mr. President, I want to say just a few words on the jarring statistics from that report and column for my colleagues. Of African American children born in 1996, 70 percent were born to unmarried mothers. At least 80 percent, according to the report, can expect to spend a significant part of their childhood apart from their fathers.

We can take some comfort and encouragement from the fact that the teen pregnancy rate has dropped in the last few years. But the numbers cited in Mr. Kelly's column and in the report are nonetheless profoundly unsettling, especially given what we know about the impact of fatherlessness, and indicate we are in the midst of what Kelly aptly terms a "national calamity." It is a calamity. Of course, it is not limited to the African American community. On any given night, 4 out of 10 children in this country are sleeping in homes without fathers.

At the end of this column, Michael Kelly asks: How could this happen in a Nation like ours? And he wonders if anyone is paying attention.

Well, the fact is that people are beginning to pay attention, although it tends to be more people at the grassroots level who are actively seeking solutions neighborhood by neighborhood. The best known of these groups is called the National Fatherhood Initiative. I think it has made tremendous progress in recent years in raising awareness of father absence and its impact on our society and in mobilizing a national effort to promote responsible fatherhood.

Along with a group of allies, the National Fatherhood Initiative has been establishing educational programs in hundreds of cities and towns across America. It has pulled together bipartisan task forces in the Senate, the House, and among the Nation's Governors and mayors. It has worked with us to explore public policies that encourage and support the efforts of fathers to become more involved in the lives of their children.

Last Monday, the National Fatherhood Initiative held its annual national fatherhood summit here in Washington. At that summit, Gen. Colin Powell, and an impressive and wide-ranging group of experts and advocates, talked in depth about the father absence crisis in our cities and towns and brainstormed about what we can do to turn this troubling situation around.

There are limits to what we in Government can do to meet this challenge and advance the cause of responsible fatherhood because, after all, it is hard to change people's attitudes and behav-

iors and values through legislation. But that doesn't mean we are powerless, nor does it mean we can afford not to try to lessen the impact of a problem that is literally eating away at our country.

In recent times, we have had a great commonality of concern expressed in the ideological breadth of the fatherhood promotion effort both here in the Senate and our task force, but underscored by statements that the President, the Vice President, and the Secretary of Health and Human Services have made on this subject in recent years. Indeed, I think President Clinton most succinctly expressed the importance of this problem when he said:

The single biggest social problem in our society may be the growing absence of fathers from their children's homes because it contributes to so many other social problems.

So there are some things we can and should be trying to do. I am pleased to note our colleagues, Senators BAYH, DOMENICI, and others have been working to develop a legislative proposal, which I think contains some very constructive and creative approaches in which the Federal Government would support financially, with resources, some of these very promising grassroots father-promotion efforts, and also encourage and enact the removal of some of the legal and policy barriers that deter men from an active presence in their children's lives.

Another thing I think we can do to help is to use the platform we have on the Senate floor—this people's forum—to elevate this problem on the national agenda. That is why Senator GREGG and I have come to the floor today. I am particularly grateful for the cosponsorship of the Senator from New Hampshire, because he is the chairman of the Senate Subcommittee on Children and Families. We are joined by a very broad and bipartisan group of cosponsors which includes Senators BAYH, BROWNBACK, MACK, DODD, DOMENICI, JEFFORDS, ALLARD, COCHRAN, LANDRIEU, BUNNING, ROBB, DORGAN, DASCHLE, and AKAKA. I thank them all for joining in the introduction of this special resolution this morning, which is to honor Father's Day coming this Sunday, but also to raise our discussion of the problem of absent fathers in our hopes for the promotion of responsible fatherhood.

Senator GREGG indicated this resolution would declare this Sunday's holiday as National Fathers Return Day and call on dads around the country to use this day, particularly if they are absent, to reconnect and rededicate themselves to their children's lives, to understand and have the self-confidence to appreciate how powerful a contribution they can make to the well-being of the children that they have helped to create, and to start by spending this Fathers' Day returning for part of the day to their children and expressing to their children the love they have for them and their willingness to support them.

The statement we hope to make this morning in this resolution obviously will not change the hearts and minds of distant or disengaged fathers, but those of us who are sponsoring the resolution hope it will help to spur a larger national conversation about the importance of fatherhood and help remind those absent fathers of their responsibilities, yes, but also of the opportunity they have to change the life of their child, about the importance of their fatherhood, and also help remind these absent fathers of the value of their involvement.

We ask our colleagues to join us in supporting this resolution, and adopting it perhaps today but certainly before this week is out to make as strong a statement as possible and to move us one step closer to the day when every American child has the opportunity to have a truly happy Father's Day because he or she will be spending it with their father.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey, Senator TORRICELLI, is recognized for 10 minutes.

Mr. TORRICELLI. Thank you, Mr. President.

THE CHILDREN'S LEAD SAFE ACT

Mr. TORRICELLI. Mr. President, in our constitutional government, it is the Congress that is entrusted to reflect both the desires of our people and it was envisioned that it is this Congress that would be the most responsive to immediate public need.

But there has arisen in recent years both a frustration with the Congress and a tendency to rely upon other institutions. Patterns emerged in the fight against tobacco and the health care crisis that have come from citizens, aggrieved parties who have relied upon the Federal courts to redress their grievances. Indeed, the same pattern is now occurring with regard to the problems of gun violence and the inability of Congress to respond to the legitimate needs of controlling these dangerous weapons in their design and in their distribution, leading citizens to, once again, rely upon the Federal courts.

I rise today because there is now a third rising frustration with the American people that is leading them to the Federal courts rather than to the Federal Congress. I am addressing the problem of lead poison.

Victims of lead poisoning are suing corporations that have manufactured this paint before its residential use was banned in 1978, recognizing that lead today is the leading health hazard to children in many communities around America.

Despite all of our efforts in the last 20 years to ban lead paint to protect American children, there are still estimated to be 890,000 children in America who suffer from elevated levels of lead poisoning in their blood. This lead poi-

soning in America's children leads to physical impairment, mental impairment, and severe behavioral problems in children. In extreme cases, this leads to comas, mental retardation, brain damage, and even death.

In 1992, the Congress made a commitment to our children. It was our collective judgment we would mandate that States test every child under 2 years of age in America, using Medicaid, to determine the level of lead poison. This mandatory screening would limit the dangers of lead to children with the highest risk of exposure. We felt confident, because 75 percent of the highest risk children were already in Federal health care programs.

There was a recognition that these children were five times more likely than other children in America to be exposed to lead and to have these potential impairments because they lived in older housing and were less likely to have access to health care. The fact of the matter is that, despite 20 years of congressional good intentions and this mandatory program through Medicaid, children in America are not being protected. A recent GAO report indicates that two-thirds of children on Medicaid have never been tested for lead. Over 400,000 children with high lead in their blood are unidentified, and these children need our help.

Just like in the tobacco cases, and now with the gun cases, citizens are frustrated. The Congress expressed good intentions. It legislated. But there is no response. Indeed, citizens now are left with the thought of having nothing happen, or to pursue their grievances in the Federal courts. The Congress has not provided an answer. That is why Senator REED and I have introduced the Children's Lead Safe Act, S. 1120.

This legislation would ensure that every Federal program which serves children at risk in our country is testing them for lead. We are not asking. We are not hoping for the best. We are requiring an answer, and that every child in a Federal program today—Head Start and WIC—be involved; ensuring that we know whether or not these children have high lead levels; recognizing that every day that goes by and that every year of development of these children leaves them at risk for brain damage, developmental problems, or even death.

Our legislation requires that WIC and Head Start centers determine if a child has been tested. It guarantees that Medicaid contracts explicitly require health care providers to adhere to Federal rules for screening and treatment. It requires that States report to the Federal Government the number of children on Medicaid who have been tested. At long last, we will require the testing, ensure there is funding for the testing, and then finally know how many children are at risk and the nature of their risk.

This legislation will also ensure that States and Federal agencies have the

resources. This is not a mandate without a financial alternative. Reimbursement to WIC and Head Start will be provided for screening costs; and, indeed, we go further and create a bonus program to reward States for every child screened above 65 percent of the Medicaid population. But, indeed, screening, reimbursement for screening, and mandatory screening is only part of what Senator REED and I would provide.

Finally, we will do this: expand Medicaid coverage to include treatment for lead poisoning. If we identify a child who has an elevated lead poisoning level, that child is given immediate treatment before brain damage, paralysis, or learning disabilities become permanent.

Second, we improve information on lead poisoning so parents who live in older housing in our older cities where the risk is greatest know how to identify the dangers, change the living environment, and deal with the problem. We encourage the CDC to develop information-sharing guidelines to health departments, drug test labs, and official health programs.

These are all part of a comprehensive program to fulfill the promise that this Congress made 20 years ago to deal honestly with the problem of lead poison: Inform parents, give health care alternatives, assure that children in programs such as WIC and Head Start actually are given the screening that they know is necessary and that they deserve.

I hope the parents and advocacy groups which are now going to the Federal courts on the well-beaten path of tobacco advocates and gun control advocates before them can now have confidence that this Congress will not wait on the sidelines in frustration, recognizing that a program we implemented 20 years ago is not working; we are now demanding and providing the resources for a mandate that, indeed, can have meaning for the life of these children and for their parents.

I urge our colleagues to recognize the advantages of S. 1120. I hope Members join with Senator REED and me in offering this worthwhile and important program to deal with lead poison.

I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Rhode Island.

Mr. REED. Mr. President, I am pleased today to join my colleague from New Jersey, Senator TORRICELLI, to discuss the issue of childhood lead poisoning and discuss the legislation we introduced.

Over the last 20 years, the United States has made significant progress in reducing lead exposure, particularly among our children. We have enacted bans on lead-based paint, lead solder in food cans, and the deleading of gasoline. As a result, blood lead levels in the United States have decreased by 80 percent. That is good news.

However, what is not good news is the fact that there are an estimated

nearly 1 million preschoolers who have excessive lead in their blood, making lead poisoning one of the leading childhood environmental diseases, if not the most significant environmental disease that affects children today.

Today, lead-based paint in housing is the major source of this exposure to our children. It has been estimated that approximately half of America's housing stock, roughly 64 million units, contain some lead-based paint. Twenty million of these homes contain lead-based paint in a hazardous condition—paint which is peeling, cracked, or chipped.

Children typically get exposed to this, and young children particularly, while playing on floors that have minute particles of lead, from opening and closing windows, particularly old windows, because of the paint in the runners which crack when the window is opened or closed. Thousands of particles of lead are set off in the atmosphere, and children ingest these particles.

Children also ingest lead in backyards in older neighborhoods where cars were worked on 20 years before but in the ground there are still significant quantities of lead.

This is particularly a problem in my home State of Rhode Island, because we have a rather old housing stock; 43.7 percent of our houses and homes were built before 1950 when lead paint was ubiquitous; it was used everywhere. HUD estimates that 80 percent of pre-1950 homes used lead paint. There are only five States that have a higher percentage of older homes—those built before 1950—than Rhode Island. In Rhode Island this is a significant problem.

Nationally we have found that 1 in 11 children has elevated blood levels. In Rhode Island it is one in five. Nationally this is still a problem. This is not just an issue that pertains to the Northeast or to some parts of the country. It cuts across every sector of this great Nation.

Another example from the Rhode Island experience: In 1998, 15,000 Rhode Island children entering kindergarten had their blood levels screened; 3,000 of these children had elevated lead in their blood systems. That is an unacceptable percentage. We would like to see zero elevated lead levels but certainly not 3,000 out of 15,000.

The impact is unfairly borne by minority children, low-income children. African American children are five times more likely than white children to contact lead poisoning. In Rhode Island, 14 percent of white children screened in 1998 had elevated lead levels, 36 percent of African American children, and 29 percent of Hispanic children. This is an environmental disease that is correlated highly with low income. Poor housing unduly affects minority children throughout the country.

We also know that exposure to lead leads to health problems for children. It also has a profound impact on their

educational development, because lead will attack the central nervous system and upset cognitive functions. It is a pernicious disease which will lead to impairment of educational ability and intellectual ability.

One of the ironies of our program is that we spend very little relative to lead problems, but we are spending millions and millions and millions on special education. In fact, there is not one of my colleagues who has not heard his or her local school superintendent or the Governor say: We have to support special education; we have to reduce these costs. We can if we have a health care system that reacts and screens for lead in children.

These lead-affected children are more likely, because of educational complications, to drop out of school. In fact, it has been estimated that they are seven times more likely to drop out of school if they have elevated blood lead levels. We continue to pay for special education through dropouts, through young people who do not have the skills to participate fully in our economy.

It is our responsibility to do something. As my colleague, Senator TORRICELLI, mentioned, we have in the past instructed all the Federal health care programs to screen children and to treat children, but we have not been able to measure up to the task we have given them. We have not been able to effectively screen all the children. Certainly we haven't been able to treat all these children.

We do have solutions: First, we have to make parents more aware, and also we have to insist upon comprehensive screening and treatment for children who are at risk.

In January 1999, the General Accounting Office reported that children in federally funded health care programs such as Medicaid, WIC programs, and the Health Centers Program are five times more likely to have elevated blood levels than children who are not in these programs. The report also found—this is substantiated by what Senator TORRICELLI said and underscores the need for action now—that despite longstanding Federal requirements over 20 years, two-thirds of the children in these programs, more than 400,000, have never been screened at all, even though it is our policy that they all should be screened—400,000 children.

Our legislation, the Children's Lead Safe Act, will ensure that all preschool children who are enrolled in Federal health care programs who are most at risk for lead poisoning are screened and receive appropriate followup care. We know that early detection of lead exposure is critical to the success and the health of that child.

We also know that unless you screen the child, you will not know if that child requires extensive follow-on care. If we do the screening, as for years we have said we must, we will go a long way toward taking the first step in reducing this problem, finding out who is

exposed, and getting those children into appropriate care.

We want to ensure there are clear and consistent standards for the screening, that we don't have a hodgepodge of different standards, that we have a program that is sensitive to the latest scientific information.

In addition to comprehensive screening, we are also going to insist on clear and consistent standards that will be applied by every health care provider who is screening these children.

Another aspect of the legislation is to have a management system in place that follows these children.

As an aside, I had an interesting conversation just a few weeks ago with a physician from Los Angeles who is an expert in asthma, which is another environmental childhood disease of significance. He has created a special program with a mobile laboratory which goes to each school. One of the key factors for the success of his program is that not only does he treat the child, but there is an elaborate information system to follow the course of that child. In fact, what he found is that without this elaborate followup, this information system that can monitor the results and the progress of children, initial treatment is seldom effective.

If we begin to insist upon comprehensive screening, as we have said we wanted for 20 years, if we go ahead and require that there be universal screening standards that are applied everywhere, if we have a system of information that will follow these children and ensure that they get the care, and ultimately we provide the resources for the care, we can go a long, long way to do what we have wanted to do for decades, to ensure that every child in America is not exposed to lead and, if they are, they are treated properly and effectively.

If we do these things, the payoff is going to be dramatic. We are going to have healthier children. We are going to have children who are more able and willing to learn. We will, I hope, reduce the dropout rate because, I remind my colleagues again, a child with elevated lead blood levels is seven times more likely to drop out.

In sum, we are going to be able to spare children from a disease which is entirely avoidable. That is why we are so enthusiastic about the legislation we are proposing. Both Senator TORRICELLI and I believe this is a sensible, efficient way to do what we all want to do. We also believe in the long run—and I know this is said about so much legislation, but this certainly must be the case—this will be saving not only the children but will be saving dollars in special education and in dropout prevention.

In many ways we are paying right now for a problem that not only could be addressed but effectively resolved. So I encourage all my colleagues to

join us to ensure our legislation becomes law and that an unnecessary disease affecting children, the No. 1 environmental disease affecting children in this country, can be eradicated and will go the way of many other childhood diseases because we took action.

Mr. President, I yield the floor.

Ms. COLLINS addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois is to be recognized.

Mr. DURBIN. Mr. President, I ask unanimous consent that order be changed and Senator COLLINS now be recognized for 10 minutes and I follow her with 10 minutes, Senator DORGAN will follow me, and we will see if there is any remaining time in morning business beyond that.

The PRESIDING OFFICER. Without objection, it is so ordered. Under those circumstances, the Senator from Maine is recognized.

Ms. COLLINS. Mr. President, I thank my colleague from Illinois for his courtesy.

(The remarks of Ms. COLLINS and Mr. DURBIN pertaining to the introduction of S. 1231 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, is there time remaining under Senator COLLINS' 10-minute allocation?

The PRESIDING OFFICER. There is no time.

Mr. DURBIN. I ask unanimous consent to be allocated 5 additional minutes, for a total of 15 minutes, and then Senator DORGAN for 10 minutes.

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

PATIENTS' BILL OF RIGHTS

Mr. DURBIN. Mr. President, it is interesting. Prior to my speech, the Senator from New Jersey and the Senator from Rhode Island talked about lead poisoning and public health. The Senator from Maine has discussed Medicare, and now I want to discuss the Patients' Bill of Rights. There have been three speeches in a row on health care. It sounds like a pretty important issue to me.

Frankly, for many Americans, it is the most important issue. But the sad reality is that the Senate spends a lot of time on speeches when it comes to health care and almost no time when it comes to debating legislation to make things better.

If you are watching this proceeding or are within the sound of my voice and you can say in the last year I had a problem in my family with health insurance coverage or I know someone in my family who did, do not believe you are in the minority. In fact, almost 50 percent of Americans say they have had problems with their managed care health insurance.

What kind of problems? Coverage. If there is a problem, a medical problem,

will the managed care policy cover it with the care that is necessary, or do you have to go out and hire a lawyer?

On the question of emergency room access, if you belong to a managed care plan, they might tell you, incidentally, you are supposed to go to St. John's Hospital and not Memorial Medical Center and you find yourself in a predicament where Memorial Medical Center is closer to your home in an emergency situation, you better check your policy. You might have just done something, by going to the wrong hospital, in the view of that insurance company, that is going to cost you and your family some money. That should be changed.

Basically, an individual in a family situation who has a medical necessity, a kid who has fallen down with a broken arm or something very serious should not have to fumble through the glove compartment to figure out which hospital to go to for emergency care. That is something we need to address.

The Patients' Bill of Rights proposed by the Democratic side is an attempt to try to address obvious inadequacies when it comes to health insurance and health care in America. I have given a couple of examples—coverage under a health insurance policy and the question of which emergency room you can use. There are many others.

For instance, most people believe when they sit down in the doctor's office, the doctor is being honest with them, the doctor is telling the truth, the doctor is giving his or her best medical judgment. In fact, that relationship and that conversation is really so honored in law, that in a courtroom it is considered a confidential relationship—the doctor-patient relationship. Yet, what has happened is there is another party in the room, although invisible. That other party is a bureaucrat from an insurance company. Many doctors, when they lean over the table and say, you know, I think this is what your son needs, or this is what your wife will need, are not giving you their best medical advice. They are telling you what the health insurance company will pay for and what it will not pay for.

One of the things we address in the Patients' Bill of Rights is ending this physician gag rule. Please, in America, allow doctors to practice medicine. Do not let clerks and insurance companies make crucial medical decisions.

The Illinois State Medical Society invited me several years ago to accompany a local doctor in Springfield, IL, to a hospital and spend a day making rounds. I was a little nervous about it because, frankly, I do not have any business in a hospital room unless I am being treated. But they invited me, and it turned out that most of the patients were happy to see a politician wandering around with their doctors.

But the thing that was an eye-opener at St. John's Hospital in Springfield was when the doctor I was accompanying decided he wanted to keep a

patient in the hospital over the weekend. The lady was in her sixties. She had been diagnosed with a brain tumor that was causing her dizziness. She lived alone.

The doctor said: I'm afraid that if she went home over the weekend before the Monday surgery to remove the tumor, she might fall down and hurt herself. We would have to postpone the surgery. I want to keep her in the hospital so we can take care of her and watch her, and then on Monday perform the surgery.

I am a layman, but that sounded perfectly reasonable.

Before he could make that decision, though, he had to get on the phone and call a clerk at an insurance company in Omaha, NE. You know what the clerk said? "No. Send her home. Tell her to come back Monday morning for the brain surgery."

This doctor could not believe it. He stood at this nurse's station, on that same floor, arguing with that clerk for half an hour. Finally, he slammed the phone down and said: I'm keeping this woman in the hospital. We'll appeal this later on.

What that doctor faced is repeated every day all across America where people who are sitting with these books of insurance regulations are making the decisions—the life-and-death decisions—that we count on when we take ourselves or our family in for medical care.

This has to come to an end. It has to change. We have to say, basically, that health insurance in this country is not going to be driven just by the bottom line in reducing costs, but by the top line of quality medical care; we are not going to take health care away from the professionals and give it to the insurance bureaucrats.

There is legislation pending before the Senate which engages this debate, which says this, the greatest deliberative body in America, is going to come down and debate, once and for all, how to make it right for American families. That bill is mired down in the process and cannot be brought to this floor. As a result, we stand before you today—and I know Senator DORGAN is going to address this as well—in frustration.

What is it we are doing here that is more important than making sure health insurance and health care in America is of the highest quality? We spent 5 days, 5 legislative days, debating the protection of computer companies. Well, it is an interesting challenge in terms of liability and their protection. Can't we spend 5 hours debating whether or not 150 million American families have health insurance protection? Isn't that worth our time and our debate?

Oh, there are differences of opinion here. I see things one way and some on the other side may see it another, but that is what the legislative process is about. Yet, we cannot seem to bring it to the floor so that we can have an honest debate to help America's families.

The other day I called on the Senate majority leader, the Republican leader, TRENT LOTT, to call up this bill before the Fourth of July. We have the bill out there. We know what the issues are. Let's have the debate. Yet, he was not sure he could. I hope he changes his mind. I hope those who were listening to this speech, and others, will decide that it is worth calling their Senators and their Congressmen and telling them: Yes, do something about health insurance.

Incidentally, in the case I mentioned earlier, where that insurance company clerk told the doctor to send the lady home, that if that clerk guessed wrong, and that lady went home, fell down the stairs and had a serious injury, do you know who is liable for that? Do you know who would have to answer in court for that insurance clerk's decision? The doctor—not the insurance company, the doctor.

That is what is upside down, because in America we are all held accountable for our actions. But by a quirk in the Federal law, health insurance companies—many of them are not held accountable for their conduct, not held accountable for their decisions.

Are the doctors upset about this? Are hospitals upset? Wouldn't you be if you wanted to do the right thing for the patient, and the insurance company makes the decision, a wrong one, the patient is injured, and the person sued ends up being the doctor or the hospital?

Frankly, in this country we are all held accountable for our actions. Why should health insurance companies be any different? If they knew they had to answer for their decisions, I think they would make better decisions. I think they would be more sensitive and more responsive. That is one of the key areas of disagreement between Democrats and Republicans on this bill.

Should it be debated? I think so. I would like a vote on it. Let's decide whether health insurance companies shall be held accountable like every other company in America. For some reason, the leadership here in the Senate does not want us to debate this issue. That is a sad reality.

They have come up with a bill, incidentally, which really only covers a third of Americans who are covered by health insurance. So many other Americans just do not have a chance.

Let me give you an example of what I am talking about. If you worked for AT&T, you would be covered by the Republican bill; General Electric, covered by their bill; Wal-Mart, covered by their bill. But other small business employees would be left behind to fend for themselves. Family farmers—I have a lot of them in Illinois—they pay for their own insurance, they pay a lot for it; they would not be protected by the Republican bill. Public school teachers, policemen, women firefighters, in fact all State and local employees would not be covered by the bill that is being proposed by the Republicans.

This is worthy of a debate. Are we going to have a Patients' Bill of Rights that helps all Americans, or are we going to slice off a third of them and say: Well, we're worried about you; we're not worried about your neighbor?

That is worth a debate. That is worth a vote. What is holding this up? It is a decision by some that, before we take this issue under consideration, there has to be an agreement to limit the number of amendments. The Democratic leadership is prepared to limit those amendments. Let's bring it down to a 5-day debate or a 6-day debate. Let's go at it, and go at it seriously.

Yet, I think the underlying reason for the delay is something more serious. There is an old friend of mine and former boss, State Senator Cecil Partee of Chicago, IL, who used to say: In politics, for every decision there is a good reason and a real reason. Well, the good reason is the time of the Senate. The real reason is that many Senators on the other side of the aisle don't want to be forced to vote on some of these tough questions. The insurance companies tell them to vote one way, and they know that when they go back home they cannot explain that vote. That, to me, is the bottom line.

I mentioned the other day in debate a former Congressman, now passed away, a great friend of mine, Mike Synar, who was a Congressman from Oklahoma. He said: If you don't want to fight fires, don't be a fireman. If you don't want to vote on tough issues, don't be a Member of Congress.

These are tough issues, but they are important issues. The American people deserve our best judgment in bringing this debate forward in a Patients' Bill of Rights, to bring it to the floor of the Senate.

Do you remember the debate on gun control? A lot of phony amendments were considered for a week. Finally, they were rejected and a real bill was passed. It is important to do the same thing with the Patients' Bill of Rights.

The PRESIDING OFFICER (Mr. ALLARD). The Senator's time has expired. Mr. DURBIN. I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota has 10 minutes.

Mr. DORGAN addressed the Chair. The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I ask unanimous consent to extend my time by 5 minutes. I see no one else on the floor.

The PRESIDING OFFICER. Objection is expressed by the Chair as a Member of the Senate.

Mr. DORGAN. Mr. President, I will then, at the end of morning business, ask that morning business be extended if necessary.

I have waited to listen to my friend from Illinois, Senator DURBIN, and to add my voice to this call for a debate on the Patients' Bill of Rights. What is the Patients' Bill of Rights? And why is it necessary?

The Senator from Illinois just described the invisible partner in the doc-

tor's examining room or the hospital room. I want to read about this invisible partner because I think it is quite interesting.

A couple of years ago, we had a hearing here in the Congress on the House side. Late in the day, long after the television cameras had been packed up and the lights had been turned off and the crowd had left, a woman came to testify. I want to read part of her testimony. She was a doctor. She said:

My name is Linda Peeno. I am a former medical reviewer and medical director for three managed care organizations. I wish to begin by making a public confession: In the spring of 1987, as a physician, I caused the death of a man.

* * * * *

Although this was known to many people, I have not been taken before any court of law or called to account for this in any professional or public forum. In fact, just the opposite occurred: I was "rewarded" for this. It brought me an improved reputation in my job, and contributed to my advancement afterwards. Not only did I demonstrate I could indeed do what was expected of me, I exemplified the "good" company doctor: I saved a half million dollars!

Since that day I have lived with this act, and many others, eating into my heart and soul. For me, a physician is a professional charged with care, or healing, of his or her fellow human beings. The primary ethical norm is: do no harm. I did worse: I caused a death. Instead of using a clumsy, bloody weapon, I used the simplest, cleanest of tools: my words. The man died because I denied him a necessary operation to save his heart. I felt little pain or remorse at the time. This man's faceless distance soothed my conscience. Like a skilled soldier, I was trained for this moment. When any moral qualms arose, I was to remember: I am not denying care; I am only denying payment.

This from a doctor who served in a managed care organization, making the decisions about whether a patient and a doctor can continue to receive and provide care. That is the invisible presence in that hospital room—someone 1,000 miles away making a decision about profits and losses. This woman says: As a doctor, I caused a man's death and was rewarded for it.

Is this the way medicine should work? The Patients' Bill of Rights says no. Our bill says that every patient in our country, has the right to know all of their medical options, not just the cheapest treatment options. Today many doctors are gagged, told by the managed care organization, you dare not tell that patient what their range of medical options are, because we will not provide coverage for some of the more expensive ones, even though they might be the option that saves that patient's life.

Our Patients' Bill of Rights says let's correct that. Our Patients' Bill of Rights says, when someone is in need of an emergency room and needs medical treatment on an emergency basis, they have a right to get that care.

Not all managed care organizations say that is the case. Jacqueline Lee was hiking in the Shenandoah mountains. She tripped and fell off a 40-foot cliff. She had serious injuries from that

fall—fractures in her arms, pelvis, her skull. She was unconscious. She was airlifted by helicopter to an emergency room, unconscious, with fractures in many bones in her body. The HMO said it would not pay the more than \$10,000 in hospital bills for Jacqueline Lee because she hadn't gotten prior approval for her emergency room treatment.

Think of that. Here is a woman hauled in on a gurney unconscious to an emergency room. The HMO says: Well, we won't pay that bill because you didn't get prior approval for emergency room treatment.

Is there a need for a Patients' Bill of Rights? Is there a need to correct this kind of thing? Of course there is.

Now, the Republicans say: We have a Patients' Bill of Rights. Yes, they do; they sure do. Their Patients' Bill of Rights covers some Americans, covers about 48 million Americans. But there are 113 million Americans who are not covered by their Patients' Bill of Rights.

The Senator from Illinois asked the question: Why can't we bring the bills to the floor and have a debate? The answer is, because some want to control every nuance on the floor of the Senate. They want to control who speaks, when they speak, whether you can offer an amendment, what your amendment says. We have put up with that for far too long.

Speaking only for myself, we are done putting up with it. This is not the way the Senate works. The Senate doesn't have, as the House does, a Rules Committee that becomes the prison for all the amendments and then the warden decides which amendments get let out the door. That is not the way the Senate works.

I have just prepared an analysis of how the Senate has been handling these issues in recent years, compared with the history of the Senate. It is very interesting. Lately, the strategy is to bring a bill to the floor and do what they call "fill the tree," so Senators can't offer any amendments. The only way you can offer an amendment is if the majority leader says: Let me see your amendment. If I like it, you get to offer it; if I don't, you can't offer it.

That didn't happen in the past in this Senate. That is not the way the Senate works. Somebody needs to tell the folks who run this place that we are not going to let them continue to run the Senate that way. We demand that the Patients' Bill of Rights be brought to the floor of the Senate, and we demand the right to offer our amendments. We demand the right to debate them. We say to those who seem to want to keep the doors locked on good public policy issues like this: If you intend to keep doing that, then you are not going to do much business around here.

While folks are brought into emergency rooms unconscious and told by HMOs: We won't pay because you didn't get prior approval, we are told

we can't correct it with a Patients' Bill of Rights. While we have doctors who come to testify before the Congress and say: I am responsible for the death of a person because I withheld treatment and I was rewarded for it under the current system, we are told we don't have the time on the floor of the Senate to bring up a Patients' Bill of Rights, or, if we do have the time, we are going to demand that you get preapproval for your amendments by someone on the other side of the aisle who puts forward a bill that is just a shell.

This Senate is sleepwalking on important issues. We ought to do much better for the American people than to sleepwalk on issues dealing with health care and the Patients' Bill of Rights and education and so many other important issues.

I will come tomorrow to the floor to talk about the farm crisis. This Congress is sleepwalking on the farm crisis as well.

I would like to say to my friend from Illinois, the Patients' Bill of Rights should have been passed by the last Congress. We have been more than patient on this issue.

I ask the Senator from Illinois—I would be happy to entertain a question about the delay here—it seems to me there has been plenty of time to do this. There is just not the will by some to want this to come to the floor.

Mr. DURBIN. If the Senator will yield, I really have two questions.

First, related to the fact that we both have large rural populations in our State, as the Senator from North Dakota understands, the tax laws do not help family farmers pay for their health insurance as they should. We have worked together to try to have full deductibility of health insurance. The family farmer, self-employed person trying to get health insurance coverage has to pay more out of pocket than anyone who works for a corporation, for example, because of our tax laws.

We have the Republican version of this issue, the Patients' Bill of Rights, which doesn't cover these same family farmers and give them protection. So they pay more for their insurance, higher premiums. They pay more out of pocket for it and don't get protection from the Republican Patients' Bill of Rights, whereas the Democratic Patients' Bill of Rights provides this protection.

Mr. DORGAN. If I might also make the point, the Congress has already said Medicare and Medicaid patients will get basic protections. Members of Congress get this protection in their own health care program. If it is good enough for all of those interests—and it is, and necessary—why is it not good enough for the 113 million Americans whom the Republicans say ought not get this help with their Patients' Bill of Rights?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. THOMAS. Mr. President, I ask unanimous consent to utilize the remaining time on the Republican side.

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

The Senator from Wyoming.

SOCIAL SECURITY LOCKBOX

Mr. THOMAS. I thank the Chair.

Mr. President, I am encouraged by what my friends on the other side have said. On an issue they wouldn't let us talk about yesterday—that is called Social Security—they talk about wanting to get things to the floor and get it done—yesterday every one of them voted against moving forward with the lockbox to do something with Social Security. It is a little bit incongruous with what they are saying today. That is one of the real major issues we need to talk about.

I might add, over the last couple of years there has been a Patients' Bill of Rights on the floor. It has been offered. The reason it hasn't gone anywhere is because the other side has to have amendments that have no relevance to the bill, and go on and on. If they would like to pass something, I suggest to them we put something out there, stick to the issue and do it. I see they have disappeared.

Let me talk about Social Security. It seems to me it is one of the things we are focused on; it is one of the things that is on our Republican list to complete this year. We are probably not going to reform Social Security in this session, so we do need to make a move, and the move is the lockbox—to take the surplus that is now all Social Security that comes in this year and seek to ensure that it is used for that purpose. For a very long time, this has not been the case. The money that has come in for Social Security, of course, has been put into Government securities, and has been spent for other things. For the first time in 25 years, we have a surplus, even though it is Social Security. So it is time, I believe, to do something to put that money aside for the purpose for which it is extracted from you and me as taxpayers.

Is the lockbox the ultimate solution? Of course not. But it is a way for us to control what that money is used for, to stop the idea, which the President supports, of \$158 billion in expenditures on other issues using Social Security money.

Everyone knows that we have to do something if we intend to have Social Security in the future for the young people who are now starting to pay, as well as paying the beneficiaries that we now have. It wasn't many years ago that Social Security was thought to be the third-rail politics and nobody could touch it, otherwise they would be dead. Now we come to the realization that if we want to continue this program over the years—particularly so young people beginning to pay and who have many years to look forward to will get some benefit—we have to do something. The sooner we do it, the less

drastic the change will have to be. I think most everyone would agree that is a fact.

In the year 2014, Social Security will begin to run a deficit. So we need to look forward to that time. The options are fairly easy to understand. One, of course, is that you could raise taxes. I don't know of many people, given the 12 percent of our payroll that we now pay, would want to increase that. For many folks in this country, Social Security withholding is the highest tax they pay, and it is a substantial one. The other, of course, is to change the benefits, change the age, and do those kinds of things. There may be some tinkering with that, but basically the benefits will not be changed.

It leaves a third option, which I think is a good one, and that is to take the money that we have paid in—each of us—a certain percentage of that becomes an amount of money that is in our account, and it can be invested in equities, which returns a higher yield. That is really the third option that we need to look at. The opportunity to do that is probably somewhere ahead of us. So the lockbox, then, becomes the important thing now—to put that money aside so that we don't spend it.

There are, in my opinion, other reasons for doing that as well. This is one of the big debates here, as you can tell by listening just a few moments ago. There are those who want more and more Government spending, and others would like to restrict the size of the Federal Government, to move more of the decisions back to counties and States and individuals. That is the debate—a legitimate debate between those who want more taxes and more spending and those who would like to have a smaller Government, to bring it down to only those essential things. When you have a surplus, that is very difficult to do.

So if we are talking about maintaining a budget, which we are very proud of, having spending caps, in which the budget ceiling has been the largest contributor to having a balanced budget, if we are interested in doing those things, those are all part of setting aside this Social Security money. Over time, hopefully, in the future, as this surplus extends not only to Social Security, but to the regular operational budget, we will have an opportunity to have some tax reform and to return some of this money to people so they can spend it for their families, so they can spend it to do some of the things our friends were just talking about a few moments ago.

I think it is very important that we take it up. We have voted three times now to move forward with the lockbox. We asked to be able to go forward with this. Each time our friends on the other side of the aisle have said no. Everyone on that side of the aisle voted no yesterday. They said, no, we don't want to set the money aside, but they are up today saying here is where we want to make new expenditures of bil-

ions of dollars. There is something incongruous about that. We need to make some decisions about where we are.

I think Republicans have four pretty well-defined goals we are working toward. One is Social Security—not just to say save Social Security, as the President has said, and not do anything, but to actually do something.

Two is to do something about education. We have moved forward to do that. We have the Ed-Flex Program, for one, that has moved decisions back to the schools boards and the States and counties where they ought to be for educational decisions.

We are talking about tax reform. We need to have tax reform. I noticed last night somebody did a study of the whole world, and we are the second highest in the world on estate taxes, topped only by Japan. It is time that we did some tax reform and some of those things. Then security, of course, for the benefit our country, we have done a great deal on that, in strengthening the military.

I hope we will stop just talking about these things and actually do something. I'm talking about going forward with issues. We had a chance yesterday to go forward with an issue, and we had 45 votes against it. I hope we can move forward. One of the most important items in this country is Social Security, and the first step would be lockbox.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

SOCIAL SECURITY LOCKBOX

Mr. DASCHLE. Mr. President, I don't know how much time is left in morning business, but I will use whatever leader time is required. I want to have the opportunity to respond to my good friend, the Senator from Wyoming, about some of the comments he made with regard to the Social Security lockbox and a couple of other issues he has mentioned. He mentioned Democrats' unwillingness to support the efforts to bring up the Social Security lockbox. Let me make sure that everyone understands we are very desirous of having the opportunity to have a good debate about the lockbox.

It is particularly propitious that probably the master of Senate procedure is on the Senate floor, because I want to talk just a moment about the difference, which is more than just a semantical difference, between a cloture vote that is designed to stop amendments and a cloture vote that is designed to stop a debate, a filibuster. There is no filibuster going on here. A filibuster is actually designed to bring debate to a close. When 60 Senators have voted accordingly, we have time remaining and then, ultimately, there is a final vote. There is a big difference between bringing the debate to a close and offering cloture motions and pro-

posing that the Senate preclude the opportunity for Senators to offer relevant amendments.

That has been the case on the Social Security lockbox from the very beginning. For whatever reason, our Republican colleagues continue to believe that what the Senate needs is a rules committee. Every day in the House Rules Committee, decisions are made based upon the content of amendments, which amendments are appropriate and which amendments are not. The Rules Committee makes that decision, and then the rule is presented to the House Membership. They vote on whether they accept the rule or not. Based upon the content of those amendments, they make decisions as to whether or not there will be amendments to a certain bill. In their wisdom, the Founding Fathers chose not to allow the Senate to be bound by such constraints, that a Senator, with all of his power and authority and responsibility, ought to have the right to come to the floor and offer an amendment. But what our Republican colleagues continue to insist upon is that they act as an ad hoc rules committee. They want to see our amendments first. They want to approve our amendments first. And only then will they allow our amendments to be considered once they have been given their approval.

I ran for the Senate in 1996 because I wanted to be able to be a Senator, not a House Member. I want to be a Senator, and I want all the responsibilities and privileges and rights accorded to me as a Senator from South Dakota. That means the ability to offer an amendment.

On the lockbox, it is very simple. Whether you agree or not, we think the Medicare trust fund and the Social Security trust fund ought both to be locked up; we ought to treat them the same. We are dealing daily with the viability of the trust fund on Medicare, and if we can't ensure that viability of that trust fund, then I must say we haven't done our job.

We are saying, as Democrats, give us the right to offer an amendment on Medicare. Let's lock up that lockbox as well, and let's have a good debate about whether that makes good public policy or not. That is the issue.

The Republicans come to the floor; they file cloture to deny us the right to offer an amendment on Medicare—I must say also, to deny us the right to offer amendments that really mean lockbox when we say that is what we want.

They have a provision in their bill. I must say, it is amusing to me, but it says it is a lockbox unless we say we are for reform, and in the name of reform we can unlock the box, including privatizing Social Security. They have that in their bill. They want to be able to privatize Social Security, and they want to be able to ensure that, even if they have now voted for a lockbox, in the name of reform they can unlock it

just by saying: We want to offer a reform amendment, and we will so unlock the box.

I am puzzled by the admonitions of our colleagues. I am sorry the Senator from Wyoming is no longer on the floor, because I really hope we can set the RECORD clear. Democrats want to vote on a lockbox. But we want that lockbox to mean something. We want it to include Medicare, and we want the right to offer amendments to do just that.

That is what this debate is about. There is a difference on a cloture vote between ending a filibuster and denying Senators the right to offer amendments.

We will continue to fight for our rights, regardless of the issue and regardless of how much concern it may bring to some of those on the other side who seem to be determined to lock us out.

I know the distinguished Senator from West Virginia is here. He is anxious to begin the debate on a very important bill.

I am hopeful we can pass this legislation today.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

KOSOVO AND SOUTHWEST ASIA EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT, 1999.

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 1664, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1664) making emergency supplemental appropriations for military operations, refugee relief, and humanitarian assistance relating to the conflict in Kosovo, and for military operations in Southwest Asia for the fiscal year ending September 30, 1999, and for other purposes.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, this measure is not at the moment covered by any time agreement, is it?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I thank the Chair.

Mr. President, this is an appropriations bill. I believe Mr. STEVENS at some point in the afternoon will be on the floor to manage the bill. Mr. DOMENICI, who is very deeply involved in this bill as well, and who is on the Appropriations Committee, will be on the floor and will, as between himself and Mr. STEVENS, manage the bill. I am not managing the bill, but until one of those Senators comes to the floor, I have a few things I can say about it.

First, I thank the majority leader for making it possible for us to take up this bill at this time. I also thank the

minority leader for his cooperation in that regard.

I thank the majority leader for keeping his word with respect to calling up this matter. I will have possibly a little more to say about that later, so I will explain what I mean in having said that.

I thank Mr. STEVENS, who was chairman of the Senate side of the conference, which occurred on the emergency supplemental appropriations bill a few weeks ago. I thank the House chairman of the conference, Mr. BILL YOUNG of Florida, for his many courtesies that were extended upon that occasion, and for his fairness in conducting the conference, and for his cooperation in helping to work out a way in which we could at that point let the emergency supplemental appropriations conference report be on its way and be sent back to the House and Senate for the final consideration of both of those Houses. I thank him for his efforts in bringing about an agreement whereby that emergency supplemental appropriations bill was let loose—if I may use that term—from the chains which at the moment had it locked in an impasse in conference.

The provision in this bill, which is before the Senate, and in which I am very interested, is what we refer to as the "steel loan guarantee provision." There is a similar provision which Mr. DOMENICI was able to include in the bill, and it is similar to the steel loan guarantee except that it has to do with oil and gas. It provides a loan guarantee program for the oil and gas industry. He will more carefully and thoroughly explain that part of the bill later on.

Both of these provisions had been included in the emergency supplemental appropriations bill. Both of these provisions were in the emergency supplemental appropriations bill when it passed the Senate. Senators had an opportunity, when the emergency supplemental appropriations bill was before the Senate, to offer amendments to the steel loan guarantee language and to the oil and gasoline guarantee language. Senators had that opportunity.

No amendments were offered to those provisions when that bill was before the Senate. Those provisions were put into that bill when that appropriations bill, the emergency supplemental appropriations bill, was marked up in the Senate Appropriations Committee. Therefore, those provisions, as I have already said, were included in the bill when it reached the floor, when it came before the Senate. The Senate passed the bill. No amendments were offered to those provisions at that time.

That bill went to conference with the House in due course. It was a period of several weeks before the House-Senate conference took place on that bill. When the conference did occur, these two provisions—the steel loan guarantee provision and the oil and gasoline guarantee provision—were gradually put off until the very end of the conference.

The conference on that bill lasted for several hours over a period of 3 or 4 days. But it was the wish of both Chairman YOUNG and the chairman of the Senate conferees, Chairman STEVENS, to delay consideration of those two parts of the bill until other matters in the bill, other differences between the two Houses, had been resolved. As a consequence, as I say, it was toward the very end that we finally got around to those two provisions, the loan guarantee provisions.

In the conference, a vote occurred on the steel loan guarantee provision late one evening. I think the vote really occurred after midnight, so it was 12:30 or 1 o'clock in the morning of the next day that we finally voted on the steel loan guarantee provision, which had been written in the Senate Appropriations Committee, which had come before the Senate, which had been adopted by the Senate.

When that vote occurred, all of the Democratic conferees on the House side voted to accept the steel loan guarantee provision which was in the Senate bill; three of the Republican House conferees voted to accept the steel loan guarantee provision. So by a vote, I believe, of 13-10, the conference adopted the steel loan guarantee provision.

The next day when the conferees met, a motion was made to reconsider the vote that had occurred the previous late evening and the motion to reconsider carried. Two of the Republican House Members of the conference switched their votes from the previous position of supporting the steel loan guarantee to their new position of opposing that guarantee. As a consequence, my steel loan guarantee provision lost, I think, by a vote of 12-11. It lost by one vote.

An impasse prevailed. Senator DOMENICI's oil and gas loan guarantee provision had been rejected by the House conferees; on the second vote, the steel loan guarantee provision, which I had authored, was rejected by the House conferees. There was an impasse. The House conferees wouldn't give and the Senate conferees wouldn't give.

Therefore, rather than see the emergency supplemental appropriations bill die in conference, I suggested we have a recess and try to work out an agreement whereby we could find a way to let that emergency supplemental appropriations bill fly with its wings out of the conference, go to the President's desk. In that bill, there were appropriations for the military in Kosovo, there was a pay increase for the military, and there were various and sundry disaster relief provisions which were intended to help people in South and Central America and in the United States, as well—American farmers and so on. It was certainly not my desire to kill that bill; it was not my desire to delay.

I said: Let's have a recess, Mr. Chairman—addressing my remarks to the two chairmen—let's have a recess and see if we can't work things out.

We had a recess and met down below, on the next floor of this Chamber, where we stand now. I met in the Appropriations Committee room with the House chairman, Mr. YOUNG, the Senate chairman, Mr. STEVENS, being present, along with the House minority, the ranking member of the House Appropriations Committee, Mr. OBEY, being present, and with the Senate minority or ranking member of the Senate Appropriations Committee, myself, being present, together with a couple of other House Members representing the majority and the minority and a couple of other Senate Members representing the majority.

It was there that we agreed to take our hands off the emergency supplemental appropriations bill and let it go to the President and be signed. We wanted a commitment that these two provisions which had worked their way through the legislative process, coming before the Senate, going to conference, be given a chance to pass and become law aside from the emergency appropriations supplemental.

I talked with our majority leader, Mr. LOTT, and our minority leader, Mr. DASCHLE. They both agreed that it was very important to let the emergency supplemental appropriations bill be on its way and that they would help me and Mr. DOMENICI soon get a free-standing appropriations bill up before the Senate which would have in it the steel loan guarantee provision and the oil and gas loan guarantee provision.

With that assurance from the two leaders here, I proceeded to ask Mr. YOUNG, the chairman of the House conferees, if he and Mr. OBEY and Mr. CALLAHAN, a Republican member of the House conference, could proceed to talk with the Speaker of the House and get a commitment out of the Speaker that would let us deal with a free-standing appropriations bill that would give these two provisions I referred to a chance for consideration in both Houses, and hopefully for passage in both Houses.

The Speaker committed himself to calling up the bill within 1 week if it came over from the Senate; committed himself, secondly, to appointing conferees in the normal fashion so that there would not be stacked conferees; committed himself, thirdly, to having a vote on a conference report on the measure promptly.

With those commitments, we let the emergency supplemental appropriations bill fly on its way to the White House and the Oval Office where it was signed into law.

Now came the time for the leadership and the Senate to keep its commitment. It did. That is what I was referring to when I thanked the majority leader a few minutes ago for having kept his word. He and Mr. DASCHLE kept their word. Of course, as we all know, the main responsibility and power rests with the majority leader in the Senate in things of this kind. Mr. LOTT arranged for us to call up this

bill, have this bill before the Senate now. Cloture was invoked on it last Friday by an overwhelming majority, 71-28, on the motion to proceed. The motion to proceed was then adopted by voice vote. So the bill is before the Senate this afternoon.

I see my good colleague, Mr. DOMENICI, is on the floor, ready to proceed. Let me just add one or two things.

Having made the explanation here as to where we are, how we came to be here, let me say that because of the circumstances which have been obtained from the beginning and which I have outlined and which resulted in the two provisions in this bill having already been before the Senate, having passed the Senate, without amendment in the Senate, I would hope there would be no amendments to this bill by the Senate today.

The Senate has already had its chance to make a run at these two provisions. Senators have already had their chances to offer amendments to these two provisions when they were before the Senate in the emergency supplemental appropriations bill. Now the majority leader has carried out his commitment of helping to get the bill up. The minority leader has carried out his commitment. I hope we will have the support of the two leaders, but they have carried out the spirit of their original commitment.

Now the commitment by the Speaker remains. But he didn't make a commitment to this bill if it is loaded down with a lot of amendments when it goes back over there. He did not make any commitment on that score. Whatever we put into this bill, whether it be non-germane or germane, he made no commitment on that kind of thing. He made a commitment with respect to these two provisions, the steel loan guarantee and the oil and gas loan guarantee.

I want the Speaker to keep his commitment, but I want him to be able to keep his commitment. I don't want us to load this bill down with nongermane amendments and send them back over there. We can't expect the Speaker to keep his commitment on that kind of thing, because he didn't make any such commitment. He only made a commitment with respect to these two provisions. That is not saying that the two provisions cannot be improved. Perhaps they can be. And I may support an improvement. I think, if they were improved upon, the Speaker would, I have a feeling—I haven't talked with him—would still feel that came within his commitment. But we can't bring in an amendment by every Tom, Dick, and Harry and add it and let it run the gamut of whatever the subject matter may be, nongermane, and expect the Speaker to take this bill up within 3 days, or whatever it was, promptly after it goes over there.

So help us to help the Speaker to keep his commitment. I urge all Senators to be conscious of the facts as I have attempted to state them and see

that we have an obligation. I think the Senate has an obligation, having passed these two provisions once, and in the face of losing my grip on the emergency supplemental appropriation bill. I had that bill in these two fists, and so did Mr. DOMENICI. We didn't want to kill that bill. But we let that bill go, as we should have done. After all, we are all interested, first of all, in our country, and we want to see legislation passed that is in the best interests of our country. Senator DOMENICI and Senator STEVENS and I, and other Senators on the conference, came to that conclusion. We did the right thing.

Now I think Senators have some obligation. I understand their rights. Senators have a right to offer any amendments they want. There is no rule of germaneness in the Senate with respect to circumstances as they prevail at this moment. But it seems to me there is an unwritten obligation on the part of Senators to play fair, and to play fair here is to let our provisions be debated, and if they can be improved upon, fine. But let's not muddy the waters by offering amendments that are not germane, because when we do that, as I say, we can't expect the Speaker just to take anything we send over there and let his commitment earlier govern his actions.

I think that is about all I have to say at the moment. I will have more to say on the steel loan guarantee provision later. Mr. DOMENICI, as I have already indicated, can far better explain the somewhat similar loan guarantee on the oil and gas provision.

I do have a luncheon I am supposed to attend. I am supposed to speak there now. I have discussed this with my friend. Senator DOMENICI has indicated that, if he can, he would watch the floor and help me to be away a little while. He has to be away some, too, as does Mr. STEVENS.

Having said that, I thank all Senators for listening. I thank my friend from New Mexico, who is a valiant comrade and colleague and formidable opponent and a very worthwhile and desirable supporter. I prefer to be on his side rather than not. I thank him for all of the courtesies and considerations that he has given to me in this bill, as well as in thousands of other instances in which we have worked together.

Mr. DOMENICI. Mr. President, before the Senator yields, could I have a little exchange so we could make the case that is very important, the case that the Senator just made?

Mr. BYRD. Yes. Yes.

Mr. DOMENICI. The urgent supplemental that passed the Senate, and the supplemental that included the Byrd-Domenici guarantee program, was not a frivolous supplemental.

Mr. BYRD. No.

Mr. DOMENICI. It was a big, powerful, tough supplemental, and urgent.

Mr. BYRD. Right. Exactly.

Mr. DOMENICI. Why? Because the President asked for \$6.5 billion to replenish funds for the Kosovo engagement, which was being taken—by operation of law, nothing illegal about it—from other military needs. That is the way these things happen. The request was: Help us replenish it; give us the money.

Now, the point you have made is, we were in conference over that bill to which the Senate had seen fit to add \$6 billion more for defense because we were so worried about preparedness, operational maintenance, and spare parts. So it was not just \$6.5 billion urgent for defense; it was almost \$12 billion.

Now, what you have said, my friend from West Virginia, you said we had a right, as conferees—and we had support—to say, let's get our part of this decided in this conference. And what would have happened? We could still, perhaps, be locked up in conference and the urgent money would be yet not decided upon, which funding, in fact, has already been signed by the President and is operating to help our military.

Mr. BYRD. Absolutely.

Mr. DOMENICI. We decided, at the request of our chairman, Senator TED STEVENS, to find a way to let that urgent bill go and relinquished our right to bring that back in disagreement, if we wanted, and have some more votes on the issue.

I have done that in my life. The Senator has done it a number of times: OK, we are going back to the bodies again and vote again. They would have had to have voted on our amendment there.

Mr. BYRD. Precisely, they would have.

Mr. DOMENICI. They would under law, under the rules. We said we would give that up, provided—and you stated the proviso. The proviso was that we be here today, just as we are, with this bill freestanding. We now have it here properly, over long threats for long debates, because the Senate overwhelmingly said: Let's get on with it; even if we don't vote for it, we want to get on with it.

So it's urgent that everybody know it's here again with the Senate already having voted for it.

Mr. BYRD. Yes. Yes.

Mr. DOMENICI. They voted for that bill, with large, large support, which had our amendments on it.

Mr. BYRD. Yes.

Mr. DOMENICI. So the Senate already voted for this.

Mr. BYRD. Yes.

Mr. DOMENICI. Then it is over there in conference. We have a right to keep it there.

Mr. BYRD. Yes.

Mr. DOMENICI. We have a full-blown argument between the House and Senate. We said, no, the defense money is more urgent. That was the national interest.

Mr. BYRD. That is right.

Mr. DOMENICI. So we said, OK, we will do that, but we ought to have a vote someday.

Mr. BYRD. Absolutely.

Mr. DOMENICI. That is why we are here, and that is why you are saying: Why do we have to have so many votes on items that are not germane to this bill? This is completing a job that was started in the Senate and it broke off in the conference in the interest of a bigger problem—to wit, adequate funding of defense—but we had a commitment we would get a vote.

Mr. BYRD. Yes.

Mr. DOMENICI. I am not saying we had a commitment that it would pass. That is our job, with the help of Senators.

Mr. BYRD. No. No.

Mr. DOMENICI. I am not suggesting the leader or anybody said there would be no amendments.

Mr. BYRD. No. No.

Mr. DOMENICI. We are talking about what is next, what is fair, what is the follow-on to what we did, remembering all the time that whatever arguments are made, the Senate voted overwhelmingly to pass the bill.

Mr. BYRD. It did.

Mr. DOMENICI. With these two guarantees in it.

Mr. BYRD. Yes. I yield the floor, but may I say before yielding that the bill that is before the Senate is here through orderly procedures, it having been reported from the Senate Appropriations Committee in due course, and that is where we are now. I thank the distinguished Senator.

Mr. DOMENICI. I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The distinguished Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair. I have sought recognition to support this bill, because I believe that a real need has been shown for these loan guarantees, certainly for the steel industry, and I believe for the oil and gas industry as well.

Senator BYRD and Senator DOMENICI have outlined the procedures which were followed in the Appropriations Committee, and I was part of that conference. The conference worked one night until past midnight, and this provision was the subject of debate.

Coming in the Senate bill, the House of Representatives accepted it after some substantial consideration, and then, as has been specified, some votes were changed. The Speaker of the House of Representatives was not pleased with this provision. The House of Representatives then changed its position after having agreed to this amendment. Then we were faced with a very difficult problem of a stalemate as to what would happen with the Senate insisting on this provision and the House opposing it. We were faced with the need to get this emergency supplemental appropriations bill to finance the military operations in Kosovo.

The meeting finally eventuated in a very small session in S-128 downstairs where Senator STEVENS was present, Senator BYRD was present, and I was

present representing the Senate. There were a few of the House Members. It was a very tough bargaining session.

Senator BYRD finally agreed, in the interest of moving the bill, and we all agreed, to take this particular amendment off in order that the provisions as to financing the military operation in Kosovo could go forward. The arrangement was made that this other legislative vehicle would be available to bring the bill back up for consideration by the Senate.

Senator DOMENICI has just outlined the absence of a commitment on the vote, and I think that is, candidly, a generous position. There is a basis for contending that this amendment should be placed in the same position where it was prior to being taken off the earlier bill. If that is to be so, then this amendment will be agreed to and it will go back as the Senate's position for a conference with the House, with the House having first accepted it and then having rejected it.

Whatever may eventuate in this Chamber today obviously remains to be seen in accordance with our rules.

On the merits, I believe that is a sound proposal. The steel industry has been very hard hit over the past several decades with dumped and subsidized steel coming into the United States. The dumped steel ought not be tolerated. It is against our trade laws. It is against international trade laws. But, the dumping continues in great volume.

That dumping has, in the immediate past, cost the jobs of thousands of steelworkers and caused tremendous lawsuits to the steel industry, which is a threat not only to the economy and to jobs and to profits, but also a threat to national security.

It is one thing to have dumped steel coming from Russia at the present time where the Russian economic situation leads them to sell at virtually any price to get dollars, but if a national emergency arises, are we going to get steel from Russia?

We have dumped steel from Brazil, from Korea, from Japan, and other countries. In times of national emergency, are we going to rely on those other countries as a source of supply?

The steel industry once had some 500,000 workers and was an enormous industry in the United States. Over a period of time, that number has dwindled down to about a third—less than a third, actually—about 150,000 workers. The steel industry has capitalized with some \$50 billion to be very competitive. But you cannot compete against dumping. You cannot compete against a seller who will sell at any price. That is why the steel industry is in the very serious condition it is today.

Mr. BYRD. Mr. President, will the distinguished Senator yield without—well, I guess the RECORD will have to show an interruption.

Mr. SPECTER. I yield to the Senator from West Virginia for any purpose under any circumstance.

Mr. BYRD. Mr. President, I thank the distinguished Senator. He is always a gentleman.

Mr. SPECTER. I retain my right to the floor. I had a lengthy debate with Senator BYRD about that many years ago when you had to retain your right to the floor. Senator BAYH has been patient, and I am glad to yield unconditionally.

Mr. BYRD. I merely want to thank the distinguished Senator for his support in this matter. He comes from a State and represents people who are very much like my State and my people. He understands the problems of the steel industry and the fact that many steelworkers have been laid off, others have lost their jobs permanently.

I have to leave to be elsewhere for an hour or so. I will not be able to listen to the Senator's speech. That is why I interrupted him, to apologize for not being here to hear his speech, but to thank him for speaking, thank him for his support in this matter, and also to express my exceedingly high regard for him as a Senator, as a gentleman, and as someone who is dedicated, sincere, conscientious, and always courteous and helpful.

Mr. SPECTER. I thank the distinguished Senator from West Virginia for those kind remarks. Our seats are pretty close on the Senate floor as evident if the television picture catches both of us, and I am sure it will. I walk over very frequently to confer with Senator BYRD on constitutional issues. Occasionally, he calls me his attorney general. He just gave a nod in the affirmative—

Mr. BYRD. Absolutely, I admit to that.

Mr. SPECTER. I only got to be a district attorney. Senator BYRD and I have a long, unguarded border with southern Pennsylvania and northern West Virginia. We intend to keep it that way, especially if we can keep the steelworkers employed.

I will be relatively brief, and I know the Senator from Indiana is waiting to speak and the Senator from New Mexico. The Senator from New Mexico has spoken. If I know his practice, he may speak again. There may be some additional occasion.

We have had a very grave time in the steel industry with the loss of jobs. This is a relatively modest proposal. It is a loan guarantee proposal, and the borrowers have to provide collateral. The borrowers have to pay the fees.

I believe this program can be administered in a way that the loan guarantees will not be called into play. That, of course, is a speculative matter. The reality of the situation is, if the companies cannot borrow commercially and have to have a loan guarantee, there is some element of risk. But I believe that is a fair proposition.

The loan guarantee has been structured in a way to provide for collateral; that is, assets will have to be put up by the borrowing companies. Collateral means to fall back on if the borrower

defaults; the collateral can be used to satisfy the loan.

The payment of fees is another provision to save the Government of the United States costs. The situation has been recognized by the House of Representatives when it voted in overwhelming numbers, close to 290 votes, in favor of the steel quota bill; less than half of that in opposition.

I have pressed legislation over the years which would provide for an equitable remedy to stop dumped goods from coming into the United States. In the early 1980s I had a legislative proposal to provide for injunctive relief, where the injured party could go into court and get relief within the course of a few weeks instead of many months or even years, which we now have under the procedures of the International Trade Commission. That legislation is pending now. It has been revised to provide for duties instead of injunctive relief to be GATT consistent.

I believe the companion provision here offered by Senator DOMENICI on loan guarantees for the oil and gas industry is solid, especially for the small producers who have had a very difficult time.

Years ago, my father had a used oil field supply business in Russell, KS. It really was a junkyard. At that time I had some experience with the small producers in the oil patch. I know that they have difficult times, too, and that this loan guarantee program makes sense there as well.

I thank my colleague from Indiana for awaiting my recognition here. I thank the Chair and yield the floor.

Mr. BAYH addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Indiana is recognized.

Mr. BAYH. Thank you very much, Mr. President.

I commend my colleague from Pennsylvania for his very persuasive remarks. This is a major industry in both of our States. We both share a commitment to dealing with this issue. So I appreciate your leadership very much, I say to Senator SPECTER.

Mr. President, I rise today in support of the Emergency Steel Loan Guarantee Act. I would like to begin by commending our colleague, Senator BYRD, who had to leave for just a brief period of time for other pressing matters. I commend him for adopting an approach that is not just good for West Virginia, not just good for the steel industry, but good for the Nation.

Senator BYRD's dedication to doing what is right for America, and not just the narrower parochial concerns, was evidenced very clearly in the colloquy we heard between Senator DOMENICI and Senator BYRD in which Senator BYRD was going to accommodate the national interests in allowing a supplemental appropriations bill to go forward at a time our Nation was involved in military action abroad. That is indicative of his lengthy record of national leadership.

As further evidence that the approach favored by Senator BYRD and Senator DOMENICI, and others of my colleagues, is the correct approach, I am pleased to identify several Governors who have written to endorse this legislation. The list will demonstrate that it has broad regional support from the East to the West, from the North to the South. Not only my own Governor of the State of Indiana, but the Governor of Maryland, the Governor of Pennsylvania, the Governor of Illinois, the Governor of West Virginia, the Governor of Iowa, the Governor of Utah, and the Governor of South Carolina have written to express their strong, unequivocal support for taking immediate action to address this very critical situation.

Likewise, I urge that this bill be passed expeditiously and without amendment. We have a crisis on our hands. It is very important that we not get bogged down in other extraneous matters but that we move this legislation forward unencumbered.

I sometimes wonder what citizens think when they view us at our work here. We have prerogatives, of course. We have rights, of course. But it is important at this time, with the situation in the oil and gas industry, with the situation in the steel industry, that we move this bill forward cleanly and expeditiously and, I for one would hope, without amendment.

I know something about this issue, having served as Governor of my State for 8 years and now in the Senate. Indiana happens to be the largest steel-producing State in the United States of America, producing more tons of steel than any of our 49 sister States. We currently have approximately 30,000 working men and women employed in the steel industry in Indiana. These are good-quality jobs, with high wages, high benefits, the kind of employment around which you can raise and support a family and a decent quality of life.

Many communities in our State, particularly in northwest Indiana, are dependent upon the health and vigor of this industry for their very livelihoods. The last 20 years or so have not always been good times for the steel industry across our State or across our country. In my State alone, over the last 20 years we have seen tens of thousands of jobs disappear. Our market share has shrunk. Perhaps some of this was inevitable, but perhaps some was not.

There was a point in time when the industry had to acknowledge its fair share of the blame for the state of affairs. They perhaps had been too complacent, had not made the investment in the latest technology and equipment to be world-class competitive. But those days and those arguments no longer apply.

This industry and the workers who labor within it have invested hundreds of millions of dollars, billions of dollars, in the very latest kinds of equipment, the latest technology. If you

tour the steel mills across our State, and elsewhere, they are state of the art, world class, world competitive. We are in a position today where we can produce steel of the highest quality, at an internationally competitive price, if it is fair competition.

But, as we all know, since last year the competition has been anything but fair. Given the collapse of currencies across Southeast Asia, many of those countries were desperate—desperate to export their steel and to gain hard currency under any terms, in any circumstances. A flood of illegal—and I stress “illegal”—imports began to come across our shores.

Just this week, our Government has indicated that Japan has been involved in illegal trade practices. And there were other countries cited for this activity before that. This is just the latest evidence of the kind of unfair and illegal trade competition we have been facing since at least last year.

The consequences have been very damaging. We have had several companies go out of business, thousands of jobs lost; and once these companies shut their doors and close down, once their jobs are lost, in all likelihood they will be permanent losses to our economy, with consequences to these families and these communities that go way beyond the economic toll.

This legislation is a balanced approach to dealing with this problem. It is fair to taxpayers, because the costs are offset with reductions elsewhere. It requires the loans to be repaid in only 6 and a half years, which is a relatively short period of time for major loans of this nature. There is a panel established to scrutinize every loan before it is given to make sure that the recipients are creditworthy and, in fact, that the taxpayers will be ultimately repaid.

Before closing, I will say just a couple more words about this bill because, as I mentioned, the consequences are national. In my own mind, they deal with trade and other industries as well. I personally believe that free and fair trade and competition is good for our country. It is good for consumers—with higher-quality, lower-cost goods at their disposal. It is good for our economy, because it forces us to be competitive and productive. In the long run, it leads to the most efficient allocation of resources.

But when trade is illegal, when other countries undertake steps that are not fair, are not just, and, any economist would say, in the long run do not lead to an efficient allocation of resources or a good deal for consumers or working men and women in this country, that is the kind of thing where we must take a stand.

If I am to go back to the citizens of my State and argue why free trade is in our best interest, it must go hand in hand with vigorous enforcement of current law and helping those industries that have been targeted by illegal activity. I emphasize that the pernicious

effects of this illegal dumping will last a long time after the dumping has stopped.

Many of our companies have been permanently weakened. If we do not take these steps to allow them to get back on their feet, to allow them to overcome the consequences of this sort of illegal activity, who can say who will be next? Quite possibly, one of our foreign competitors will say: I'll pay a few fines in the short run, bear that short-run cost to permanently, in the long run, weaken American competitors.

That is not right. This loan guarantee program will allow these companies that have been harmed by this illegal activity to get back on their feet, to regain their competitive standing, so that we will have free and fair competition moving forward.

So, in conclusion, this is a bill of national consequence, not just to any one State or region; its interests go way beyond the steel and natural gas and oil industries to affect literally the long-term well-being and competitiveness of the American economy as a whole. That is why I strongly urge my colleagues to adopt this legislation, to do it now, and to do it without amendment.

Thank you, Mr. President, for your patience, your time. I thank Senator DOMENICI for his leadership on this issue, and many others as well.

I am now pleased to yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, this is the first time I have had a chance to say this on the floor, but while you were in the House serving in various positions, there was a Senator here with the same last name as the junior Senator from Indiana—Birch Bayh. He sat right over there.

Many a time we were on the floor arguing, debating, sometimes agreeing, sometimes disagreeing. So he can read it in the RECORD, I say to my good friend, former Senator Birch Bayh, he did a great job in producing such a son. He was always so proud of him, telling me about him. I am very pleased I have a chance to serve with him. I look forward to that, because I think he has a marvelous, level head, and very good common sense. I say that as if that is an exceptional quality around here. I didn't mean to say that. If that is what I said, it is OK.

Mr. BAYH. The Senator could not have given me higher praise, Mr. President. For that, I am personally and eternally grateful. It has been a privilege for not only me but for my family to serve with you. You have always been a man of decency, courage and honesty. For that, we are very grateful. I look forward to serving with you for many years. On behalf of both my father and myself, I thank you for your courtesy.

Mr. DOMENICI. Mr. President, I just want to put the word out, Democrat or Republican, whoever has amendments,

this bill is subject to amendment. Senator BYRD has expressed the desire that we try to keep it to germane amendments, but that is not the rule. It is up to Senators. I am here on the floor. While many may think I don't have to eat, because other Senators are slimmer than I, and could probably go without lunch more often, I would like to be working. I hope we have something to do. I urge that people get their amendments to the floor and start discussing them. There are a number of them that we want to talk about, with Senators GRAMM and NICKLES, whenever they are prepared to discuss items with us.

I am going to suggest the absence of a quorum. I do have a few minutes I could use up with some comments about oil and gas, this bill, but I truly ask, if there are no Senators that want to offer amendments or speak, I will send word to the leader that we should have a recess for a few minutes to see if we can get some amendments to the floor. In any event, somebody will be here one way or another waiting.

Before I finish and ask that my request for a quorum call be announced, I note the presence of the junior Senator from Alabama. I wonder if he would want to comment on something.

Mr. SESSIONS. I would like to comment on the bill, but if we could have a few minutes for a quorum call, that would be good.

Mr. DOMENICI. You may have as much time as you like.

The PRESIDING OFFICER. The distinguished majority leader is recognized.

Mr. LOTT. Mr. President, what is the parliamentary situation? Senator DOMENICI is managing the time. Are we ready to hear a statement from Senator SESSIONS and waiting on an amendment to be offered?

Mr. DOMENICI. There are no time limits, I say to the Majority Leader. We were waiting for amendments.

Mr. LOTT. I encourage Senators who are working on amendments to come to the floor. I know of two or three amendments that are being prepared. Perhaps one of them could go ahead and be offered. There is at least one that would be pretty simple. It would be to strike the emergency provisions. So it doesn't take a lot of preparation. We could go ahead and continue to make progress.

We need to finish this bill today. If we do not get our work done during the daylight hours, we will be here tonight. That is OK, if we have to do it, but if it is not necessary, it would be preferable we work during the day. I know the Senate likes to return to its nocturnal habits, but I hope that will not be the case. If there are two or three or four good amendments to be offered, let's bring them out on the floor. Let's have an hour debate, and let's vote. Then let's get to final passage on this issue.

I am glad that Senator SESSIONS is here and Senator DOMENICI. I know we

all need to get a bite to eat. If we could keep this moving along, I think it would save us some time tonight. I thank our colleagues for their cooperation.

I will go and make a call to Senators that I know have amendments. I urge them to come on out and have the amendments offered, and then we could make some progress.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I thank the distinguished leader. I am trying very hard to stay here and do my part, and I hope Senators will heed his admonition. We would like to finish.

I yield the floor.

Mr. SHELBY. 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. SHELBY. 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. SHELBY. Mr. President, I think we need to make a couple of things clear today about the bill before us and why it is so important to so many people.

First, I am a strong supporter of free trade, trade that is free and fair. I believe this bill is completely consistent with those basic principles. But while we engage in free and fair trade, many countries in the rest of the world do not abide by those same principles. We have trade laws to address this, but, as the distinguished Chair knows, they are slow to address the kind of serious economic injury that faces many companies and communities in America.

We can't afford to lose more industries to illegal trade practices, particularly the two we propose to offer short-term support to today: oil and gas and steel.

Second, I believe this is a reasonable response to a terrible crisis that threatens more than just companies but whole communities across America. This bill does not propose quotas. Indeed, it is GATT legal, and it is intended to provide only a short-term loan guarantee.

This is not some radical idea. Federal loan guarantees are used every day in the farm industry, the housing industry, the small business community, and for foreign countries. So let's be clear about how anathema this is to our free trade principles, because we do this all the time.

Third, this program is not a Federal handout or Federal grant or Federal award or Federal subsidy which Congress provides daily and, I might add, to millions of companies and organizations and industries in this country. It is a short-term loan guarantee program that provides that every dime—yes, every dime—is paid back. Contrary to some representations, the risk of the

default is not that great, according to the Congressional Budget Office. Based on these calculations of cost, however, the program has also been completely offset.

Finally, I think it needs to be reemphasized that this program is not going to solve long-term problems that may face some companies in this industry. That is not what this is about. It is about trying to minimize the serious economic side effects that illegal trade practices have exacted on several companies in the steel industries. If this program helps one company get through this tough time until our trade laws address these illegal practices, and if it saves one community in America, it will be worth it.

Mr. President, I believe Americans deserve to be treated fairly—and not inordinately suffer the consequences of our inability to minimize and protect against continuous and systematic illegal trade practices of other countries.

I urge my colleagues to support this short-term loan guarantee program, and I thank the Senators from West Virginia and New Mexico for their leadership in this area.

I yield the floor.

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I am pleased to join with the senior Senator from Alabama as we support this piece of legislation that I believe will help the American steel industry. It is not an industry that has stuck its head in the sand, that has failed to modernize, that is not competitive. The steel industry has gone through very difficult times and has, in fact, been able to make itself competitive and is able to sell steel products in this country cheaper than foreign imports can be sold here. That is good for America because it means that Americans are working to produce that steel. It is an important thing for this country.

I really want to say that I have visited Gulf State Steel in Gadsden, Alabama, where my wife grew up. It is the largest employer there, 1,800 or so people. I have visited there at least three times and I felt the fire in that furnace. I met with the people who work there. They are producing steel at world class competitive prices, and they are continuing to get better. They are going to continue to get better. But we have had this circumstance of a crisis around the world in foreign countries, desperate for American dollars, and they have sold their steel here below cost.

You may say, well, that helps the automobile industry, or whatever. Maybe you could make that argument. It is an economic argument that people like to make. But I suggest, and believe strongly, that what is happening is we have a potential in this period of dumping to destroy significant segments of our steel industry, which will in the future, and soon, be competitive again. Do you see what happened?

Through these cut-rate imports, sold below cost, it can sink companies like Gulf State Steel. They are struggling to survive. Many of these people have been working at that steel mill for many, many years. Some of them are children of people who worked there. If they weren't competitive, OK; but they have been competitive. They have made the needed changes, and this short-term dumping has the ability to sink those companies. This loan program, I believe, will deal with that.

There is no doubt that dumping has occurred and that it has materially injured this industry. There is no doubt that the Clinton administration knew that illegal dumping was occurring, and they failed to take the kind of decisive action that would have ended the problem months ago. So I am offering my support for this bill, which will take a modest step toward helping steel companies and small oil and gas companies who have been victimized by illegal dumping.

The Department of Commerce has determined that illegal dumping of steel into the U.S. market began in 1997. During the fourth quarter of 1997, there were 7 million tons of steel imported. But within a year, that number had totaled 11 million tons, which is a 55 percent increase. Is that explained because of some technical breakthrough by foreign competitors that reduced their costs? Did American steel companies who have been on the cutting edge of efficient production suddenly revert to outdated production methods? Did U.S. steelworkers, who produce more steel per worker than any other in the world, lose their edge? The answer is no.

U.S. steelworkers and companies did not lose a share of the market because of inefficiency or a sudden improvement in the competitors' efficiency. The steel that came into our market was below production cost prices because countries like Russia, Brazil, Japan and Indonesia were subject to a currency crisis and needed U.S. dollars. Because the administration had a history of not enforcing these trade laws, sometimes as a back doorway to implement foreign policy goals, our overseas competitors saw an opportunity to dump steel and get this hard currency. Unfortunately, our foreign policy goals came at the expense of steelworkers and their families. Despite repeated calls from Congress, including myself, there has been an insufficient response to date.

Even in the face of indisputable evidence that dumping was occurring, we have not stopped the wave of illegal imports flooding our shores. In November of 1998, the U.S. International Trade Commission, an independent commission that examines illegal trade practices, determined that dumping as defined in that agreement was in fact occurring. It was not until 4 months later, and over a year after the problem was first identified, the Department of Commerce finally began to enforce

trade laws and placed a tariff, a preliminary dumping margin, on steel imported for Brazil and Japan in February of 1999. This enforcement action was narrowly focused and left out some of the biggest countries, such as Russia, which were found to be dumping steel on the U.S. market. Adding insult to injury, the Secretary of Commerce entered into a suspension agreement with Russia. The practical effect of this was to end the Department of Commerce and the International Trade Commission's trade investigations of Russia. It did nothing to discourage future dumping by Russia or any other country. In fact, the suspension agreement may have actually rewarded Russia for its illegal trade practices by sending the stark message that there is no adverse consequences for committing or attempting to commit trade crimes against the United States. The worst that may happen if you commit trade crimes against the U.S., under this climate, is a polite request through a suspension agreement to please stop.

The administration's actions have been too little too late. The suspension agreement should be viewed as an ineffective method. This action will undoubtedly lead to additional dumping by other countries. Thousands of good jobs in this country have already been lost. The pattern of poor action and inaction taken by this administration will undoubtedly set groundwork for future job losses and create a crisis that we need to be concerned about.

The United States must not sit idly by and allow its economic strength to be damaged by consistent, unfair trade practices. We must respond to that. In Alabama, there are a number of steel companies that have been injured. Gulf State Steel, as I mentioned, in Gadsden has been directly impacted by imports. As a result, employees and families have been faced with increasing uncertainty about the future of their very facility. The production methods used and the caliber of the workforce at Gulf State and other steel plants—many of them are in Alabama—make this industry one of the most efficient in the world. Alabama steelworkers can compete effectively with other countries in the United States and indeed throughout the world. The current financial problems faced by our domestic steel makers are not the result of poor management, outdated equipment, or an underskilled workforce; rather, it is the direct consequences of illegal dumping of foreign imports into the United States. If Gulf State Steel was to cease operations as a result of illegal dumping, it would force dismissal of nearly 2,000 workers. According to an economic impact study conducted by Auburn University, the economic impact of a plant closing would be staggering to Etowah County, which has already seen one plant close of 1,300 people. Direct job losses would exceed 1,800 workers. Indirect job losses would total 3,020. Statewide job losses

would total 4,820, and the overall economic impact on Etowah County would exceed \$300 million. This is just one example of the crisis dozens of steel companies now face throughout the United States.

The steel, oil and gas loan bill we are considering today is a modest solution to assist these companies that have been already injured by illegal trade practices.

It is not a handout. It is not corporate welfare. It is a loan program designed to give these companies which might otherwise be faced with bankruptcy—some are faced with bankruptcy right now—an opportunity to recover the damages they have suffered at the hands of unfair trade practices.

While this bill would authorize a highly qualified board to offer heavily secured loans to the distressed owing up to \$1 billion, it will not cost \$1 billion. The Congressional Budget Office has put the total cost at \$247 million. The Congressional Budget Office takes into account the fact that some companies which might receive loans have been damaged beyond the point of recovery, which could result in some defaults. But the cost of inaction is much greater. In Etowah County alone, Auburn University's economic study put the cost of bankruptcy for just this one steel company at over \$300 million. This figure doesn't even account for the tremendous social costs associated with the loss of jobs and income to families employed by this company.

I want to say I support free trade. I do not believe in providing unjustified economic assistance to companies. I don't believe in erecting unwise and unjustified trade barriers.

This bill would not hurt free trade. It would instead provide modest assistance to the companies and their employees who have been injured by the rampant proliferation of illegal trade practices that we have permitted to occur, and that this administration has permitted to occur too long.

I believe that we have a situation much akin to maybe people on the edge of water, a body of water. The water doesn't reach their level, and they have been able to survive and live for a long time. But a giant wave comes along one time, and the wave hits them with such an impact that they are knocked down and they are destroyed. We have had a wave of illegal imports. It has been declared by an agency to be illegal. That wave that hit our country has destabilized and undermined the strength of a number of different steel companies and, therefore, jeopardized the jobs of many Americans and incomes to the country.

When you are in bankruptcy, it is hard to get a loan. It is hard to get financing if you are in bankruptcy, or on the verge of it. So this would allow these companies to get this income to continue to operate.

Once we end the dumping, we are going to be back to a circumstance in which they can continue to operate and

make a profit, as they were before this occurred.

I believe it is justified.

I see the senior Senator from West Virginia, Mr. BYRD, who has worked so hard, and Senator DOMENICI and others. I am pleased to support him in this effort. I believe that somehow, some way, when this thing is over, we will have been able to provide some assistance to these companies to enable them to survive and continue to be productive contributors to our Nation's economy.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I thank the Chair. I also thank the very distinguished Senator from Alabama, Mr. SESSIONS, for his comments and for his work on this bill. I thank, as well, Mr. SHELBY, the senior Senator from Alabama, for his support and for the work that he has contributed to this legislation.

I feel very good about having their support. They are both very able Senators, and they are utilizing their talents in the best interests of the Nation in supporting this legislation.

American steelworkers earn their daily bread by the sweat of their brow. That is in accordance with the edict that was placed upon man when God evicted Adam and Eve from the Garden of Eden. Steelworkers are earning their daily bread by the sweat of their brow amid the glow of productive glass furnaces filled with molten steel. American fortunes were built on their backs. Their collective might forged a national defense and a national economy second to none.

Today, after almost 20 years of downsizing and rightsizing and modernizing, just 160,000 steelworkers are employed in state-of-the-art American steel mills, compared to some 400,000—400,000—in 1980. The industry, which retooled to adapt to international market changes, is now a world class—a world class—competitor, even while adhering to high U.S. safety, labor, and environmental standards. But the ranks of American steelworkers, it appears, are in danger of future cuts that could undermine their ability to support U.S. priorities.

This situation is not, as some would have us believe, due to a failure of the steel industry to economize or to increase efficiency. America's steel industry serves as a model in the art of modernizing to enhance competitive prowess. America's steel producers have sacrificed, they have trimmed, and they have automated, investing nearly \$60 billion in the process. In return, they have been forced to compete on a playing field that is tilted—tilted—by the weight of the unfair and illegal trade practices of foreign competitors.

Last year, a record 41½ million tons of cheap and illegally dumped steel

flooded the U.S. market. Piles of this foreign-made, below-cost steel amassed at our ports. It drove U.S. producers to drop prices, to impose layoffs, to shut down furnaces, and to slow down production.

Those cold mounds of steel represented an 83-percent increase in the amount of steel imported into this country—83 percent over the 23 million tons, on average, imported in each of the previous 8 years.

Contrary to some reports, this Congress was notified of signs of a potential flood of both legal and illegal steel imports in January 1998. I, in conjunction with the Senate steel caucus leadership, have worked during this year and a half to lay a foundation that would provide meaningful help to the U.S. steel industry. The chairman of that steel caucus is Senator SPECTER, and the ranking member, or vice chairman, is my colleague from West Virginia, Senator JAY ROCKEFELLER. I have joined the Senate steel caucus in writing numerous letters to the administration and in holding hearings and discussions to provide testimony about the impact of the crisis.

I commend Mr. SPECTER and my colleague, Mr. ROCKEFELLER, on the work that they have done.

Although prices for steel have been dropping below domestic manufacturers' costs to produce due to the flood of imports, the U.S. market still offers an outlet for surpluses generated by very sharply depressed demand in Asia and elsewhere. A poor market is better than no market, so rather than idle their own furnaces and mills, foreign exporters are flooding the U.S. market. The United States was the principal destination in 1998 for Japanese-finished steel mill exports that were diverted from the depressed Asian market—to the tune of 4.2 million tons of the 4.7 million tons that Japan had exported to Asia just 1 year earlier.

In 1996, Japan exported just 18,190 net tons of hot-rolled sheet steel to the United States each month, on average, a modest increase over 1995. But, in 1997, that figure of 18,000 net tons rose to 43,095 net tons each month, on average. From January through September 1998, that average monthly figure had skyrocketed to 192,812 net tons. Over the same period, however, the value of each ton of Japanese hot-rolled sheet steel fell, from \$460 a ton in 1995, to \$409 in 1996, to \$367 in 1997, to \$295 a ton in 1998. At the same time, Japan's domestic market remains virtually closed to foreign steel, allowing Japanese steel mills to command unusually high prices at home.

A similar story can be told in the case of Russian hot-rolled sheet steel. In 1995, the average monthly import volume was 46,661 tons. In 1996, that figure had climbed to 67,587 tons per month. In 1997, it was 165,268 tons per month, and from January through September 1998, the average monthly import volume of Russian hot-rolled sheet and plate-in-coil steel was 286,311 tons.

At the same time, the price per ton fell from \$316 in 1995 to just \$240 in 1998. That is a lot of cheap steel to absorb, and that is just one particular type of steel product.

Our government's response to this threat was to handle cheating—cheating—foreign competitors with kid gloves due to concerns that the economies of those foreign nations have been in distress.

Now, who pays our way here? Who pays the fare for our trip from Sophia, WV, to Washington, DC? Who pays the fare from Arkansas to Washington, DC? Who pays the fare from Kansas, for those who represent Kansas in the Congress, to Washington, DC? Not those foreign competitors, I can assure you, as far as I am concerned. They don't pay our way. They don't pay our fare. They don't pay us. We are not on their payroll. The people of West Virginia send me here, and the road that leads to Washington leads back home.

I am going to be first, last, and always interested in the people of our own Nation who look to us for leadership, look to us to help them with their problems—not the foreign competitors.

The argument has been made that caution must be exercised so as not to push these teetering economies over the edge. I understand concerns about the intertwined economies of an increasingly global marketplace, but my heart will not bleed for cheaters. My heart aches for those American men and women who have worked and sacrificed and followed the rules, only to have their futures and the futures of their families, their communities, and their steel industry thrown into question.

The illegal dumping of steel on American shores is real. It is not imaginary. It is not something we are just dreaming about. It is not something we are seeing visions about. It is real. The crisis does exist.

Our domestic steel industry has been seeking remedy through antidumping and countervailing trade cases. The Commerce Department has ruled on or is investigating cases against Japan, Russia, Brazil, South Korea, France, Italy, India, and Indonesia. On June 11, just last Friday, the International Trade Commission, by a 6-0 ruling, found that imports of dumped hot-rolled steel from Japan are "materially injuring or threatening material injury" to the U.S. steel industry.

Based on this determination, duties will be retroactively applied to imports from Japan that enter the United States after February, 19, 1999, but the international trade system established to help domestic manufacturers recover from trade-induced damage has thus far failed our steelmakers. The process is too painfully slow.

When I was a boy I read a book, "The Slow Train Through Arkansas." We are talking about a slow process here, and it has failed our steelmakers. The process is too painfully slow to avert long-term financial disaster for many U.S. steel mills.

One of the opponents to this bill said the other day: Well we have a process here.

Yes, we have a process. I am saying it is too painfully slow to avert long-term financial disaster for many U.S. steel mills.

That is why we have come to the floor with this bill, this provision that will help in the short-term. Damage must be done before a case can even be filed. Now, that is the process; damage must be done before a case can even be filed, and the investigation and the adjudication takes months.

Even if our steel companies succeed in getting our trade laws to support them by levying tariffs on unfair competitors or otherwise reducing their attempts at undercutting our domestic market, these steel mills will not receive any of those tariffs to make up for their losses or to help out their workers. The damage has been done. The damage has been done.

At best, they will get an eventual reduction of illegal imports that will allow them to compete in their own country, at least until some other nation decides to flood our markets. It is not fair. It is not right. It is not right for our steel industry. It is not right for our steelworkers. It is not fair to our steelworkers. Nor will communities that are hard hit by layoffs and threats of layoffs receive any direct compensation from the tariffs that are paid by illegal dumping. The damage has been done.

The little community of Weirton has been hard hit. The Weirton Steel Company employed 14,000 men and women a few years ago; today, it is down under 5,000. The Weirton Steel Company is the lifeblood of Weirton, WV. Without it, the community would be dead, dead, dead!

There are other communities. But these communities, as I say, that are hard hit by layoffs—and there have been additional layoffs at Weirton; 800 steelworkers laid off since last November because of this illegal dumping of below-cost steel into American ports by those foreign countries that wave their nose at the trade laws. Communities hard hit by layoffs and threats of layoffs will not receive any direct compensation from the tariffs paid by illegal dumpers. Now, that is the process. They say, well, let the process work.

The recent years of uncertainty that deterred people from buying houses, buying cars, buying anything they might have to finance longer than their job might last, no one can make up for those kinds of losses that ripple through a community, affecting jobs, affecting lives that are directly linked to a steel mill paycheck.

This crisis may not be abating, as some would have us believe. Foreign steel markets are not yet rebounding to their previous levels, and oversupply remains very high. Nearly all of the recent import declines are due to anti-dumping cases against just three countries. Historically, such cases have

eventually caused increased imports from other exporters and for other steel products. We have seen that in this instance, as well.

When the Commerce Department investigates import surges of a particular type of steel from a single source, that exporter temporarily cleans up his act. You see, he gets religion fast. He cleans up his act with regard to that particular type of steel. But he makes up for it. The right hand doesn't know what the left hand is doing in that case. While he cleans up that act, he makes up for it by flooding the U.S. market with a different steel product that is not under investigation, or another nation steps in to fill the opening provided by tariffs placed on a foreign competitor.

So no sooner is one dog leashed than another dog is on the attack. For many months, manufacturers and steelworkers lobbied and protested and cried: "Help me, Cassius, or I sink!"

They protested and tried every conceivable approach to draw the U.S. Government's attention to their plight, and their pleas were met by dawdling and disbelief.

We cannot afford to continue hemming and hawing, as the fires die down in the blast furnaces at Weirton, WV, or in Illinois or Indiana or Missouri or Alabama or Pennsylvania or Ohio. This is an emergency. That is why it was put into an emergency appropriations bill. It requires urgent action. We have responded to emergencies in other industries and in other nations; why can we not respond to a critical situation in our own steel industry?

Do you remember the story of Joseph and Mary, who went from Nazareth up to Judea to pay their taxes? They went to Bethlehem. Their baby was born and wrapped in swaddling clothes and laid in a manger. Why was it laid in a manger? Because there was no room at the inn. There was no room for the baby at the inn. It had to be laid in a manger because there was no room for Joseph and Mary and the baby at the inn. No room at the inn. So to the steelworkers, there is no room for the steelworkers at the inn, no room at the inn.

This crisis cannot be merely dismissed as a West Virginia matter, as some sought to do earlier. I know the word went around, well, this is just to help workers in West Virginia; this is just to help Senator BYRD from West Virginia. That is not the case. That is not the case.

So this crisis cannot merely be dismissed as a West Virginia matter. This is a national matter. It affects Kentucky. It affects Virginia. When one industry hurts in this country, the whole country hurts. When steelworkers are thrown out of jobs, there is a great ripple effect. When jobs are lost in Indiana and Illinois and West Virginia, it hurts in Kentucky. It hurts in Virginia. This is a national matter involving an industry that stretches across the Nation.

When you see those television pictures of the tanks in the Balkans,

those tanks are not made of pasteboard. They are not made of nylon. They are not made of plastic. They are made of steel. I know what it is to weld that steel, having welded in the shipyards in World War II. It was this mighty country with its steel mills and its experienced steelworkers and its efficient steel companies that made the ships to carry the manpower and the weaponry to Europe in World War I and in World War II. Let another war come. We will send tanks of pasteboard?

The ill effects that have been visited upon this industry loom in Utah, Illinois, Arkansas, Missouri, Pennsylvania, Ohio, Alabama, California, and other States. It touches the lives of all Americans. Just read the newspapers and the trade publications from around the Nation.

Bankruptcy looms for Gadsden, AL, based Gulf States Steel. Last month, Laclede Steel shut down its Alton, IL, pipe and tube plant, putting 200 employees out of work because of high levels of imports.

In April, FirstMiss, a Pennsylvania steel producer of high-grade specialty steel, announced plans to shut down, putting 140 people out of work.

These are Americans. These are people of flesh and blood, just as you and I are flesh and blood.

Geneva Steel Company of Vineyard, UT, filed a Chapter 11 bankruptcy in February, citing the surge in steel imports as the cause of its financial distress. Geneva Steel employs roughly 2,400 workers in Utah making hot-rolled and plate steel. In December 1998, Geneva officials had conceded that they would be unable to make January's interest payments on senior notes.

Bethlehem Steel officials announced in January that the steel import crisis caused them to decide to close two plants—in Washington, PA, and Massillon, OH—and eliminate a total of 540 jobs. Not surprisingly, no buyer could be found for the Massillon mill, given the poor market prospects.

In November 1998, Bethlehem Steel temporarily shut down facilities in Burns Harbor, IN, and Steelton, PA; it cut back shifts at facilities in Sparrows Point, PA, and idled production lines in Coatsville, PA, that employed 1,000 people, all because of unfair, illegal competition from imported steel, and unfair competition from foreign countries.

The Scriptures say that charity begins at home. We don't want charity. We simply want a fair, level field so the American steelworkers, whose efficiency is as great or greater than that of any other workers in the world, can make their way, can earn by the sweat of their brow their daily bread.

I have been in the Senate 41 years. I have never turned my back on any other State or any category of people in this country who are hard up and who are out of work and who need help in order to earn their bread by the sweat of their brow.

Whether it is in my State or not, if it is somewhere else in America that an industry, that the farmers need help, that the farmers need loans, that the homebuilders need loans, I am here to help, always have been. I do not say it does not help my people. I do not say that. The chain is as strong as its weakest link. I say help them if it is on the west coast, if it is on the east coast, if it is in the North or the South—wherever. If it is America, count me in.

In November, LTV officials announced that the company would permanently close some operations at their Cleveland Works facility, eliminating 320 jobs, because, in part, of dumped imports. The previous month, LTV had temporarily laid off an additional 320 workers on a different production line. U.S. Steel also cut back operations in November, laying off several hundred of the 850 workers at the Fairless, Pennsylvania, plant. These are not West Virginia plants, but if it hurts Pennsylvania; it hurts me; it hurts West Virginia.

National Steel announced the idling a blast furnace producing 1.1 million tons of iron at its Great Lakes Division last October, reducing the steelmaking capacity there by 25 to 30 percent. Last September, California Steel Industries reported that it had lost 15 to 20 percent of its sales volume, and had reduced production operations proportionally. Also last September, Illinois-based Acme Metals, Incorporated, filed for chapter 11 bankruptcy protection, halting production at a new, \$370 million slab caster designed to take advantage of its high-quality blast furnace operations while linking it to low-cost, mini-mill style casting and rolling equipment. So much for modernizing to remain competitive! We have done it. The steel industry has done it. They have modernized the steel mills. The lesson steel makers have learned is that their investment decisions to remain modern and efficient can be undercut at any time by foreign producers driven by their own interests, or subsidized by their own governments, to increase their market share by driving under the domestic competition.

I could go on, but I think I have made my point. These American steel companies are suffering not only from the kind of depressed export market that has led the administration and this Congress to provide emergency relief to our Nation's farmers, but also from unfair, below-cost imports that are squeezing our steel industry out of our domestic market. Why is it this Congress can so readily support funding for direct low-cost loans to farmers—and I am for that—in order to help them survive the tough times, but some Members balk at providing loan guarantees to allow an equally critical industry—one that is necessary to maintain a robust defense as well as a robust economy—to obtain market rate loans to restructure debt and tough out a battle against depressed

markets and unfair competition? I confess that I simply do not understand this logic.

Help the farmers. We have heard that cry from the steeple tops, and my vote has been there. I do not have large farms in West Virginia, but when the call comes to help the farmers, my vote has been there. I have never opposed help for all the farmers.

I have been on the Appropriations Committee 41 years, Mr. President. You do not find me opposing aid to farmers just because West Virginia does not have big farms. Why provide loans and grants for foreign governments? What is the logic in the U.S. Government providing loans, direct loans in many instances, guaranteed loans and grants to people in foreign lands, foreign governments? Why help them, when there is no room at the inn for American steelworkers?

Think of it. I would be ashamed—ashamed—to deny our own people when we do not deny foreign governments. I have a list of the direct loans. I have a list of the guaranteed loans. I have a list of the outstanding loans to foreign governments. And then a Senator will stand in this Chamber and vote against guaranteed loans for an American industry, the steel industry, steelworkers, steel families. I know some Senators do not like to hear it, but listen to me. If you do not hear me, you will hear from them, the people for whom there is no room at the inn.

Opponents of this loan guarantee program would have us believe that this is an excessively costly solution to a non-existent problem. It is neither. The loan guarantee program outlined in this bill would provide qualified steel producers access to loans through the private market that are guaranteed by the federal government in the same way that the federal government now guarantees loans made to homebuilders, farmers, even foreign governments. These guarantees are needed because banks, seeing the same flood of low-priced imported steel, are not willing to make loans or restructure existing debt when their collateral—the steel made and sold by the borrowers—is so devalued. both the Congressional Budget Office and the Office of Management and Budget, acting under the credit reform provisions of the Budget Enforcement Act, have calculated the budget authority estimates of this program at only \$140 million, reflective of the fairly low risk of default and the value of the potential collateral to be offered. This cost, as has been stated time and again, is fully offset.

The steel loan guarantee program will be established and administered by a distinguished board of directors—namely, the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce, who will serve as chairman of the board. This board will be given flexibility to determine the percentage of the federal guarantee, the appropriate collateral, as well as the loan amounts and interest rates.

This board will disburse loans of not less than \$25 million, subject to a waiver, and not more than \$250 million to any one company, and the total amount of all guarantees will not exceed \$1 billion. As the loans are paid off, funds will become available for additional lending. All loans, however, must be repaid within 6 years, with interest.

This loan guarantee program is GATT-legal. We are still playing fair. We are not subsidizing our steel industry. We are not undermining someone else's domestic steel industry by dumping steel at below production costs. This program would operate within the international trade rules.

This emergency loan guarantee program is an important tool to help these companies deal with the immediate effects of this crisis as they pursue their legal cases and as other legislative remedies are being considered. By itself, this program will not solve this crisis, but it is needed to ensure that these companies can make it through some very tough times and keep their employees—our fellow citizens—working.

Which of you, the Scriptures say, if your son asks for bread, will give him a stone? Which of you, being a father, if your son asks for fish, will give him a serpent? Which of you, if your son asks for an egg, will give him a scorpion?

When I say to Senators, these steelworkers are our fellow Americans, our fellow citizens, they are asking for the opportunity to earn their daily bread, in the sweat of their brow, are we going to give them a stone?

So, what do we have to lose here by ensuring that funding is available for a crisis that our own Department of Commerce verifies is upon us? If the money is not needed, not one red cent will be dispersed from the Treasury. But if we do not act, and steel companies start to go under, you can bet that we will not be able to act quickly enough to save some of those companies, some of those jobs, and some of those steel towns that will be pulled under by the rip current of our failure to respond.

It cost us at most \$140 million to act decisively now to avert a crisis that is within our shores. Our failure to act will surely cost us much more as a nation. I speak not only of the tangible costs of inaction—in increased unemployment, cuts in services, and bank losses, in addition to increased spending for welfare, food stamps, Medicaid, housing assistance, child care assistance, community adjustment assistance, worker adjustment assistance, and so forth, but also of the intangible costs. What does it mean if we let our steel industry fail? What does it mean if we allow it to be sliced away mill by mill by mill until only the biggest survive? What does it mean for our future to have another critical defense component delivered from a ship arriving from distant shores? Ships from dis-

tant shores will bring the steel. Can our space launch capacity be held hostage to specialty materials and components produced overseas? Can a new stealth bomber still be produced without a foreign partner?

What does it mean when we let trade theory or consideration for foreign trading partners allow us to tie our own hands and let foreign competitors unfairly or illegally pull the rug out from under American citizens? Should American steelworkers and their families go on unemployment or even welfare in order to allow foreign steelworkers to retain their jobs? I do not think so.

I think our people should come first, as far as I am concerned. This country has been very charitable to the rest of the world. This Nation has helped other nations when disasters came upon them. This Nation has helped other nations to rebuild after destructive wars. But we should not ask this Nation to give up its industries and ship those industries overseas. We should not ask our steelworkers to give up their jobs in order that steelworkers somewhere else, thousands of miles away, across the deep waters, may have their jobs.

The people who send us here place a trust in us. Those who send us here can bring us back home. They ought to bring us home if we do not listen to their pleas. They place a trust in us that we will stand for issues important to them, their lives, and their livelihood.

I cannot, in good conscience, turn my back on America's steelworkers, just as I cannot turn my back on the oil and gas workers. And I cannot turn my back on the farmers in this country. But I hope that each of you will not turn your back on our steelworkers. The time will come when you may come to my door, saying: I need your help. I may have that rollcall on how you voted when the steelworkers needed your help, when their families needed your help in order that they might have bread to eat, clothes to wear, and the other necessities of life. Let's not forget we have to help one another.

The questions for every Member of Congress are these: do we care if we have a domestic steel industry? Does it matter? Or should we throw in the towel and allow foreign competitors to chip away at our steel industry until we are forced to depend on foreign steelmakers for our every steel need in the next century? Let us not dither. Let us not believe there is no problem here. Let us not play politics.

Let's leave philosophy to Socrates and to Plato and the other great philosophers. Let's tend to things closer to home. Let us act. I urge the adoption of this legislation.

My colleague, my friend, PETE DOMENICI, who is on the floor at the moment, who represents the great State of New Mexico, will speak for oil and gas. I fully support him—fully support him. What affects his oil and gas

industries affects me and my people, affects West Virginia.

Mr. President, I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Texas.

Mr. GRAMM. Mr. President, I first say to our colleagues that Senator NICKLES and I, who are on the other side of this issue, have been at the Finance Committee where we have been holding a hearing on Larry Summers, who has been nominated to be Secretary of the Treasury. As a result, it has taken until now for us to get the opportunity to participate. Because this is the most significant confirmation since either one of us has been on the Finance Committee, we did not have the luxury to miss that hearing. So if we have inconvenienced our colleagues by being late, I apologize.

I also say that one of the things that is always hard about our business—and our business is a noble business; it is American democracy at work—is that you do not get to choose your allies. If I had an opportunity to choose my allies based on their ability and knowledge and persuasiveness, I would never undertake any battle where I did not have Senator BYRD and Senator DOMENICI on my side. The problem is that when the Lord handed out ability, He did not distribute basic philosophy and values and also a reading of the facts in the same way He distributed ability, at least from this Senator's own point of view.

I find myself, which happens from time to time and never creates happiness on my part when it does, fundamentally disagreeing with two of our most able Members and two Members of the Senate for whom I have a deep affection and a deep respect.

What I would like to do today is the following: I would like to try to outline the changes that I believe should be made in the bill. Let me make it clear that I am not for this bill. I see this as harkening back to another day, the days of the Carter administration, where we were basically trying to engage in industrial policy. I will talk more about that in a minute.

But if we are going to pass the bill, there are some things we should do—and I hope we will do—that could dramatically improve the bill. So what I would like to do today is talk about those amendments and try, for the convenience of our colleagues, to outline the amendments that I see that we would present today.

I can't speak for any other Member of the Senate. There may be others, besides Senator NICKLES and I, who have been working on these amendments together, who would want to come over and offer amendments. But to sort of give an outline, I would like to go through and outline what I think is wrong with the bill in terms of what could be improved by amendment. I would like to talk about each of those amendments and try to explain why they make sense so everybody would

sort of get the lay of the land of the battlefield that we are likely to contest today and vote on today.

I would then like to try to talk about the problem in the steel industry, because Senator BYRD has spoken with such passion and conviction that, if you are going to oppose what he is trying to do, you have an obligation to explain why you disagree. So I will try to at least give you the view through the lens that I have in looking at this problem as to where I am coming from and why I think as I do.

Then it would be my proposal to either offer the amendments that I have outlined and simply have them there so anyone could debate them or, if Senator NICKLES comes over, then we could go back and forth. But it is not my objective to try to delay the process. It is pretty clear what I would like to at least have the Senate make a decision about today.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. GRAMM. I am happy to yield.

Mr. DOMENICI. I need to get consent on behalf of the leader. It will take 30 seconds.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill, as thus amended, be considered as original text for the purpose of further amendment, provided further that no points of order will have been waived.

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

Mr. DOMENICI. Now that I have the floor, I wonder if my friend will engage in a little discussion with me for a moment. I think the approach you have just spoken of will be a good one for the Senate.

I am somewhat familiar—I will be more familiar when you are finished with your discussion of your four points—with what kind of amendments you are seeking. I believe it is possible we could sit down with Senator BYRD and work on all of those amendments. Some of us have been thinking about some of those amendments, even without you offering them; and some of them make eminent good sense to me.

So if you will do that, if you will discuss them, I am certain that unless there are other Senators beyond you and Senator NICKLES, what you are talking about, even if we do not agree, we are not going to be here late tonight on those, if we can get them done. The question is, are there others? And we don't know about that. There may be; there may not be.

It may be that we cannot vote on some of these because of some other matters that are beyond our control. But I do not think we need time at 10 tonight to debate the ones you are talking about. We will understand them very soon, and we will start working with you and see what we can do.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. I thank Senator DOMENICI and say, in complying with

his wishes, that what I will do is simply go through and talk about four areas that I think we need to work on to improve the bill. Then I want to talk a little bit about the underlying amendment and about steel and about my different perspective on the problem than Senator BYRD has.

First of all, this bill has an emergency designation in it. What does that mean? What it means is this bill will be exempt, because of that emergency designation, from the budget caps that we set out in law and that we reinforced when we adopted the budget this year. To the degree to which that emergency designation allows us to spend beyond the cap, that expenditure will take money away from the budget surplus, every penny of which is Social Security trust fund money.

The way the bill is written, it is written in such a way that it does make some effort to try to deal with the cost of the program. In doing so, it is not effective, because it doesn't lower the spending caps to pay for this bill.

My first objection—without getting into all of the delicacies of the budget which aren't really important to this—is the following: We have a surplus today in terms of the books of the Government. But we do not really have a surplus in the sense that if we had to keep our books like the private sector does, where we had to take into account all the liabilities that we are incurring by guaranteeing Social Security benefits in the future, if we had to use what accountants call "accrual accounting," we would be running a huge deficit. It creates a problem because now, as virtually everybody in America, I hope, knows, we are collecting more in Social Security taxes than we are spending on Social Security, so we are running a surplus and the Social Security trust fund would tend to grow as a result of that surplus.

But much to my distress, and I believe it would be distressing to the American people, if everybody understood it, it seems like weekly we spend more money, every penny of which comes out of Social Security, so that effectively we are plundering Social Security to pay for other programs.

Now, you can argue the merits or the demerits of this loan program. I will tend to argue the demerits. But even if you thought this program had great merit, I think it is bad policy, and wrong, to take the money out of Social Security to pay for it.

So the first effort that Senator NICKLES and I will undertake is that there is a budget point of order in the budget against any emergency designation for non-defense discretionary spending, when that discretionary spending would, in this case, take money out of Social Security.

So the first thing we intend to do, or at least we intend at some point during this process, is to raise that budget point of order to strike the emergency designation out of this bill.

Let me make two points about that. No. 1, it won't kill the bill. What it will

say is: You have to pay for the bill, because every penny you spend on these loan guarantees is money that you are not going to have to spend on something else. If we do not strike the emergency designation, then the money we spend on the loan guarantees will basically come out of Social Security; and since we have on several occasions, and will again, be debating whether or not to put the Social Security money in a so-called lockbox, I can't, in good conscience, keep voting to say we are putting it in a lockbox when we keep turning around and spending it.

I have a little bit of trouble taking a position one day that we are protecting Social Security money and, a day or two later, supporting spending it.

So the first issue we need to deal with is the issue of whether we should eliminate any possibility that this money would come out of Social Security. We can do that by raising the point of order that the bill has an emergency designation, and if that is successful, or if an agreement should be reached to simply take the emergency designation out, then any money this bill spends is money under the spending caps that can't be spent on anything else.

So if we are successful there, what we will have done is, for all those who believe this bill is a very good idea, or even a good idea, we will have set up a situation where it has to be paid for. I believe that is prudent public policy, and I think it should be done.

The second amendment we would be offering is an amendment to change the makeup of the board that will be making the loans. Let me remind my colleagues, and anybody else who is following this debate, that the reason these loan guarantees cost money is that we don't expect some of the loans to be repaid. The whole reason this loan guarantee package costs money—the reason we expect it to cost \$140 million—well, that is the steel number. One of the reasons we expect this program, in total, to cost \$270 million over the next 2 years is that we expect many of these loans not to be paid back.

That recognition leads to three changes we want to make in these loans, and they are the other three amendments.

No. 1, we don't think these loans ought to be made by the Secretary of Labor and the Secretary of Commerce. We believe we should have a board that is made up of people who have expertise in finance and who can guarantee two things: One, that we maximize the chances that the taxpayer will be paid back—I don't know how anybody can object to that—and, two, to the maximum extent we can, that we take politics out of the decisionmaking.

So a proposal we will make will be a proposal to change the board that will end up making the loan and overseeing the credit transaction, overseeing the payment of the loans when they are

due, and the collection of the principal and interest. Rather than having the Secretary of Labor and the Secretary of Commerce, we would propose to have the chairman of the board of the Federal Reserve Bank and the Chairman of the Securities and Exchange Commission, and then have them, together with the Secretary of the Treasury, giving us a three-person board, all of whom will have expertise in finance and loans and investments.

So that we can try to achieve two objectives, both of which are important: No. 1, try to make the loans in such a way that we maximize the chances that they are going to be paid back, because that saves the taxpayers money. Secondly, to the maximum extent possible, we don't want politics to play a role in who gets these loans if you want them made. It is one thing to say they should be made, but it is another thing, I think, to set up a structure where we are almost guaranteeing that the announcements of these loans will be political announcements rather than financial decisions that are made where the board represents, in a fiduciary way, the interest of the American taxpayer.

So the second amendment we will undertake will be to change the makeup of the board to go to Alan Greenspan, Chairman of the Federal Reserve Bank, as the effective chairman of the board; and then we will have the Chairman of the Securities and Exchange Commission and the Secretary of the Treasury serving on the board. I think by doing that we will maximize the chances of achieving our objective of maximum fiscal responsibility and minimum politics.

A third amendment we will offer is an amendment having to do with the maximum guarantee of a loan. It is virtually unheard of for the Government to guarantee 100 percent of the loan, because by guaranteeing 100 percent of the loan, we take any risk away from the lender. If the lender is not responsible for any portion of the loan, the lender has no effective monetary interest in trying to see that the borrower has the ability to pay it back—has both the capacity and the will. In virtually every program in the Federal Government that I am aware of, loan guarantees are such that the Government does take on some of the risk in order to encourage lenders to lend, but it always—in virtually every case—leaves the lender with some residual risk, to try to encourage them to be responsible.

The proposal we will make is that no loan will ever be guaranteed for more than 80 percent, so that anybody who is making this loan will have to incur a risk of 20 percent. Needless to say, if you are making a \$10 million loan and you are going to have to eat \$2 million of it if it is not paid back, you are going to be a lot more judicious in making the loan than if somebody else is going to absorb the entire \$10 million of loss if it is not paid back.

So I think this is simply a good Government amendment. Again, if you believe these loans should be made, then they should be made in a way that doesn't take money from Social Security, which has an oversight board made up of people who have fiduciary responsibility, and who have the expertise and knowledge related to it, and who won't be political; and, finally, the loans themselves should be such that the actual lender has some stake in the loan being paid back.

The fourth amendment we will offer today will be an amendment aimed at the minimum loan level. For some reason—and I don't understand it—the authors of this amendment have put a minimum on the amount of loan that could be made. The minimum is quite large.

So the net result of that, it seems to me, would be to tilt the lending toward specific would-be borrowers and to arbitrarily take loans away from small companies that might qualify but that might not be either willing or able to borrow the minimum amount.

So the fourth amendment we propose offering today would be an amendment that says we will strike the minimum amount and then we will let the Secretary of the Treasury, the Chairman of the Securities and Exchange Commission, and the Chairman of the Federal Reserve Bank Board decide, based on the applications that are available, who has the best creditworthiness, not who would be the biggest borrower.

So those are the four issues that, it seems to me, there should be relatively little debate about.

No. 1, don't take the money out of the Social Security trust fund.

No. 2, appoint a board of people who know something about lending and who will be good stewards of the taxpayers' money and who won't play politics in making the loans.

No. 3, don't guarantee 100 percent of the loan.

When a bank is making a loan, require them to undertake some of the risk. After all, they are going to get the benefits of the interest payments.

We propose not guaranteeing more than 80 percent of any loans. The additional advantage of that is that we could lend more money. If you think this lending is a good idea, then I don't see how you could be against spreading it more widely.

Finally, we strike the provision of the bill that sets the minimum amount, since there is no logic to saying that we will not lend to small business.

I mean, if there is any modern entity that has taken on the same political appeal that Thomas Jefferson's independent farmer had in 1800, it is a small independent businessperson.

If you think making these loans is a good idea, how can it make any sense to deny those loans to small business?

Those are the four amendments that we would like to deal with today. There are other amendments we are

looking at, but these four are so clear-cut and so necessary that I wanted to put them out on the table early this afternoon.

It is my understanding that perhaps Senator DOMENICI and Senator BYRD would want to sit down and talk about these. I think the sooner we can do that, the sooner we can start moving.

Finally, I want to respond to Senator BYRD on the steel issue in explaining how I see it so differently.

It is an interesting thing to me. The longer I live, the more I discover that when people disagree with you, there are almost two reasons. There is generally one of two reasons why they do, and sometimes both reasons. One is they have a different lens through which they see the world and view things and value things, and that leads to a different conclusion. Our founders, Jefferson, for example, recognized that good people with good intentions come to different conclusions.

But a second reason that people often differ is a different perception of the facts.

Let me just talk for a minute about the facts and why I believe that there will be disappointment if these loans are made, and why it is likely that to the extent that if the problem was real, it probably would not be solved by these loans.

Second, I want to argue that at least in terms of steel—I wish I could say the same about oil and gas—but at least in terms of steel I believe that the crisis is past.

Let me try, without holding my colleagues up, to just simply run through this real quickly.

Mr. DOMENICI. Will the Senator yield to me for a moment?

Mr. GRAMM. Yes. Certainly.

Mr. DOMENICI. First, I want the Senator to know that more times than not this past year we have been on the floor on the same side. There is an interesting result, which I will not share with anybody when that happens.

Mr. GRAMM. We always win.

Mr. DOMENICI. But, on this one, I had a different view. I think before finishing today, by working with Senator NICKLES and Senator BYRD we can bring this closer to some of the basic concerns.

We will not get around to the notion that we will make guaranteed loans. In any event, we can't do that, but that would mean we give up our fight, I think, on some other issues. We can make the lending of them more objective—make it so there is a little bit of risk the borrower takes, and also we will discuss with Senator BYRD the makeup of the board. I can't say much about that. We have to talk about it.

I am going to go to an appropriations meeting, and I will be back in 15 or 20 minutes. I know Senator NICKLES is here. I shared the same concerns with him. I understand he agrees not to offer amendments. We will have a meeting with Senator BYRD, and we will see what we can do about the Sen-

ator's amendments. I don't know about other amendments.

I yield the floor.

Mr. WELLSTONE. Will the Senator yield for 10 seconds?

Mr. GRAMM. I would be happy to yield.

Mr. WELLSTONE. I thank the Senator.

I wonder whether or not Senator DOMENICI is going to come back and speak. I wonder whether Senator NICKLES wants to speak. I wonder if I can address the Senate, after Senator NICKLES and Senator DOMENICI, and be allowed to speak on this bill.

I thank the Senator.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, how long does the Senator intend to speak?

Mr. WELLSTONE. Twenty minutes.

Mr. DOMENICI. Go ahead of me. I have already spoken once. Let's change the order.

Mr. WELLSTONE. After the Senator from Texas and the Senator from Oklahoma, I follow?

Mr. DOMENICI. Yes.

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

Mr. GRAMM. Mr. President, let me try to explain why I look at the steel problem and see it so differently than our dear colleague from West Virginia.

First of all, let me just review the facts that nobody disputes.

In 1980, we had 459,000 Americans who were employed in the steel industry. Today, we have 163,000 Americans employed in producing steel. So employment between 1980 and 1997 declined from 459,000 to 163,000 people.

If you just looked at that number, you would say, well, domestic steel production must be just falling completely through the floor; that we must have a disaster in the domestic steel industry.

The plain truth is that while employment fell from 459,000 steelworkers to 163,000 steelworkers, the production of steel in the United States actually went up by 56 percent. In fact, on average, since 1980 we have seen about a 9,000-job-a-year decline in the number of people working in steel production. Because of technological change, we are using fewer workers to produce more steel.

The complaint that is being lodged where it is being demanded first this week that we have the government guarantee loans to the steel industry and then next week where we impose a quota on steel imports triggering a trade war—remember, we have 40 people using steel in jobs for every one person making steel—all of that legislative effort is due to a belief that we lost 10,000 jobs this year in the steel industry. We have lost 9,000 a year every year since 1980.

One of the reasons, despite all of this talk about the rush of imports and unfair trade practices, that the steel industry has never filed a section 201

claim is in part because of an inability to demonstrate that the problem is imports.

In fact, in 1997 when we had the surge in imports, we had the largest domestic steel production in American history. In fact, in 1997 we produced 105 million tons of raw steel, which is an all-time record in steel production.

Why did imports surge in 1997 when domestic production was at an all-time high, where in fact some analysts believe that we had overcapacity utilization in 1997? What happened was the economy was exploding, for which we all rejoice. We were creating 7,500 jobs a day, which still continues to this day. Thank God. As a result, people are buying cars at record rates, people are building houses at record rates, and we are approaching 70 percent of Americans who own their own homes. They are buying refrigerators, washing machines, and dryers. All of those products use steel.

We had a record level of domestic production and a record level of demand. What happened? We imported steel to fill the gap.

I think it is also important to note that in 1998, the last year where we have records, production was still near an all-time record with 102 million tons. In fact, the steel industry earned profits in 1998 of \$1.4 billion.

I am not complaining about that. If I could snap my fingers and make those profits \$10 billion or \$14 billion, I would do it—or \$140 billion. I don't have any objection to profits.

But the point I want to make is that in this period where the argument is being made that steel is collapsing and that we are being drowned by imports, other than on wire rod, no steel company in America filed a 201 complaint about imports producing a loss of business for them, or costing jobs in their industry.

When they don't file the 201 complaint, it suggests that they didn't have a case.

Here is the point I am making: 9,000 jobs a year have been eliminated because of technological change where production has grown by 56 percent. We are having the greatest economic boom in American history. We are creating 7,500 jobs a day. We have towns, and I'm very grateful that my hometown is one of them, where university students go after class to have a beer, and they have impressment gangs who come around and try to drag them off to factories.

We are creating 7,500 jobs a day. In the name of 10,000 jobs that were probably lost because of technological change, we are being called upon to go back to the 1970s, to the policy of Jimmy Carter, and have the Government start lending money where we are guaranteed in advance we will lose \$270 million on the loans upfront. Of course, the default when Jimmy Carter was President was 77 percent. If we had that kind of default rate, the loss would be many times the \$270 million.

We are creating more jobs in a day and a quarter than we are talking about, and we are jeopardizing those jobs by getting Government in exactly the kind of situation we are begging the Japanese to get out of: Getting America into crony capitalism, where we are trying to institute industrial policy, where Government is making decisions instead of the credit markets.

Second, we are getting ready next week under exactly the same heading to debate a provision that would literally start a trade war which could destroy millions of American jobs when there is not hard evidence these jobs have been lost because of imports.

Finally, as if all that were not enough, if the problem really existed, it has already been solved. American imports of steel have declined 28 percent since November of 1998. Russian imported steel is down by 96.6 percent; Japanese steel is down by 74.4 percent; Brazilian imports are down by 24.4 percent; and Korean imports are down by 46.8 percent. Imports from all countries are down dramatically.

Even if this was a problem, as normally happens in these political debates, we are a year late.

I am sympathetic to this problem. I am very sympathetic because my State is affected by these problems. The point is, we are not going to fix these problems by having the Government come in and lend money to an industry as it did when Jimmy Carter was President.

Some people said the other day that when Jimmy Carter was President, we had to do it because the inflation rate was in double digits and interest rates were at 21½ percent. That is true. But were inflation rates in double digits and interest rates 21½ percent because we had Government trying to run the economy? Isn't that what we changed in the 1980 election?

I don't want to go back to the policies of the Carter administration. This is 1999. That is why I am not for this provision. It is not because I'm not sympathetic to someone who lost a job in the steel industry. If that job was lost due to technological change—and the evidence is pretty overwhelming that it was—do we benefit anybody by lending money when we know that a substantial default on the loans will occur?

It seems to me what we need to be doing is to try to promote economic growth where people can find jobs and, hopefully, better jobs than they lost. When you have technological change in one industry that eliminates jobs and you have new technology in others, that creates jobs.

This is a tough issue. It is always easy and, I think, always tempting to try to say if anybody in America loses a job for whatever reason that the Government ought to do something about it. I remind my colleagues that in a day and a quarter we create more jobs in the private sector of the economy with the economic policies of open

trade and private capital allocation and basic free enterprise; we are creating more jobs in a day and a quarter than anyone is claiming that steel has lost in the last year.

We have to weigh this point. Isn't it distinctly possible under those circumstances that we could lose more jobs by starting a trade war or getting Government into industrial policy than we will save by doing those two things? Then those jobs might be lost anyway as a result of continued technological change.

It is because I am concerned about working Americans, it is because I am concerned about keeping this recovery going, it is because I want to keep creating 7,500 jobs a day that I am not for these loan guarantees.

I yield the floor.

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I compliment my friend and colleague from Texas. I hope his speech is one that all Members of the Senate have listened to. I happen to agree with him, I think this bill is a mistake.

I spoke on this bill. We only had 5 minutes before we voted on this. The first debate we had on this was actually 10 minutes for the proponents, 10 minutes for the opponents. That was the only debate we have had on the floor of the Senate. That was on a motion of cloture. For people who don't know what that is, it is a motion to proceed to debate the bill.

I told the proponents of the bill, Senator BYRD and Senator DOMENICI, I will object to the bill; I will debate against it; I will offer amendments against it. However, I will not filibuster it. If they get cloture, they get cloture.

They got cloture. I lost. I happen to think I was right on the issue.

I will follow through. I said I would amend it. I told Senator BYRD I would not offer a bunch of dilatory amendments. I will not go into extraneous matters. I will try to make a bad bill better. I don't think this is a good bill. I don't think it should pass. I don't think it should become law. I will work to see that it doesn't. This is one step in the process.

Let me say why I think this is a bad bill. I have great respect for Senator BYRD and Senator DOMENICI. They are very effective legislators. They have convinced a lot of people we should move forward. My compliments to them. I don't happen to think they are right on this bill.

Looking back at loan guarantees, the last time we did this we actually ended up having net loan guarantees of \$290 million and defaulted on \$222 million. That is a default rate of 77 percent. That means taxpayers had to write a check for \$222 million out of a total loan guarantee of \$290 million. That is a terrible, terrible failure.

I will mention a couple of things. That is a failure by my words, but it is a failure according to Members of previous administrations.

I will just give you a couple of comments:

Less than a decade later, all 5 loans [talking about steel loans] are in default.

And the Commerce Department's Economic Development Administration, in an internal memorandum notes:

By any measurement, EDA's steel loan program would have to be considered a failure. The program is an excellent example of the folly inherent in industrial policy programs.

They are exactly right. Other countries do not do this. They believe in the private sector. We believe in it. We believe in developing private capitalism. Let bankers take risks, have investments, have the right to succeed and the right to fail.

Now we are on the floor of the Senate and we say, wait a minute, not in steel or not in oil and gas; those are two vital industries. I agree these are vital industries, but I do not think this bill will help them one iota. It did not help in 1978 and 1979. It cost taxpayers millions of dollars; it was a boondoggle, it was a failure. Why should we repeat it? We know better.

I am sympathetic when people say we have lost jobs and these are really tough times. I will tell you, it is a lot tougher in the oil patch than it is in the steel industry, and I think that is the reason Senator DOMENICI offered his amendment. The oil patch lost 50,000 jobs; the steel industry lost 10,000. But I do not think this is the right solution to help the oil patch. If I did, I would support it. I have been pretty supportive of the oil patch in my tenure in the Senate, but Government loan guarantees is not the solution.

I have talked to our producers. I have talked to the people. They do not want it, they do not need it, and it will not help to have a Government loan guarantee. It will not help. That is not the solution.

Not everybody in the oil patch and not everybody in the steel industry is losing money. There are 16 big steel companies, 12 of which are profitable. A lot of them do not even want it. A lot of them do not need it. What will they do, if one company gets a loan guarantee and gets a subsidized low-interest loan, say, at 6 percent and they are paying 9 percent? They will say: Wait a minute, we are in a competitive field. How in the world can we allow this company, a competitor, to go out and borrow money with the Government guaranteeing it? They get a lot better interest rate. We are competing with them. When they are doing it, we had better do it.

So we are, in effect, going to give U.S. Steel or Bethlehem Steel a loan guarantee? Those are companies that are probably doing fine, and they probably do not want this. I doubt they do. I hope they do not. Are they going to let their competitors go in and get a competitive advantage? So maybe there will be a race to grab some of

this money. We should not be exposing taxpayers to that kind of risk.

We should not be circumventing the marketplace. We know the Secretary of Labor, Alexis Herman, is a great lady. I have great respect for her. But I don't think she knows better than bankers in the United States whether a loan should be made or not; or, for that matter, the Secretary of Commerce or the Secretary of the Treasury. This bill says they know better, frankly, than all the bankers, all the capitalists in this country. The Secretary of Labor, the Secretary of Commerce, and the Secretary of the Treasury would be making the loans for a billion and a half dollars. They are going to guarantee, the Federal Government, we will back that loan up. If it fails, we will write a check. That is what this bill does.

You cannot say the bill is without cost. It has been estimated the bill could cost taxpayers \$270 million. That is not an insignificant amount of money. That is a guess. That is an absolute guess. If we have default rates like we had 20 years ago, it will be over a billion dollars Uncle Sam will be writing a check for. I do not have a great deal of confidence the Secretary of Labor or the Secretary of Commerce can make the right decisions.

This bill has a provision that allows the Government to guarantee basically 100 percent of the loan. That doesn't make any sense. When you get into a loan guarantee, most of our Federal programs guarantee 70 percent, 75 percent, 80 percent, in some cases 90 percent. Almost all small business loans are guaranteed at 90 percent or less. This bill says there can be 100 percent. What sense does that make?

I mentioned that we are going to offer some amendments to make some changes. I am hopeful the sponsors of this legislation will support us in an effort to adopt those changes. Let me just go over some of the amendments I think will make a bad bill less bad. It still will not make it, in my opinion, worthy of passage, but as I told the sponsors, I am not going to filibuster the bill indefinitely. I am going to offer some germane amendments.

One will be to change the composition of the board. Instead of having the Labor Secretary and the Commerce Secretary and Treasury Secretary make these decisions, the Treasury Secretary would be a member of the board, and he would serve as chairman—in addition the Chairman of the Board of Governors of the Federal Reserve System and the Chairman of the Securities and Exchange Commission would serve. They would replace the Secretary of Labor and the Secretary of Commerce.

It does a couple of things. It gets politics out of it for a lot of purposes. The SEC and the Fed are not as politically in tune as a Cabinet-level Secretary. I think it offers a little more balanced business perspective. I think it would complement the board and make it a

better board. So that would be one amendment. Hopefully, it will be passed.

Another amendment would be to establish an 80-percent maximum loan guarantee. Instead of having a 100-percent loan guarantee, the maximum would be 80 percent. So the Federal Government, if this board says okay to a steel company or an oil company, we are going to lend up to \$100 million, the maximum exposure of the Federal Government on that \$100 million loan will be \$80 million. That means a private financial institution which is lending the other \$20 million has something at risk, and if it fails, they will lose a little bit of money too. It will make people a little more prudent when they start applying this idea of using Government money or Government guarantees. So, hopefully, that will pass.

We have another amendment that would strike the minimum loan levels. Some people say: Why did you have the board set up? We did not pass this bill. It passed the Senate one time but not with a direct vote. It never went through any authorizing committee. It did not go through the Banking Committee in the House or the Senate. No one has looked at it. Basically, this has been crafted and it really has not been scrutinized. I think we are pulling out some of the deficiencies of the bill.

One of the deficiencies in the underlying bill says we will have minimum loan levels. In steel, the lowest, smallest loan they could make would be \$25 million. Small steel companies, don't apply. This is for big steel. In other words, the loan levels in this package—as drafted, would have to be between \$25 million and a maximum of \$250 million. That is what the Federal Government guarantees. It would not guarantee a \$10 million loan or a \$5 million loan. We want to strike the minimum levels for both steel and oil and gas.

It says, for iron ore, the minimum level was \$6 million; oil and gas, the minimum level loan guarantee would be \$250,000. I probably have more small producers in my State than any State, with the possible exception of Texas, and why in the world would we have a Federal loan guarantee program? But, oh, if you can't borrow at least a quarter of a million dollars, don't apply. Does that make any sense?

We have thousands of producers in our State. Frankly, most of our wells produce about 2 barrels a day, 2.5 barrels a day. If we are going to help people, are we really going to say, you have to be pretty big before we are going to help you? I don't think that makes sense. So we are going to have an amendment to strike the minimum loan levels. I think that would be important.

One other amendment I hope and expect we will be successful in passing, would be to strike the emergency spending designations in the bill or make a point of order that emergency spending does not lie. I hope, if anybody in this body is going to make

statements such as "we want to protect Social Security, and we don't want to spend those Social Security revenues," they better support this amendment. Because I want to make sure everybody understands, when we are talking about striking the emergency section, what it means. If you have the emergency section in there, it means the budget doesn't apply. It means we are going to add that amount of money to the caps. It means you are going to be taking that money out of the surplus and, in this case, 100 percent of that money is the Social Security surplus. So you are raiding the Social Security surplus, raiding the Social Security funds in order to be giving loan guarantees to steel and oil and gas.

I do not know if that sells in Minnesota, but it doesn't sell in Oklahoma. It is ludicrous to say we are going to have an emergency designation on this. An emergency basically means the budget does not apply. Maybe some people do not want to have a budget.

We just passed a big bill for Kosovo. We declared it an emergency. It was a net of \$13 billion. We said it was an emergency; the budget cap doesn't apply. Some people say that was wartime, it is understandable, and so on, even though we increased the numbers rather significantly. That is one thing. Are we going to do it 2 weeks later and say that now we have an emergency steel loan program; we are going to have to declare that an emergency? Are we going to have to do that every 2 weeks? How many times are we going to declare an emergency? If we are going to do it every 2 weeks, let's just stop the charade and don't even have a budget.

Just forget having a budget. It is not necessary. We can just appropriate whatever money we want to spend and see how much it is at the end of the year. That, in effect, is what we are doing when we repeatedly declare something an emergency.

We are going to make a point of order on the emergency provision, and I hope we will be successful. I am going to venture to say on all four amendments, we will be successful. I expect we will be.

I appreciate the fact that Senator DOMENICI has communicated to us already he is willing to see if we can work something out on these amendments. It is vitally important we do so.

We do not really believe in this concept of industrial policy where the Federal Government is going to supersede the private sector and make financial decisions. Some countries try that. Communist countries try it. Socialistic countries try it. Frankly, it does not work very well. Look at third world growth rate and see how many jobs they create. They do not work well.

Why would we start doing it? We tried it 20 years ago, and it was a dismal failure, a total, complete failure. Basically what they are saying is we want to replace the marketplace with political wisdom. It is a serious mistake. Again, my State has had

percentage-wise as big a job loss as any, and I still think it would be a serious mistake.

Finally, obviously, big steel has a lot of clout. We are considering this bill, and there is another bill which just went through the Finance Committee dealing with section 301. Then there is a bill that the House has already passed dealing with steel quotas. I believe the majority leader said we are going to be voting on that next week. There will be a cloture vote on whether we should take it up. I urge my colleagues to vote no on cloture and defeat the steel quota bill.

Today I asked Mr. Summers, who is the nominee for Secretary of the Treasury, what his position is on the bill. In the past, we heard the President was against it. He said his advisers will be recommending the President veto it. That is the right position. They should veto it.

One has to ask a couple of questions: Do you believe in GATT, the General Agreement on Tariffs and Trade, which has made it possible for us to have a greater economic activity worldwide? If you believe in it, the steel quota bill is totally, completely inconsistent with GATT. Totally. Our trading partners would retaliate.

If you think if we pass this steel quotas bill, that it is going to protect steel jobs, it will not, because there will be retaliation. The retaliation in many cases will be: We are not going to buy some of your other products.

You may think we are saving a few steel jobs, but the net result is we are going to lose a lot more jobs throughout the economy—not a few, a lot more—and maybe even start a real trade war. That is a serious mistake. We should not do that.

I urge my colleagues, if you believe in free trade, if you believe in GATT, if you believe in negotiations—that does not mean we cannot take retaliatory action if somebody is dumping. The administration has already imposed anti-dumping tariffs on Brazil and Japan. There are proper avenues to do that. A steel quota is not one, and loan guarantees is not one.

I urge my colleagues to support the amendments that Senator GRAMM and myself, and I believe Senator MCCAIN, will be offering shortly this afternoon. Maybe we can have them agreed to. If not, I hope we will have votes and they will be adopted. I urge my colleagues to vote no on final passage on this bill.

Mr. GRAMM. Will the Senator yield? Mr. NICKLES. I will be happy to yield.

Mr. GRAMM. I want to be quick because I know our dear colleague is waiting. When the Senator talked about the minimum, he may have misplaced a decimal point. Under this bill, the minimum loan is \$25 million for steel.

Mr. NICKLES. That is correct.

Mr. GRAMM. The second thing I want to know, is the Senator aware that mining has been added to where

the loans can now go to iron ore companies as well with a \$6 million minimum?

Mr. NICKLES. I did not mention that in my statement. The Senator is exactly right. Under the iron ore loan guarantee, the minimum loan is \$6 million, a maximum loan of \$30 million.

Mr. GRAMM. I congratulate the Senator. His remarks were excellent. I agree with every point he made, and I believe a couple of things are important. This is not going to be the last one of these we do if we do this one. If we have already expanded this to iron ore, and we have steel and it was expanded in committee to oil and gas, does anybody doubt, if we pass this one, that 2 weeks from now, we are going to be back passing another one and another one and another one?

Mr. NICKLES. Good point.

Mr. GRAMM. The amazing thing is that we are getting the Government involved in allocating credit at a time when we are creating jobs at a record rate on net of 7,500 jobs a week.

Finally, I ask the Senator if he is aware that in a Los Angeles Times article in March, it pointed out there is expansion in the steel industry in that seven new plants will come on line this year, but each one of them, very interestingly, will employ 200 or fewer people. What is happening is, these small companies, with a small number of employees producing specialized products, are really outcompeting the bigger companies.

In looking at the assessments by Wall Street, they are bullish on steel in general, and the three companies which have gone bankrupt, they say have gone bankrupt because they are too highly leveraged and they bet on technology that did not pay off.

Mr. NICKLES. I appreciate the Senator's comment. I was not aware of the article. I am aware of the fact the steel industry as a whole is not doing all that bad. I mentioned, I believe, in my comments that 12 out of 16 of the larger companies are all profitable. Not all companies, but several companies are profitable.

The Senator mentioned seven new plants. I was not aware of that. That is an excellent point. I do not think they are clamoring for Washington, DC, to give them a loan guarantee. I have not had them knocking on my door saying give us a loan guarantee. If they do, I certainly would not want to be an investor. If somebody in the steel industry is knocking on the door saying, we need the Government to give us a loan guarantee, that is a bad sign, poor management, and they are in serious trouble.

Mr. GRAMM. I thank my colleague.

Mr. NICKLES. I thank my friend and colleague from Minnesota, and I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I say to both my colleagues, actually sometimes coming down and waiting to

speak is positive. You get to hear people, as my colleague from Texas said, who see it through different lenses, who see it a different way.

What I want to do is, first of all, try to bring this debate back to people and talk about it in very personal terms as it affects people in my State of Minnesota. Then I want to speak to what I believe has been a political economy argument that has been made, and I take sharp exception with what my colleagues have had to say.

As to Minnesota, believe me, the loan guarantees in this legislation will be much appreciated in my State of Minnesota.

My colleagues also mentioned the iron ore mine operations and the steel loan guarantee program sets a \$30 million ceiling for iron ore companies. That is going to be particularly important to the Iron Range in northern Minnesota.

One hears a lot in the media about the Goldilocks economy we have. I heard some of my colleagues talk about this Goldilocks economy and how great it is; it is a booming economy, we are just humming along. For many of our people in Minnesota, especially on the Iron Range in northeast Minnesota, this Goldilocks economy is much too cold.

Already, 10,000 workers have lost their jobs due to a flood of illegally dumped imports. This is the worst crisis the steel industry has faced since the mid-1980s when 28,000 people left the Iron Range in Minnesota for good. We do not want to let it happen again. That is what this debate is about: people's lives, about whether or not we are going to see more broken lives, more broken dreams, more broken families. Now, all these statistics that my colleagues have been laying out, they affect real people in real communities. The surge of steel imports over the past year or so threatens thousands of people in northern Minnesota because iron ore mining is the mainstay of the Iron Range economy.

I thought what I would do, since we have heard all these abstract economic theories laid out here, is tell you a little bit about the Iron Range, about the communities, about the people whose future we hold in our hands.

Let me repeat that. I want to talk about the people and the communities of the Iron Range, because we hold their future in our hands.

More than 20,000 jobs in northern Minnesota depend on the iron ore industry, though less than a third of those workers actually work in the mines. The industry purchases over \$876 million in goods and services annually from nearly 200 Minnesota communities, and it contributes more than \$1 billion annually to our State's economy. The taconite production tax provides nearly \$100 million annually for the support of Iron Range counties, cities, townships, and school districts, and it provides funding for economic development and property tax relief as well.

Most of this country's iron ore reserves are in the form of low-grade taconite found on the Mesabi Range of Minnesota. There is no shortage of taconite. In fact, the Mesabi Range holds about 200 years worth of pellet reserves. But the challenge has been to continue mining and processing taconite in a cost-efficient way.

I agree with my colleagues when they talk about the importance of being able to compete. No question about it. Back in the 1980s, the industry was told they had to modernize in order to compete with foreign steel. And they did just that. They played by the rules of the game. They poured \$1 billion of investment into modernization, and they shed 10,000 jobs. As a result, the industry now has only 6,000 workers, and this industry is the world's most efficient.

With the boom in the national economy, some people in the Iron Range were starting to hope that they could dig their way out of the debt they piled up during the 1980s, make an addition to their house, save some money for their kids' college education, and attend to some of the needs they had too long neglected. But sadly, because of the steel crisis, many of those dreams have proved to be short-lived.

In 1998, LTV Steel Mining Company in Hoyt Lakes, MN, was forced to reduce its fourth quarter production by 360,000 tons, an equivalent of 66 jobs. Employees at US-Minntac in Mt. Iron, MN, were forced to make concessions last fall to prevent 133 layoffs. Employees at EVTAC in Eveleth, MN, now have nothing left to give. EVTAC permanently laid off 168 employees, a quarter of its employees, when it shut down one of its two pelletizing furnaces last week. EVTAC is fighting hard to stay out of Chapter 11. Two other Iron Range taconite facilities, Butler Taconite and Reserve Mining Company, both closed under similar circumstances in the mid-1980s. We do not want to go through that again.

The workers who were laid off at EVTAC, and workers throughout the Iron Range, and steelworkers all across the country are all looking to us for some help. That is where they should look. This crisis is not their fault. They were told to modernize and they did. This crisis is the result of illegal dumping. Unless we want to see a repeat of the 1980s, we must act.

Again, this piece of legislation, this loan guarantee is a good first step, but it is only a first step. Soon we are going to be considering legislation introduced by Senator ROCKEFELLER which will provide even more effective relief. I will be joining Senator ROCKEFELLER, and other Senators will be joining him, Democrats and Republicans. I heard some of my colleagues speak to that legislation, and I want to respond to some of their arguments.

It is unfortunate that we are in this difficult situation. We should have acted sooner. U.S. trade laws and the WTO recognize the legitimate need of

every country to prevent extraordinary import surges such as this one from destroying its industrial infrastructure and eliminating thousands of jobs. Under section 201—let me be bipartisan in my critique—the administration could have imposed the same remedies as now provided in the Rockefeller bill.

Steelworkers played by the rules when they modernized their industry, and steelworkers paid the price for that modernization. They made the sacrifice. Steelworkers also played by the rules when they asked for Section 201 relief. But they didn't get it. The administration was implored for months to take action under section 201, and it chose not to do so. Now foreign steel exporters are the ones breaking the rules.

The question is not who is playing by the rules but, rather, which rules the administration chooses to apply. Now, my colleagues—as it turns out, Republican colleagues, though I am being critical of my administration, a Democratic administration—my colleagues talk about how this crisis is all the result of Adam Smith's invisible hand. But that is not quite the political economy that we are looking at.

The administration did not hesitate to slap 100-percent tariffs on imports from the EU when a top campaign contributor to both parties, Carl Lindner of Chiquita Bananas, had a trade complaint. Lindner's dispute with the EU hardly even involves American jobs. It concerns bananas grown in Central America. But we were there for them. Now when American steelworkers ask for existing trade laws to be applied, they're given short shrift. The message this sends to American manufacturing workers is that they are not a priority.

Moreover, this administration went the extra mile, working through the International Monetary Fund, to organize bailouts for Wall Street investors when their risky investments turned sour in Indonesia, Brazil, Korea, Russia and Mexico. But when American steelworkers asked for similar consideration under existing trade rules, they get short shrift.

So my colleagues come out here on the floor and they say this bill is terrible. The government getting involved in any kind of loan guarantees? This is the government running the economy.

That's hardly the case. When steelworkers say: How about some relief for us, how about some consideration for us under existing trade rules, my colleagues come out here on the floor and they say, this would lead to trade wars. This would do damage to Adam Smith's invisible hand. We can't do that.

I didn't hear those same colleagues when it came to the IMF organizing a bailout for the Wall Street investors when their investments went bad in Indonesia or Korea or Russia. I didn't hear the same colleagues come out and say: Oh my gosh, we have a government institution that's involved. When it's these Wall Street interests, it is

fine. But when the workers ask for some support, it is not so fine.

The administration is concerned that limiting imports from Brazil, Japan and Russia could hurt their slumping economies. I have some sympathy for that argument. We should all be concerned about reviving growth in these countries. But American steelworkers are not a foreign aid charity. They should not be asked to pay the ultimate price, to pay with their jobs, for the failure of this administration's foreign economic policy. And I might add—given what some of my colleagues have said on the other side—I think the failure in foreign economic policy is also a failure of the Congress.

When the Clinton administration, working through the IMF, helped bail out Wall Street investors in Brazil, Russia, Indonesia, Korea and Mexico, it committed public resources. It didn't ask Wall Street to pick up the tab by itself, even though the major industrial institutional investors were by far the biggest beneficiaries of the bailout. The administration and some of my colleagues on the other side are now asking steelworkers to pay a price that they would never ask of Wall Street.

I hope we can pass that Rockefeller legislation next week. I hope the White House will withdraw its opposition and sign it into law. I heard my colleague from Oklahoma say that he had talked to Secretary Summers and he said the administration was going to veto this bill. I hope they will change their mind.

I say to the administration, you were there for the big investors when their investments went sour in some of these other countries. You used public money to help bail them out. You ought to have the same concern for steelworkers and working families in our country.

But we need to do even more than that. We need to widen our focus a little bit and address the root causes of this crisis. I heard my colleague from Texas speak about what has gone wrong, and I want to quarrel with his interpretation of international political economy. I think we should be working to change the rules of the global economy so that these kind of devastating crises do not keep happening.

I am not worried, like my colleagues are, about these loan guarantees. They will make a difference to an important industry in our country and will be important to so many working families. What I am worried about is our failure to make some changes in this global economy so we don't keep having these devastating crises happening over and over again. I am surprised I have not heard my colleague talk about this at all.

The long-term solution to this crisis is restoring economic growth around the world. The steel crisis was precipitated by the collapse of global demand following the Asian crisis, and worsened by the economic crises in Russia

and Brazil. Excess steel production is being dumped in the United States because our country is one of the few economies in the world that is growing right now. Only when we have global economic growth, only when this growth revives, will foreign steel producers consume more of their own steel production and find export markets other than the United States.

Although the administration claims to be working to revive foreign demand, its actions speak louder than its words. In fact, I believe its policies are marching in the opposite direction. They have tended to promote a "race to the bottom"—a global trade competition that rewards those countries that can attract foreign capital by advertising the lowest labor, lowest environmental, and lowest safety standards, rather than raising environmental and labor and safety standards overseas.

When my colleague from Texas talks about the international economy, I will simply say, no wonder we are in trouble with these trade agreements that don't make sure there are some environmental standards and fair labor standards that other countries have to live up to. What you have is a situation where those countries have a workforce that can't buy anything. There is no demand for what we produce.

Those countries tried to export themselves out of the crisis, and our working families are hurt both ways. We are hurt because we can't export to those countries, because the people there don't have any money to buy. At the same time, we are competing against people who are working under exploitive, grinding labor conditions. This is the race to the bottom.

Why in the world has this administration not adopted a trade policy that makes much more sense for working people in this country, and for working people in other countries as well? Why, when my colleagues come to the floor, do they continue to talk about this international economy as if it were a level playing field? We dare not speak about any fair labor standards or environmental standards or any safety standards.

Despite recent encouraging economic news, there is compelling evidence that something is fundamentally wrong with the world economy. First, it is becoming increasingly obvious that the global economy cannot tolerate ever-increasing inequality among countries and within countries. Policies that lead to the replacement of good-paying union jobs with jobs that pay subsistence-level wages only contribute to growing and dangerous imbalances in the global system. Widening inequality at home and abroad depresses the consumer demand necessary to fuel our economic growth. We need to encourage foreign countries to raise their wages and increase demand, so they can consume more of their own production and stop dumping surplus production on our markets.

Similarly, I believe we must reexamine the orthodox view that export-led development is the key to prosperity. Not everyone can rely on export markets for their economic growth. The entry of subsistence-wage China into global competition makes this all too clear. Somebody has to buy all of those exports. For too long the United States has been the buyer of last resort, absorbing excess production from all the export powerhouses. While cold war responsibilities obliged us to play that role in the past, we cannot do this forever. If we want to have a manufacturing sector in our own country, we should aim to make exports a complement, rather than a substitute, to healthy domestic demand.

Third, we must come to grips with the related problem of overcapacity and excess production. For various reasons, in industry after industry, gluts have developed in the world economy. The problem of overcapacity is now made worse by the recession and deflation in Asia, Russia, and South America. We need progrowth, stimulative economic policies to restore some of that lost demand. Simply absorbing excess foreign production in the U.S. market is not a solution. We cannot indefinitely run record trade deficits that hollow out American industry, put American workers out of work, and lead to growing economic inequality.

Finally, I believe this administration must rethink its zealous commitment to unfettered capital flows, despite the fact that this is a top priority of the U.S. financial interests. Numerous economists have agreed that misguided Treasury, IMF, and OECD promotion of capital account liberalization was an important cause of the Asian crisis. The enormous amount of capital sloshing around the globe at lightning speed injects too much instability into the world economy, and it magnifies the dangers of capital flight, which the IMF cites as justification for plunging Brazil and other economies into deep recession.

Instead of placing a priority on the interests of Wall Street investors, the Clinton administration and some of my Republican colleagues should look out more for the interests of average Americans, such as American steelworkers. Its top priority should be Main Street, not Wall Street. It should ignore Wall Street's demands for more IMF austerity overseas, which is designed to safeguard Wall Street investments but ends up creating problems that are later dumped on the backs of American workers. The administration should promote worker rights overseas, rather than demanding antilabor changes in foreign countries' labor laws—as it has done for years, to the applause of Wall Street. And it should promote policies that reduce economic inequality overseas by ensuring that the growth is more broad-based and less lopsided.

By promoting more robust, more balanced growth, stronger unions, and more widely shared prosperity over-

seas, we can help create enough foreign demand so that these countries can consume more of their own production and stop dumping their excess production on our markets. That is the core problem. Looking out for average working people here in the United States and overseas is a win-win proposition.

We need a change in policy. Last month, our trade deficit reached record levels. Without a change in course, I am afraid this administration will simply repeat the mistakes of the late 1970s and 1980s, when over 350,000 steelworkers lost their jobs and 28,000 workers left the Iron Range for good.

This is why I speak on the floor of the Senate, not just to support this loan guarantee legislation today, which we need and which is important, but also to support the bill Senator ROCKEFELLER will bring to the floor next week that I intend to be out here supporting.

I am afraid that this administration's solution to the global economic crisis, and I am afraid given what I heard my colleague from Oklahoma and my colleague from Texas say on the floor of the Senate, that their solution to the global economic crisis will be to ask Americans to continue absorbing more and more imports. Their solution will be to ask—mainly unionized—manufacturing workers to look for jobs elsewhere.

Mr. President, this is no solution at all.

I yield the floor.

The PRESIDING OFFICER (Mr. FITZGERALD). Under the previous order, the Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I note the presence on the floor of Senator DEWINE. Does he want to speak?

Mr. DEWINE. I would like to speak for about 10 minutes.

Mr. DOMENICI. Mr. President, I ask unanimous consent that I may yield to the Senator from Ohio and that I be recognized when he finishes.

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

The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, I thank my colleague from New Mexico. I will try to be brief.

I rise today to support the bill my colleague from New Mexico, Senator DOMENICI, and Senator BYRD, have brought to the floor. This bill has great significance in my home State, but I think it also has great significance for this country.

I rise today to express my strong support for this bill. Our steel industry today is in trouble. Why? I think as we engage in this debate we need to start at the beginning of the story.

To my colleagues who have risen on the floor this afternoon opposed to this bill, I would point out one thing that I think their comments have failed to reflect; that is, we are here today because of illegal activity. We are here today because of illegal dumping of

steel into the United States. That is an uncontroverted fact. That is what the truth is. That is what the finding has been. Steel has been dumped repeatedly, month after month after month, and it has been dumped illegally. That has been the findings. That is why we are here today.

Last year, U.S. steel producers had to withstand an onslaught of illegally imported steel. In 1998, 41 million tons were dumped. That represented an 83-percent increase of imported steel for the previous 8 years. In other words, if you took the previous 8 years and looked at the amount of imported steel on the average for those 8 years, what you would find is that when we got to 1998, and compared 1998 to the previous 8 years, it went up 83 percent. That is a phenomenal increase in the importation of steel. It is no accident. This was clearly dumped.

Many steel companies are, obviously, reporting financial losses, most attributable to the high levels of illegal steel imports. It has been estimated that 10,000 Americans—10,000 workers, 10,000 families—have already lost their jobs because of this illegal dumping. The Independent Steelworkers predict job losses as high as 165,000, if steel dumping is not stopped.

I introduced a bill. Some of my colleagues in the Senate have introduced other bills—Senator BYRD, Senator ROCKEFELLER, Senator SPECTER, Senator SANTORUM. It is legislation that we will be taking up shortly. I believe it is time for action. All eyes of this country and the world are today on the Senate. The question is, Will we respond to this crisis?

Certainly a good first step would be the adoption of the bill before us, Senator BYRD's steel emergency loan guarantee program. This loan program is designed to help troubled steel producers that have been hurt by the record levels of illegally imported steel. For many companies, this program is the only hope they have to keep their mills alive and their workers working.

Specifically, the program would provide qualified U.S. producers with access to a 2-year \$1 billion revolving guarantee loan fund. In order to qualify, steel producers would be required to give substantive assurances that they would repay the loans.

A strong and healthy steel industry is absolutely vital to our country. It is vital to our national defense. This bill has a lot to do with national defense. It is essential, if we are going to have the national defense we want—if we are going to have the security we want in this country—that we always have a vibrant, energetic, tough steel industry. This bill speaks to that issue.

This bill also has to do with an even bigger issue; that is, whether or not in this country we are going to continue to make things and manufacture things and be producers.

There are some people who have been quoted—some people even in this ad-

ministration who have been quoted—saying things which would give you the impression they really do not care if we produce things anymore, that being a service-driven economy and an information-driven economy is enough. While service is good and information is good, and they produce jobs, we still have to produce. We still must be a manufacturing country, if we are going to retain our greatness.

Fortunately, today, our steel industry is a highly efficient and globally competitive industry. It wasn't too many years ago that the critics of the steel industry, sometimes very correctly, would criticize the industry. They would say: You are fat, you are flabby, you are not tough enough, you are not lean enough, you have to invest, you have to modernize, and you have to do things differently.

As a result of that, and as a result of some very tough times in the 1970s and 1980s, the steel industry in this country did that. They did it. They invested billions of dollars. They modernized. They made the tough and the hard decisions that they had to make to be efficient. Yes, the workers made sacrifices as well. The unions made sacrifices as well. Everyone knew they had to pull together. It was not always easy, but the result is that we have a steel industry today in this country that is better than any steel industry in the world.

If you strip away the subsidies by other countries that are subsidizing their steel industries, you will find that we can compete with any company in the world—with any country in the world—in the production of steel.

Yet, despite all of this great effort, despite this modernization, our steel producers face a number of unfair trade practices and market distortions that are having devastating impacts in Ohio and other steel-producing States. That is not just MIKE DEWINE speaking. Those are the findings that have been made.

I have heard about this crisis firsthand from industry and labor leaders. In fact, I have looked into the eyes of steelworkers, whether it be in Steubenville, OH, or in Cleveland, OH, or in other places. All they want is a fair chance to compete and a fair chance to recover from the illegal dumping that has already taken place.

One of the things I point out is that one of the reasons for this bill, despite our other bills that we hope to pass in this session, is they do not in any way stop the illegal dumping that has already taken place, and has taken place for well over a year. So this bill is needed to rectify some of the problems that have been created by this illegal dumping.

Many steel companies are in serious trouble and are in desperate need of immediate assistance. The short-term loans that would be provided under this program will provide that very assistance without burdening taxpayers, because if steel plants close, if workers lose their jobs, taxpayers would be

forced to pay for unemployment compensation, food stamps, Medicaid, housing assistance, Medicare, and on and on and on, all of which will certainly exceed the total cost of this program.

Again, the steel companies are required to repay the loan within 6 years, provide collateral, and pay a fee to cover the cost of administering the program.

I am a free trader. I believe free trade, though, does not exist without fair trade. Free trade does not mean free to subsidize. Free trade does not mean free to dump. Free trade does not mean free to distort the market. That is exactly what has been taking place month after month after month.

Our trade laws are designed to enforce these basic principles. However, the current steel crisis underscores flaws and weaknesses in our current laws. I am, therefore, pleased the majority leader has indicated he has reserved time within the next several weeks to deal with many of these other problems, and to look at some of the remedies, proposed remedies that I and some of my colleagues have proposed.

The House has already acted. I believe it is time for us to act. Today we have an opportunity to help an industry that throughout its long and illustrious history has been there for our country, has been there for our national defense. We should pass this bill and commit to adopting meaningful legislation to deal with the steel import crisis.

I thank my colleague, Senator DOMENICI, for his leadership on this bill, Senator BYRD for his tireless efforts, Senator ROCKEFELLER and the other members of the Senate steel caucus who have worked on this issue.

This bill will help. This bill will save jobs. This is about our national security.

I emphasize how important I think it is as our colleagues consider the merits of this bill that they remind themselves of one basic fact: We are in the Senate today to consider this bill because illegal dumping took place and it took place month after month after month after month.

The steel companies, the steelworkers did nothing wrong; they did everything right. They modernized, they made the sacrifices. They want the opportunity to compete. Given that free opportunity, they will not only compete, they will win.

I thank my colleague for yielding time to me.

Mr. DOMENICI. Under the order, I am to proceed. I note the presence of Senator ROCKEFELLER and I will yield to him in 1 minute.

In my case, on behalf of oil patch—not Exxon and Texaco; these loans do not apply to them—the question has been asked: Why them? As if the United States and the Congress of the United States has not helped businesses that are in bad shape, that are regional or national in nature. And I have no complaints about that help.

Let me suggest that since 1993 we have, under supplemental appropriations as an emergency measure, appropriated \$12.8 billion for agriculture assistance. That is not oil patch. I voted for agriculture and I live in a modest agriculture State. I was told that it would help, so I voted for it.

Natural disasters, the kind that you can hardly avoid calling a disaster, but I think oil patch is a disaster. I will explain that further in my remarks following Senator ROCKEFELLER.

Let me talk about natural disasters. People wonder whether emergency designations are useful in this country. In the same period of time, 1993 through 1998, we have spent \$36.1 billion for natural disasters without batting an eye. Some of them cost \$5 billion.

We are concerned about oil patch, especially the small people whose businesses are right down at rock bottom, and the patch isn't flourishing so the bankers are wondering whether they should loan to them. We want them to know we are concerned.

I will discuss the numbers. Oil patch, oil rig, oil well drilling, and related activities in America have lost more jobs in the past 10 years than any American industry. Our dependence continues to come down. We are starting to close wells off so they cannot ever be used, because they are too small and too expensive because the price is too low. The companies that work them are going to go broke. We think some are viable and banks might look at them and say with this kind of approach, although the banks will have to risk something under the new approach, we think it might help a few.

We have had \$36.1 billion in declared emergencies for related damage in natural disasters, \$12.7 billion for agriculture, and some Senators think it should have been double that already.

I have not been called upon to vote on whether that is enough or not. I listen when we are presented with problems and I do what I can for a part of America's economic sector. That is why I said if we are going to help steel—and I think we ought to do that; I have heard some wonderful Senators discuss why we should—I thought we ought to say something to the oil patch of the United States, since the same kinds of problems are occurring in Hobbs, NM, Eunice, NM, medium and small towns in Texas, Oklahoma and elsewhere, and across the oil patch States of this land.

I yield the floor.

Mr. ROCKEFELLER. I thank my friend from New Mexico.

Mr. President, in a sense what we have now is the torch being passed. Any number of Senators have described—and I will not, therefore, try to repeat any of that—how this whole steel crisis, not to mention the oil patch crisis, has developed.

It started in 1997. In the history of recorded trade statistics, as long as our country has been keeping trade statistics, there has never been an import

surge of the magnitude, in any commodity at any time, as there has been in the last 2 years in steel. It started off with three countries; it is now all over the world.

The Secretary of Commerce put out a release saying it is wonderful the steel crisis is over. I wonder where he has been.

We should understand that the steel crisis is deep. If you take the first quarter of 1999, the first 3 months of 1999, and compare that to the worst possible months of the steel crisis, the first quarter of 1998, last year, the total improvement which the administration keeps trying to talk about—I think they know it is wrong and the administration realized it hasn't done anything about this problem and it will be paying a price for it—the total decline from the 1998 first quarter to the 1999 first quarter is a total of 5 percent worldwide on all steel. That is going from the worst steel statistics in history and a 5-percent decrease. That could go right back up.

The torch has to pass from the administration protecting our national trade laws, protecting free and fair trade, to us. Now we have to do something about it because they have declined to.

I have been to everybody all the way up to the President and Vice President on a number of occasions. Expressions of interest but no results, no action taken.

This affects the lives of my people; it affects the lives of people in many States. I hate to see that.

I used this analogy on the Finance Committee. Football is a rough sport, as is international trade. International trade is a rough sport. Everybody is trying to get the advantage of everybody else and undersell. In football, you can get hurt—any individual player, a large or small player. They have rules. That is why we have rules. That is why they have referees.

If you are a linebacker and you charge through the line and you get through and you hit the quarterback on the helmet with your elbow, you are penalized. You know that beforehand and you may get thrown out of the game for that.

If you are inbounds and you are a pass catcher and you run out of bounds, that is no good. You jump offside, you get penalized.

Everybody knows the rules. The more they play the game, the more they know what the rules are. That is what has kept the integrity of the game, because of its predictability. Secondly, it kept a lot of people from getting their heads taken off and knees broken. Football is tough anyway, as is international trade.

So, there are rules. We have rules in international trade too. And we set them; the Congress set them and the administration set them in previous years. It is the Trade Act of 1974. It sets out a whole series of these rules. The administration keeps saying we

are going to abide by the rules; we are abiding by the rules; we plan to abide by the rules. Of course, they are not. So the torch is passed to us. And there are a couple of points there I need to make.

The bill is incredibly important. There is also a bill going to be taken up on a cloture vote next week, on steel quotas, which is incredibly important. It is very important for my colleagues and their staffs to understand; the vote this afternoon on this excellent bill of Senator BYRD and Senator DOMENICI and the bill next week which deals with imports are totally separate and different; that if you vote for this one, it does not mean it solves the import problem, or if you vote for that one, it doesn't solve the financial problem that this bill helps with. They are separate bills.

So anybody who says, I voted today for Byrd-Domenici; therefore, I do not have to worry about next week because we have taken care of the problem, does not understand there are two totally different subjects. I cannot make that point strongly enough. This one is about the finances of companies that are going under, giving them a chance at commercial rates, repayable—to go to banks, because they cannot now borrow, and to be able to borrow a little bit, to survive a little bit longer—whether it is the steel mill or the oil patch. That is terribly important for the viability of those industries.

Then, equally important, since this bill has nothing to do with the import problem which created all of this—that is what next week's vote has to do with, the problem of the imports and how do we adjust the import problem on a short-term basis to bring some fairness to what we like to call free trade but which is practiced virtually only by us. It used to be practiced by Hong Kong. I don't know how they are on it now. But it is practiced by nobody else in the world. So all the steel comes into us: India, up 72 percent; Indonesia, 60-something—it doesn't matter where you go, the numbers are up, because they know, the word is out, if you want to dump subsidized or underpriced steel in the United States, they will take it. So it puts people out of work. It does not matter to them. They will go ahead and take it.

That is what I call the best way to destroy the possibility of a national coalition for a trading system, which I believe in. I am somebody who has always voted for fast track and somebody who believes in engaging the world. I have worked very hard within my own State—which is not particularly an international State in its viewpoint, being landlocked in the mountains, so to speak—to make my people understand the global economy is part of their economy, we are all part of each other's economies, and we can sell products to other countries and they can invest in West Virginia, and this is all good; so we are all part of an international trading system.

But there have to be rules in that. If you allow the quarterback to have his head given a concussion, it is very important the referee be there. But the referee usually does not have to be there, because people know what the price will be: You will get tossed out of the game or you will get a penalty of 15 yards. So all kinds of fair play is carried on on the football field, because people know what the rules are.

Again, the torch is passed to us, and I think we have two duties. One is, we have to pass this excellent bill this afternoon. We should have passed it much earlier when it was the subject of earlier consideration. Then it got done in, in conference. I am terribly glad Senator BYRD, my senior colleague, and Senator DOMENICI, have combined forces to help on this.

Frankly, it is important to combine forces sometimes on bills around here, because there are only 16 States that are major producers of steel. I do not know how many States produce oil, but I suspect there are not that many. So this is a very good opportunity for us to give those companies a chance to go to the bank, to get some money to be able to exist for a few more months or another year or so. It is not going to do anything about the import problem, which is the real cause of the devastating human crisis in steel.

So we, as a legislature, as a Congress, have to decide, as the House has already decided by an overwhelming margin, that steel is important to America. This is not just a question of West Virginia or Ohio or Minnesota or other places; this is a national crisis. Senator DOMENICI has said, I don't know how many times: When Members on my side of the aisle—the other side of the aisle—come up to me and say I have this milk support problem, I have this farm support problem, I have this food support problem, I have whatever it is, I am always there. I am always there, because I believe it is as if you built the interstate system in this country and, because Pennsylvania is bigger than West Virginia, you made it four lanes in Pennsylvania but you only made it two lanes in West Virginia and then it went back to four lanes in Ohio. That would not be very smart. No. 1, it wouldn't fulfill the work of a national defense highway system. No. 2, it would cause massive traffic jams.

So we understand we are all part of each other's destiny. West Virginia, insofar as I have been able to determine, has no oceans on our boundaries, but we pay taxes to support the Coast Guard. That is as it should be, because we have an obligation to each other, as West Virginia does to those who use the Coast Guard on coastal areas in different parts of the country. So that is part of our compact in America. It is part of our contract with each other, that when a region needs help, when an industry needs help, if there is a reason and possibility of doing so, you try to do that.

This one is particularly good because it helps companies get money they cannot otherwise get. The international trade situation is more complex and, in the longer run, will probably do more to solve the problem, because it actually deals with the level of imports. It says to other nations, we are not going to be Uncle Sucker forever, or, in this case, at least for a period of 3 years. It is not radical. People think, what are we doing this for?

What is interesting is that over the years the average foreign imports of steel into the United States—over the last 30 years, let's take it—is probably less than 20 percent. Less than 20 percent is usually what foreign countries export into this country, what we therefore import into this country; less than 20 percent of all the steel we use comes from other countries. That is the way it has been. That is perfectly acceptable as a figure.

Interestingly enough, in the bill coming up next week, that figure can range as high as 23 percent, certainly no lower than 18 or 19 percent. It is only for 3 years. But it is a way of saying we in America, if we are going to get into this, deeper and deeper into the international trading system, we really do care about our rules. We really do think about our quarterback's head. We think the chop blocking, which can break a young man's knees or legs, is wrong, and there are rules about that. We actually passed those rules in the Congress, and the President signed them all in a previous era, and they apply today, and we all live by them—except that we do not.

So, in closing, I want to say these are two distinctly important decisions we are going to be making in separate weeks on separate bills. The one today is filled with merit. It is tremendously important. It is part of the comprehensive solution to the problem.

But, then again, the one next week is the one that deals with imports, and it is the only one that deals with imports. So we need to do both of those so no Senator thinks that, because that Senator has made a particular vote on one day, he does not have to face up to the same situation on another day, because they are entirely different problems that each bill addresses.

This is a matter of high urgency in the part of the country I come from. I was Governor of West Virginia for 8 years, and I dealt in 1982 and 1983 with 21-percent unemployment. That is not a whole lot of fun, when 1 out of every 5 people you pass does not have work. There is not a family in West Virginia that is not accustomed to not having work or has not dealt with it.

We are on the way back, but we are going to get knocked down if this steel import crisis continues. I do not want that to happen to Ohio. I do not want that to happen to Pennsylvania. I do not want to have that happen to Arkansas, Utah, Texas, or any other State. I do not want that to happen. It does not have to happen, and it is not

even a budget matter. It is a matter of fair trade, fair play, rules that we have passed and by which we should live.

I thank the Presiding Officer, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thought I had reserved under my UC request my right to speak, but I was mistaken. As we called on other people, I did not repeat my request. There is no unanimous consent agreement recognizing me. I understand the Senator from Arizona wants to offer an amendment, so I yield the floor.

Mr. MCCAIN. Mr. President, I will be glad to wait until Senator DOMENICI finishes his remarks.

Mr. DOMENICI. I have finished my remarks, I say to the Senator.

Mr. MCCAIN. 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. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 685

(Purpose: To restrict the spending of any money for these programs until they are authorized by the appropriate Committees and the authorization bill is enacted by Congress)

Mr. MCCAIN. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 685.

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

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

The amendment is as follows:

On page 48, between lines 17 and 18, insert the following:

(c) Notwithstanding any other provision of this Act, no amount appropriated or made available under this Act to carry out chapter 1 or chapter 2 of this Act shall be available unless it has been authorized explicitly by a provision of an Act (enacted after the date of enactment of this Act) that was contained in a bill reported by the Committee or Committees of the Senate with jurisdiction over proposed legislation relating primarily to the programs described in section 101(c)(2) and 201(c)(2), respectively, under Rule XXV of the Standing Rules of the Senate or the equivalent Committee of the House of Representatives.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, this amendment is pretty straightforward. It restricts the expenditure of funds for loan guarantee programs until the appropriate committees have authorized the expenditures for these programs and these authorizations have been approved by the Congress.

In other words, with this amendment, we carry out what is supposed to be the procedures of the Senate, and that is, before taxpayers' dollars are expended, they are authorized.

All of my colleagues know that this loan program for steel, oil and gas companies has been inserted into the appropriations bill, and it has not gone through the authorizing committee process.

The legislation creates an unnecessary and unwarranted loan program for steel, oil and gas industries. Once again, Congress is seizing an opportunity to engage in the all-too-common game of pork barrel politics. The bill was originally intended to address the President's request of \$6 billion for the war in Kosovo but quickly became a vehicle for a hasty and ill-conceived program to subsidize the steel, oil and gas industries.

The bill creates a \$1 billion loan guarantee program to support the domestic steel industry and a \$500 million loan guarantee program for oil and gas companies. These programs will provide loan guarantees of up to \$250 million for any domestic steel company, \$10 million for any oil and gas company that "has experienced layoffs, production losses, or financial losses."

I do not take lightly the value of these industries to our Nation, nor do I disagree that in the case of steel imports, illegal dumping of foreign steel has occurred. However, I question the wisdom of creating an emergency loan program to subsidize an industry that finds itself in trouble. We set a dangerous precedent by opening the Federal Treasury to industries facing economic difficulties.

Specifically, I have three problems with this measure. There is no need for these substantial loan programs. The legislation is fundamentally flawed, and using the appropriations process to enact this measure circumvents the normal authorization process. These elements are common in all three loan programs. I will focus my comments on the steel loan program because I believe it is the driving force behind this matter and the most egregious.

First, I seriously question the need to create such a substantial loan guarantee program. During today's debate, I am certain my colleagues will forewarn and have forewarned the dire consequences to the steel industry if we fail to enact this legislation. As my colleagues hear these predictions, I ask you to keep a few facts in mind.

In 1998, the U.S. steel industry produced 102 million tons of steel. This was only slightly below the record of 1997 of 105 million tons, making it the second highest production year since 1980. This record production year resulted in earnings of \$1.4 billion. Furthermore, 11 of the 13 largest steel mills were profitable. These numbers make it difficult for me to understand the need to create a \$1 billion loan program.

Even if there were a steel crisis, it is certainly over. Citing Commerce De-

partment statistics, the White House recently stated that during the first quarter of 1999, overall steel imports returned to the traditional pre-crisis levels. In fact, imports were down 4 percent in comparison to 1997. Again, the need for this program at this point eludes me.

My second concern is that the bill will result in the needless loss of taxpayers' funds. Supporters argue that this measure is paid for with budget cuts and administrative fees. They point out the program guarantees loans and does not actually lend money. This assertion ignores the history of such loan programs.

In the mid-1970s, the Economic Development Administration operated a similar program for the steel industry. The result of that program was disastrous for the taxpayers. Steel companies defaulted on 77 percent of the dollar value of their guarantees. An analysis of that loan program by the Congressional Research Service concluded that loans to steel companies represent a high level of risk. Nevertheless, we are poised today to provide an additional \$1 billion in guarantees. I find it ironic that at a time when the American public is demanding reform of our public institutions, we offer them the failed economic policies of the 1970s.

The measure also fails to require that losses triggering access to the loans relate to the so-called steel crisis. Therefore, companies that lost production as a result of the 54-day GM strike will also be eligible for the loan program.

Furthermore, the program could benefit companies that suffer losses after the steel crisis was over. Companies that suffer losses or layoffs in 1999 or even the year 2000 are eligible for the program. Many of the losses suffered by steel companies are the normal result of operating in a competitive global market.

The measure also fails to set terms, conditions, or interest rates for the guarantees. Instead, it leaves these critical decisions to the discretion of the board making the loans. The only guidance given to the board is that the terms should be reasonable. These provisions are problematic and will likely result in taxpayers guaranteeing bad loans.

Finally, I have serious concerns about how this provision was brought to the Senate floor. I will remind my colleagues that our forebears intended the Senate to be a forum for reasoned and informed debate. Unfortunately, some Members choose to legislate complex and controversial matters in appropriations bills. The result is a hasty review of legislation with very little time to identify and discuss its implications. It also denies the committee of jurisdiction the ability to review these important measures, which will require the commitment of millions of taxpayer dollars.

The amendment that is at the desk will restrict the expenditure of funds

for the loan guarantee programs until the appropriate committees have explicitly authorized the expenditure for these programs.

Authorizing on an appropriations bill has become an all too common event in the Senate. However, this is one of the most egregious examples of legislating on an appropriations bill I have seen since I have been in Congress. Out of the more than 20 pages of text in the bill, only 23 lines contain appropriations language. The rest of the bill goes on to authorize a \$1 billion loan guarantee program for steel companies and a \$500 million loan guarantee program for oil and gas companies.

These programs will place at risk hundreds of millions of taxpayer dollars. It will do so without a hearing, without testimony from those affected by it, and without the consideration of those who have the most experience with loan guarantee programs.

I point out also that this legislation is complex and controversial. My colleagues will offer amendments today which attempt to resolve some of these issues, but this process is inadequate and is not a substitution for the authorization process.

The appropriate authorizing committee should be allowed to examine the provisions of this bill. They can most appropriately determine what remedies, if any, should be taken to help the domestic steel, oil, and gas industries. Instead, these loan guarantee programs are simply being rushed upon us on the Senate floor without proper consideration.

This amendment requires that the measure go through the normal authorization process that every other measure should go through. I hope my colleagues will support the amendment.

I listened carefully to the words of the Senator from West Virginia, who is an individual I admire and appreciate. He is a person of great compassion. I believe I share that compassion, whenever there are changes or layoffs in industries that for one reason or another are unable to compete in what is now becoming increasingly a global marketplace.

I also am happy to say I will support job training programs, ways for workers to make a transition into other lines of business and work, retraining, and other public-private partnerships, of which there are many in America today.

But there should be one lesson that the 1970s and 1980s and early 1990s have taught us, and that is the economy of the world is undergoing a profound and fundamental change. We are changing from what once was an economy based on the steel industry, the oil industry, the railroads, the automobile industries, the product of the industrial revolution, to one which is rapidly evolving into a high-tech information, technology-based economy.

I refer my colleagues to the testimony of Alan Greenspan to the Joint

Economic Committee in the last few days. It is a very illuminating discussion of the transition that America's economy is undergoing.

This transition overall has led to the strongest economic period in the history of this country. There is literally a kind of prosperity that, thank God, is affecting this country which is providing jobs and opportunities that we literally have never seen before in our lifetimes. That is the good news.

But the bad news is there are industries which, for a broad variety of reasons—which we have seen throughout history, as certain industries have been replaced by others—either cannot compete or there is not a need for the product that they manufactured.

I remember once visiting Pittsburgh, PA, once one of the heartlands of the steel industry in America, and seeing where there had once been steel mills; and there were the ensuing environmental problems associated with that. Now high-tech industries, that are clean industries, are employing people at equal or higher salaries.

People in Pittsburgh went through a wrenching change. I remember in the State of California, and to a lesser extent my State, when we started cutting back on defense spending in the early 1990s. Literally hundreds of thousands of people lost their jobs because of the cutbacks in defense spending.

Now I travel to California and see a booming economy, an incredibly, unbelievably, booming economy, both in my State and the neighboring States. What happened? It went through a very wrenching and difficult experience going from a defense-dependent industrial base to now a high-tech information technology base.

It was not an easy transition. Hundreds of thousands of people lost their jobs in California. But I know of no one who said: Keep spending this level of defense money and prop up these industries forever, because we don't want them to lose jobs because they're going through difficult times.

I have the greatest sympathy for any steelworker who is out of a job. I will do everything I can to help in retraining, in job opportunity, and education for those workers. But if there should be one lesson we learned in the 1970s and 1980s, it is that you cannot keep industries in business with Government subsidies, because if they cannot compete without them, over time they will not be able to compete with them.

As much as I admire and respect the Senator from West Virginia, he and I have a profound philosophical difference of opinion about the role of Government. He said we should help whatever industry is in trouble. Yes, we should help, by trying to take care of the displaced workers, but not by keeping obsolete or noncompetitive industries in business when we have the ability to transition into much higher-paying jobs and better industries that provide advancements in technological improvement for all of our lives.

I often have the pleasure of debating my dear friend and colleague from South Carolina, Senator HOLLINGS, who makes an impassioned plea for the textile industry in South Carolina, and bemoans, laments the great dislocation that took place there. I had the pleasure of going to the BMW plant which, thanks to a great degree of effort by Senator HOLLINGS, located in Columbia, SC. There are more jobs, higher-paying jobs, expanding jobs, and much better working conditions at the BMW plant than there were in the textile mills.

The transition is going on. The transition is going on at an even more rapid pace than any of us in this body ever anticipated, and as a fundamental change from an industrial-based economy to one which is now increasingly technological-based.

Those that take advantage of this opportunity and make the transition will grow and prosper. Fifteen years ago there was hardly a Member of this body who new where the Silicon Valley was; now everybody in America knows where it is.

Recently, in the past few weeks, a corporation called Global Crossing announced they were going to merge with U.S. West, one of the largest telecommunications companies in America. Three years ago, Global Crossing did not exist as a corporation. This same story can be repeated throughout America's economy.

We should not be spending our time authorizing on appropriations—not even authorizing. We should not be spending our time appropriating money to subsidize companies and corporations with loans which history shows us had a 77-percent default the last time we did it.

What we should be doing is making every effort we can, as a Government, to help them make the transition, which sooner or later they will inevitably go through. Because over time, the harnessmakers, once the automobile was invented, went out of business. It will happen here, too.

Again, I want to point out that I will do everything I can to help any worker who is displaced. I will support Government programs that work. I will especially support public-private partnerships, which have been largely successful, to provide America with the educated workforce necessary to take advantage of this incredible change that is going on in America and the world, in which America leads.

But to go back to a failed program of subsidized loans, in which in the 1970s the steel companies defaulted on 77 percent of the dollar value of their guarantees, and eventually ended up, by the way, in just as bad shape as they were in before they received those guarantees and defaulted on all those loans, I think is a serious mistake, a failure to recognize that, as societies change and industries change, and as evolution goes on, to try to have Government intervene and subsidize is not a success.

That is why I oppose this amendment, not only on the grounds of the procedures involved, which I find, as an authorizing committee chairman, offensive, but the concept and the idea that somehow this will succeed, I believe, flies in the face of all historical data, and, by the way, also flies in the face of what we Republicans are supposed to stand for.

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.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the vote be delayed until the majority and minority leaders agree as to the time for the vote.

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

Mr. MCCAIN. Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I rise to offer support for the legislation that is brought to the floor this afternoon and to make a few comments about the legislation itself. Let me especially comment on the subject of steel.

I come from a State that doesn't produce any steel. North Dakota is predominantly an agriculture State. But the roots of the problems that confront our steel industry, in many ways, are common to the roots of the problems that confront a number of industries in our country today, especially and including family farmers.

I haven't heard the news this afternoon, but I understand that the monthly trade deficit results are to be announced today. My expectation is that the announcement today will conclude that we have another record monthly trade deficit, probably the fourth in a row, probably \$20 billion that we have gone in the hole in this country in our trade relations. This probably amounts to somewhere between \$250- to \$300 billion a year just in trade in goods and services. The deficit in trade in goods will be much higher than that, perhaps over \$300 billion.

What does that mean? It means that this country has to borrow in order to finance its trade deficit. It means, at least in the field of economics, to the extent there are any certainties, that this country will have to repay this trade deficit at some point in the future through a lower standard of living. Is it a problem? Is it of concern? Apparently not to many people, because there is not much discussion about it. I think it is a very serious concern to this country.

People make the point that we have a good economy and we have prospered. That certainly is the case. Unemployment is very low. Inflation is almost nonexistent. Believe me, the Federal Reserve Board is on its hands and knees with magnifying glasses searching for signs of inflation. If they don't

exist, the Board will try to find them. They are so concerned about it. But homeownership is nearly at a record high; new housing starts are nearly at a record high. There is a lot of good news in this country's economy.

But there are clouds on the horizon because of this trade deficit, a record high trade deficit. And it is rising rapidly. We have a trade deficit with China that is very substantial; an annual trade deficit with Japan somewhere in the neighborhood of \$50- to \$60 billion—in fact, about the same level with China. We have a trade deficit with Canada, a trade deficit with Mexico, and the list goes on.

Some come to the floor and say, well, we must be required to compete. I say, absolutely. If the family farmers I represent can't compete with others in the world, then we are not going to make it. But the question is not, will we or shall we compete; the question is, what are the rules of competition? How do we compete? Are we to say, let's tie our hands behind our backs? Then we will see how well we do. Is that competition?

For example, you run a manufacturing plant in this country, and you produce widgets. We say: You must compete with all other widget makers in the world. By the way, you have to pay a living wage, a minimum wage. By the way, you cannot dump your chemicals into the rivers and into the air. By the way, you cannot hire 10-year old kids. By the way, you can't pay them 14 cents an hour. And, by the way, your factory must be safe.

Well, the widget maker says: Well, we know that we fought about that for 75 years and lost all those fights. We have to pay a minimum wage. We have to have safe workplaces. We have to abide by child labor laws. We have to abide by antipollution laws, and we don't like it. So what we are going to do is pole vault right over this geographical barrier and go to another country somewhere else in the world. We are going to hire kids. We are going to pay them peanuts and put them in unsafe plants. We intend to dump our chemicals in the air, and we intend to pollute the streams. We are going to produce the same widgets, and we are going to send them back to Pittsburgh, Fargo, Los Angeles and Kansas City and sell them there.

I ask the question: Is that fair competition? Is that what people mean by competition? You must be able to compete, and if you can't compete, quit? You must be able to compete, and if you cannot compete, go broke? Is that fair competition?

The answer is, of course, it is not fair competition. We have fought for three quarters of a century in this country over these issues. People died on the streets from gunfire, marching for their rights as workers to organize for better wages, for safer working conditions, for all of these issues.

Now, some say: But it is a global economy; you just don't understand.

Competition now is not with the rules that we would describe as reasonable. The rules are whatever you can find anywhere in the world if you are a producer. That represents fair competition?

Where I come from, that is not fair competition.

I frankly admitted, when I started, I do not know much about the steel industry. We do not produce steel in my State. I do not expect we will in the future ever see a strong economy that does not have manufacturing activities in automobiles and steel and other things that represent the central tenets of a strong economy. I don't think you can decide that you will have a strong economy if your manufacturing base is gone.

I get in the car and turn on the radio and drive to work. The news report on the radio tells about America's economic health. It is always about what we consume, not what we produce. It is always about the economic health as measured by what we consumed last month. Consumer spending is up. Spending is this; spending is that.

That is not a sign of economic health. What you produce is a sign of economic health. What you produce determines who you are and how you are doing.

I find it interesting—I know Mr. Greenspan is on the Hill today testifying, and I know Wall Street will weigh every word he says for some nuance about what the Fed might do with interest rates. The stock market will rise or fall like a bobber in the ocean, based on what Mr. Greenspan says.

You ask Mr. Greenspan, and he will have to admit it—so will the governors of the Federal Reserve Board—does a heart attack or a car accident represent economic growth to an economist? The answer is, of course. Heart attacks and car accidents represent economic growth in the data that economists use to determine how well our country is doing. Because a car accident means someone must fix a fender; a heart attack means someone is employed in emergency rooms.

So you ask yourself: What do these economists tell us? What do they mean? What does it say about our country? What do they measure?

Family farming is why I came to the floor today. Family farming suffers, too. We have steel manufacturers in trouble and going out of business. We have people being laid off. So the Senator from West Virginia says we ought to be concerned about that. We should.

Is a steel plant like a harness for a two-hitch team, destined to be gone forever from the landscape of this country because it can be done elsewhere much less expensively? I don't think so. I don't think anyone in this country would suggest that our country—with the kind of economic power and might that we have—is a country that ought to do without a strong manufacturing sector or a country that ought to do without a strong steel manufacturing capability.

Then what about farming? When we talk about farming, people say: Well, the farmer must compete. It is agriculture, some monolith called agriculture.

It is not that in my State. It is families. It is not just families planting some wheat that they hope to harvest in the fall. It is families that live out on the land, that help create a small town, that help provide economic sustenance on that main street, that organize the church, that support the school, that support the charities. That is what family farms are all about. Some people may say that you can get rid of all of those families. America will be farmed. Corporate farms can farm America from California to Maine, hardly stopping to put some gas in the large tractors they would use to pull those plows. But it would not be the same because corporate farming isn't going to stop at a small town in Hettinger County to say: Let me help form that church, or that school, or help nurture Main Street, or help with a lifestyle that really breeds family values.

I hear people stand and talk about family values all the time on the floor of the Senate. There is nowhere in this country that nurtures family values any better than on the family farm. I am not saying they are better than anybody else, but I am saying that families living in the rural reaches of our country, with a yard light illuminating that life, they are the ones who really do it alone—except when there is trouble, all of their neighbors are there to help. That is the way farmers in a rural neighborhood are.

We will lose something very important in this country if we decide that family farmers don't matter. A North Dakota author named Critchfield wrote a good number of books. He was a world-renowned author who came from Hunter, North Dakota, a tiny town near Fargo. He wrote a book called "In Those Days." It is the finest book I have ever read about small-town life and the rural lifestyle—a wonderful book. He wrote his next book about the rural lifestyle in a different way, and he said something I never really thought much about before. He talked about the nurturing of values, family values, the nurturing of shared responsibility, and caring. This country really always had its roots in rural America; it would roll from the farm to the small town to the big city as America grew. We have lost farmers who have moved to small towns and who have moved to big cities. We have had a refurbishment of the value system of our country coming from its seedbed in rural America. I wonder what would happen at some point if we decide that that seedbed of family values in rural America really doesn't matter, that America can as easily be farmed by large corporate enterprises with no lights and no homes and no stopping in small towns.

Well, this discussion today is about steel and oil, but especially about

steel. I am talking about agriculture because I want to talk about the common thread that exists on these issues. I just heard my colleague from Arizona speak, and he is a close friend and someone whose views I admire. We have disagreed from time to time. On this issue of trade, we find ourselves in somewhat different camps, I think, because we probably see it a bit differently. I don't, for a moment, dispute that it is a global economy. The times are changed. But I also believe that this country has every right, on behalf of its producers, to decide it will fight for values such as fair wages and safe workplaces and a good environment—to fight for those things that we have fought for in this country for over 75 years. We have a right also to fight for that in our international trade agreements. We regrettably do not do that.

Our country, interestingly enough, has a leadership position on trade matters. We go out and negotiate a lot of trade agreements. Did you know that we almost never enforce an agreement? My biggest complaint with our trade officials is that they negotiate bad agreements. If that weren't bad enough, they fail to enforce even the bad agreements. Go down to the Department of commerce, where they are required to enforce trade agreements, and ask yourself how many people in this Government, in the Department of Commerce, are around with the responsibility of enforcing our trade agreements with China. Does anybody know? Or Japan? Anybody know? I will tell you the answer. Six or seven people are tasked at the China desk with enforcing our trade agreements with China. It is the same with Japan. We have a nearly \$60 billion trade deficit with China, and about the same with Japan, but slightly less. We have a handful of people whose job it is to enforce our trade agreements. Why? Because our mindset has always been to go negotiate new agreements because we want to trumpet the success in negotiating a new agreement, but we don't want to mess around with enforcing the old ones. That results is a lot of folks who are angry, because the last trade agreement that was negotiated was not a very good one and, in any event, it wasn't enforced.

So we ended up with a trade agreement called NAFTA, the North American Free Trade Agreement, with Canada. A miserable agreement. It turned a trade surplus that we had with Mexico into a big trade deficit. It doubled the trade deficit we had with Canada. I know it will tire anybody who has heard me say it, but not long after the trade agreement with Canada, we had a flood of Canadian grain coming across our border and undermining the market for our family farmers. Our State university said it cost our farmers in North Dakota over \$200 million in lost income.

I drove up to the border with a fellow named Earl in an orange truck that was about 10 years old. In this 10-year-

old orange two-ton truck we took a couple hundred bushels of durum wheat. We saw 18-wheel trucks coming in our direction that were full of Canadian grain coming south. On a windy day, the grain trucks drop a lot of grain on the road. Our windows were getting hit all along the way by Canadian grain dropping off the huge semi trucks coming south. After seeing dozens of them, we pulled up to the Canadian border with Earl and his orange truck and a couple hundred bushels of durum wheat, saying we want to take this North Dakota durum into Canada, knowing that millions of Canadian bushels are flooding into our country. Earl Jensen and I didn't get across the border with that durum wheat because you could not get it into Canada. Our border was open to the Canadian grain producers, flooding our country and undercutting our markets, but their border wasn't open to us. Another fellow who was with us brought along some beer. That is, after all, liquid barley. Beer comes from, in most cases, barley, and you liquefy barley. He was going to take barley, in liquid form, into Canada. No, you can't do that. How about a used clothes washer? Can't do that. The list goes on.

I sat up at that border understanding firsthand why our farmers have a right to be so angry. Who on earth would negotiate a trade agreement with Canada that says let's have a one-way circumstance across the board? You can bring all your products south and flood us with your grain, but, by the way, when your little orange truck comes north with Earl and Byron, we are not going to let you through. That is not fair competition. That is not the trade relationship we expect that would result in fair competition. So my experience is that we have a right, it seems to me, in our country, to be mighty upset about the current circumstances that exist for family farmers and unfair trade agreements or in trade agreements that even if they were fair are not enforced. We have a right to be upset with respect to the circumstances with steel. My colleague who spoke previously said undoubtedly there may be dumping of steel. I will bet there is. I guarantee you there is dumping of grain in this country.

I asked the GAO to get the data from Winnipeg and Montreal. Those folks thumbed their nose and said: Do you think you are going to get that out of us? Not in a million years. We don't intend to give you one figure with respect to the sales we are doing secretly in this country. That's the Canadian Wheat Board. That would be illegal in this country, selling at secret prices in this country. They said to GAO that there is not a chance, you are not going to get numbers out of us.

Is there a reason for people to be angry and sore about this? Of course. Do American producers have a right to ask the question of whether this country will stand up for fair trade? I am absolutely full up to my neck with

folks who say that anybody who speaks the way I just spoke is a protectionist. I want to plead guilty to saying that I want to protect our economic interests and demand fair competition. If that is what being a protectionist means, I will plead guilty. In fact, I demand credit. I want to protect this country's economic interests. I also believe in expanded trade and trade relationships that are growing and are healthy. I believe in and demand and expect fair trade relationships. I expect our trade negotiators not to go out and lose in the first 24 hours of every single negotiation.

The Senator from Texas is on the floor. There is a lot of beef in Texas. We had a big beef agreement with Japan 20 years ago. You would have thought we had won the Olympics when we announced we had this beef agreement with Japan. Everybody celebrated. Guess what? We are getting more beef into Japan. More American beef is going into Japan. But there is now a 50-percent tariff on American beef going to Japan. They negotiated a 50-percent tariff. That will be ratcheted down over time, but it snaps back with increased quantity.

Would anyone here ever expect we would have a 45-percent tariff on a product and not be ridiculed in the world community by it? That is exactly what we negotiated with Japan. It was declared a success. Our trade negotiators thought it was just great.

We have such lowered, dimmed expectations of our trading partners that we don't even try. Part of that is because for the first 25 years after the Second World War almost all of our trade relationships were about foreign policy. We could beat anybody with one hand tied behind our back. It was easy. We negotiated trade relationships that were almost exclusively foreign policy initiatives. But in the second 25 years, it was different. For that reason, as better competitors developed—Japan, Europe, China, and others—our trade negotiators didn't change much. Most of our trade negotiating is still disguised as foreign policy, regrettably. It is not fair to our producers.

That is why the initiative was brought to the floor today with respect to steel. We don't produce steel in North Dakota, but I am well aware of unfair trade. I am well aware of the inability to provide remedies and to seek remedies for unfair trade. Certainly our producers understand that every day in every way they have to face unfair competition, and no one seems willing or able to do anything about it.

That is the frustration. It is a frustration, in my judgment, that produces the kind of proposition that is brought here to the floor of the Senate today. Is it a reasonable, modest proposition? Yes. Is it a proposition that jumps over the ditch here on this? No. Of course, it is not. It is not that at all. It is modest, in my judgment, reasonably thoughtful, and is something Congress should pass.

The reason I took the time to come to the floor is to say this: Following this legislation, we will come in next week to the floor of the Senate once again on the subject of family farmers. Family farmers are now in a circumstance where they are facing Depression-era prices and are going out of business in record numbers.

It is almost impossible to go to a meeting in farm country and listen to those farmers, who have invested their lives and their dreams and their hearts in that land, who stand up and pour out their souls and then begin to get tears in their eyes when they talk about being forced off the land they love.

I told my colleagues recently of the woman who called me and said her auction to sell her family farm produced on that day a circumstance where her 17-year-old refused to get out of bed—refused to come down and help her with the auction sale. She said it wasn't because he is a bad kid, or it wasn't because he was lazy; it was because he was so heartbroken that he wasn't going to be able to farm that he just could not bear to be present at the auction sale of their farm. His dad had recently died. They were forced to sell, and he simply couldn't bear to watch the sale of that family farm.

A 6-foot-4-inch fellow stood up at a meeting. He had a beard. He was a big, burly guy. He said his granddad farmed. He farmed. He said his dad farmed. It was in their blood. Then his chin began to quiver, and his eyes began to water. But he said: I am going to have to sell out. He would like to continue, and he couldn't. And he couldn't continue to speak, because this is more than just a job. It is a lot more than just the term "agriculture."

Again, I come to the floor to talk about family farming, because this question today relates to what we are going to talk about—agriculture, and fundamentally unfair trade policies that undermine our family farmers for which there is no remedy.

You go to the trade ambassador's office to seek a remedy. You go to the Commerce Department to seek a remedy. I guarantee you, industry after industry, you can prove the dumping, and you will not get relief. You will not get a remedy. That is, in my judgment, the weakness and the shortcoming of our trade laws.

Let me end by saying again that we must find a foreign home for almost half of what we produce in a State like North Dakota. I am not someone who wants to shut borders or restrict trade, but I darned well insist on behalf of the producers that I represent, just as the Senator from West Virginia and the Senator from New Mexico insisted today, I insist that this country stand up for the economic interests of its producers, at least demanding fairness and competition in international affairs. As we deal with a global economy, we ought to be able to provide that kind of fairness for American producers.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, you are going to hear an announcement in a moment from the two authors of the bill that is pending that we have worked out an agreement on the four amendments that were discussed earlier. I will leave it to them to talk about it.

It appears we would have this vote on an extraneous matter, and then either accept the vote on the four previous matters discussed or have a rollcall vote. But before we get into all of that, I wanted to say that I am supportive of the amendment offered by the Senator from Arizona.

One of the problems we increasingly have in the Senate is that it is so hard to pass an authorization bill that we are reaching the point where almost every legislative action originates in one of two committees—the Finance Committee, which engages in direct spending through entitlements, and the Appropriations Committee, which appropriates money.

We have before us a bill that really should be under the jurisdiction of the Banking Committee. We are for all practical purposes appropriating without authorizing, or, one could say, authorizing within the Appropriations Committee. As I said to Senator STEVENS, maybe I ought to start reporting appropriations bills to the Banking Committee and try to bring them to the floor of the Senate.

But Senator MCCAIN's amendment really brings home a very important point; that is, we have committees that have jurisdiction in these areas. We undercut the Senate when we don't recognize it.

A policy, I think, that is ultimately quite independent of the issue we are talking about today but relevant to this amendment is that the sooner we can get back to having authorizing committees authorize and having appropriations committees appropriate the better off we will be.

I am in support of this amendment.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I am not sure of the procedure. But I would like to offer an amendment at this time.

I ask unanimous consent to lay aside the pending McCain amendment.

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

AMENDMENT NO. 686

(Purpose: To amend the pending committee amendment to H.R. 1664)

Mr. MURKOWSKI. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from Alaska (Mr. MURKOWSKI) proposes an amendment numbered 686.

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

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

The amendment is as follows:

At the appropriate place in the bill, insert the following:

"SEC. . GLACIER BAY STUDY.—The Secretary of the Interior shall, in cooperation with the Governor of Alaska, conduct a study to identify environmental impacts, if any, of subsistence fishing and gathering and of commercial fishing in the marine waters of Glacier Bay National Park, and shall provide a report to Congress on the results of such study no later than 18 months after the date of enactment of this section. During the pendency of the study, and in the absence of a positive finding that a resource emergency exists which requires the immediate closure of fishing or gathering, no funds shall be expended by the Secretary to implement closures or other restrictions of subsistence fishing, subsistence gathering, or commercial fishing in the non-wilderness waters of Glacier Bay National Park, except the closure of Dungeness crab fisheries under Section 123(b) of the Department of the Interior and Related Agencies Appropriations Act, 1999, (section 101(e) of division A of Public Law 105-277)."

Mr. MURKOWSKI. Mr. President, less than 3 months ago this body adopted my amendment allowing commercial fishing and subsistence gathering, which consists primarily of gathering sea gull eggs in Glacier Bay. That issue came before this body, and passed 59 to 40.

It went to conference, along with the issue of the steel and oil and gas guarantees that are under discussion before this body.

I am here on behalf of the little people. I can't stand here and compete on the broad issues of steel dumping or the impact the decline of the price of oil has had on our stripper wells; or the economies of those areas dependent on steel, West Virginia and New Mexico; or oil and gas, as in Oklahoma. I stand here on behalf of a few of the native people of my State, the Huna Tlingit Indians, who have lived for centuries with access to an area known as Glacier Bay, which is one of our premier national parks.

Clearly, this issue is not in proportion with the importance of steel dumping, or the decline in the price of oil. I come before this body representing this small group of indigenous American Alaskan Indians who have been dependent on a subsistence lifestyle for thousands of years.

Glacier Bay is a large area in the northern end of the archipelago of southeastern Alaska. It is a magnificent area. Visitors in the summertime arrive on cruise ships. It is a great way for a visitor to enjoy this magnificent, scenic site. However, it is a very short season, roughly Memorial Day to Labor Day.

The rest of the time, the area has been utilized by very small, individual fishing vessels that are bound by the resource management of the Alaska Department of Fish and Game.

In conference, there was a concern expressed by various House Members as to whether the fisheries resource in

Glacier Bay could be maintained and the impact commercial fishing would have on that resource. As a consequence, I have changed my amendment. My previous amendment simply allowed commercial fishing and subsistence gathering to remain in Glacier Bay until the court determined whether the State had the right to manage these waters within the State of Alaska.

I have now changed the amendment to propose a moratorium for 18 months. During that time, there would be a joint study between the State Department of Fish and Game and the Park Service to study the impact of this small amount of commercial fishing and subsistence gathering on Glacier Bay, and to make a determination whether there was any detrimental effect. If there was, obviously, it would cease.

It is interesting to note that the matter before the Senate is associated with a matter of substantial cost, because we are talking about dumping steel, we are talking about addressing relief, we are talking about oil and gas, we are talking about some type of relief for the stripper wells. It is my understanding that steel, oil, and gas amendments might amount to as much as \$300 million.

I point out to my colleagues, there is zero cost associated with my amendment—no cost whatever. There is justice to residents of these communities of Alaska.

Let me describe the communities. Gustavus has 346 residents and is adjacent to Glacier Bay; 55 of those residents are actively engaged in fishing. Elfin Cove, outside the bay, has 54 people; 47 are engaged in fishing. Huna, which is a Tlingit Indian village directly across from Glacier Bay, has 900 people; 228 are in the fisheries. Pelican City has 187 residents; there are 86 in the fisheries.

These communities have no alternative. They can't go anyplace else. What is the justification for the attitude of the Park Service? There has not been one public hearing held—not one. They did not advertise for witnesses to determine the impact. They simply made an administrative decision and said we are closing it.

Let me show another chart demonstrating where commercial fishing is allowed by statutory law in National Parks: Assateague, in Virginia; Biscayne, in Florida; Buck Reef, in the Virgin Islands; Canaveral National Seashore, in Florida; Cape Hatteras, in North Carolina; Cape Krusenstern, in Alaska; Channel Islands, CA; Fire Island, NY; Gulf Islands, MS; Isle Royale, in Michigan; Jean Lafitte National Park, LA, to name several. But they have made a decision to close the fishing in my State of Alaska.

It is interesting, further, to note some of the other activities they allow in the park, because it reflects the attitude of the Park Service and the manner in which they initiate an action.

The Park Service saw fit some 3 months ago to initiate what was basically a raid on commercial fishing in Glacier Bay. They used Park Service personnel, they boarded the boats that were fishing there, they had sidearms, and they simply said they were going to close this area. The area was not, in fact, closed. Those fishermen had a right to be there at that time. That was a pretty heavy tactic to use, but they saw fit to use it.

Our Governor indicated his wish, as did our State and our legislature, that commercial fishing be allowed to continue in Glacier Bay.

To add insult to injury, the people of Glacier Bay have been dependent on the gathering of sea gull eggs since time immemorial. One wonders why they would need sea gull eggs. Frankly, it is very difficult to raise chickens in Alaska. There is a lot of rain. This is a typical village in Glacier Bay. This is an 1889 photo. That village is no longer there, but this is the kind of village they used to have. You see there, they are drying the fish and so forth. The Huna villages today are not like that by any means—but the point is these people still live in a subsistence lifestyle.

What I want to say here is just the other day the Park Service decided to prohibit, if you will, what it had ignored previously and that was the gathering of sea gull eggs for harvest in Glacier Bay. They apprehended a Huna native for gathering sea gull eggs. I do not know how long they kept the sea gull eggs, but a couple of days later they gave them back to the Huna Indian Association. What is the consistency of this? I do not know that there is any, and it points out the Park Service is aggressively hostile to something that other agencies have seen fit to recognize as unique to the character of the subsistence lifestyle of the native people of Alaska.

It should be remembered that Canada and the United States reached an agreement several years ago allowing native people to take birds and eggs during the spring. That agreement was recognized by an amendment to the Migratory Bird Treaty. It has been nearly 2 years since the Senate approved the amendment to the treaty. What this amendment did was recognize the need of the native people to take birds and eggs in the spring, because in the fall those birds are gone. The reason is very simple; cold weather has come and the birds have left.

The State Department has not yet exchanged the instrument of ratification with Canada. This is the final formal exchange of documents necessary to put the new treaty into effect. Canada is eager to complete the process because the new treaty language is needed to comply with changes in its Constitution. I'm told the delay is due to the bureaucratic failure of the Department of the Interior to implement new regulations. Some of the State Department officials think that is needed

before final documents are exchanged. I, personally, see no reason for the delay.

The point I want to make is an obvious one. The U.S. Fish and Wildlife Service has recognized the necessity of the native people of Alaska, being dependent on subsistence, to take birds and eggs in spring, including sea gull eggs. But the Park Service—another branch of the Federal Government—has chosen to enforce a prohibition against taking sea gull eggs. What is the justification for that? I do not know, unless it is a very aggressive Park Service. But, clearly, if the U.S. Fish and Wildlife Service sees fit to allow a modest taking of eggs and migratory birds for subsistence purposes, you would think the U.S. Park Service would recognize and honor and appreciate the tradition of the Native Alaskans and allow this to take place. Still, that is not the case.

I ask unanimous consent to have printed in the RECORD a press clipping from the Juneau Empire covering the story on the apprehension of the individual who was accosted by the Park Service for gathering, for subsistence purposes, sea gull eggs.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GULL EGGS CONFISCATED

JUNEAU—National Park Service officials seized several dozen gull eggs from a Hoonah man in Glacier Bay National Park over the weekend.

Dan Neal, 46, his son and a family of five visiting from Illinois came ashore Saturday on Marble Island. They landed near two U.S. Geological Survey biologists doing research on a glaucous-winged gull colony.

The biologists informed Neal and his companions they couldn't legally collect eggs there, and the group left, Glacier Bay Chief Ranger Randy King said.

Park Service employees later stopped the boat, and Neal reluctantly surrendered the eggs, King said.

Gathering gull eggs is prohibited by international treaty and federal regulations throughout Alaska. However, the harvest of gull eggs is an important cultural tradition for Hoonah Tlingits.

The Park Service and the Hoonah Indian Association are exploring ways the tradition might continue.

"Our cultural and traditional uses in our ancestral homeland are deeply woven into our very being," said Ken Grant, the association's president, who urged tribal members to refrain from collecting eggs until the Park Service finishes its studies.

Mr. MURKOWSKI. In my amendment I propose this joint study take place, and it is quite legitimate to ask, Where is the money going to come from? For some time now the Park Service has been generating revenue from cruise ship receipts from a recreation fee demonstration program. They have approximately \$2.8 million, of which \$435,000 is unencumbered at this time. It is my suggestion this be used for the Park Service's joint evaluation, along with the State of Alaska, to study the renewability of the fisheries resources in Glacier Bay.

Somebody might ask, Why should a Glacier Bay moratorium be attached to

this bill—an appropriations bill? I hope the appropriators recognize this is a legitimate appropriations amendment. It is setting parameters for the expenditure of funds being appropriated. Further, the moratorium is a time-honored and time-tested device. This moratorium simply amends last year's appropriation bill which terminated the fishing in Glacier Bay. If fisheries can be closed on an appropriations bill and the field of participants can be narrowed in an appropriations bill, then it is not out of place to use the same process for a follow-up measure, and that is what we have done. This is a legitimate appropriation amendment setting parameters for the expenditure of funds being appropriated.

This belongs in this package because it went over to the House and Senate conferees as part of the supplemental package, along with steel and oil. It was a part of those issues that were considered.

But as we look at the issue of equity here, there is no question this amendment is an amendment substantially different from the previous amendment inasmuch as it gives a moratorium of 18 months in which to evaluate, in a joint study, the renewability of the fisheries resource. As evidenced by the concern of the conferees in the House, Senator STEVENS and I—I was given the opportunity in that conference to make a personal presentation. But that was a different amendment. That was simply to allow fishing to continue until such time as the court determined who had jurisdiction. This amendment sets to rest the concerns relative to the renewability of that resource by authorizing this joint study.

It also recognizes, in a sense, there is no real trustworthy information on the impact of fishing or subsistence use in Glacier Bay on the ecosystem. Opponents have argued from time to time there may be some consequences, but they have offered no real proof. On the other side, it is impossible to prove the negative that fishing has no lasting impact.

Before fishermen are permanently removed or restricted, which will have irreversible consequences for the fishermen, the processing companies and the communities affected, I think it is appropriate to actually test the hypothesis that fishing is detrimental in some way. That is why we have altered our amendment to require this 18-month study.

My worst fear, as I have indicated, about the Park Service harassment of the Alaska Native people, was realized this last week when they seized several dozen sea gull eggs from a Native resident of Hoonah, one particular resident. This was unwarranted harassment by the Park Service. I think it represents an insensitive, arrogant attitude and is reminiscent of the Indian policies of the 1800s, where we were simply driving individuals off the land they had traditionally had access to. Only passage of my amendment will end this harassment.

Again, this is only a few hundred people, but they have no other appeal. They do not want to live off welfare. They have no other place to go. There is no reason why they should be excluded from fishing in this area, as we recognize the Park Service allows fishing in the 16 other national parks. I have had letters from local residents repeatedly assuring me that previously they had been under the assumption the Park Service had no intention to eliminate the traditional use, including fish and subsistence gathering.

Why do they enforce such an action in Glacier Bay and not enforce it in the 16 other areas where they allow it by statute? This fishery consists of a small number of small vessels. They do a little salmon, crab, halibut, bottom fishing. It is important to the people, as I have indicated, of Elfin Cove, 34 people, Hoonah, 228 people, who fish.

There have been provisions that Senator STEVENS has been able to prevail on, allowing Federal funding for fishermen as a consequence of them losing the right to fish. The letters I have ask me why the Park Service is mandating they can no longer fish. Why isn't the Government more sensitive to their particular needs? Why is the Government singling them out when they have no place else to go? These are hard questions to answer.

This is a situation of justice. These little people are crying out, and they are crying out in the only voice they have, and that is the voice of the Congress of the United States.

That is basically where we are. It is my understanding there may be an effort to table this legislation. I personally cannot understand why the amendment would not be accepted and sent over with the rest of the package. Again, I appeal to fairness and equity and recognize, unlike the steel issue and the oil issue, this has absolutely no cost. This is simply an 18-month study on the merits of the resource—that is simply all it is—so these people can continue their rightful pursuit of their traditional use of fish and game.

Mr. GRAMM. Will the Senator yield?

Mr. MURKOWSKI. I will be happy to yield to my friend from Texas.

Mr. GRAMM. I know the Senator from Arizona wants to vote on his amendment, but I want to ask you a question, having sat here and listened. You are talking about Glacier Bay, and you showed a map of it. This is a far off place where, except for a very short period of the year, it is cold and frozen; right?

Mr. MURKOWSKI. That is pretty much the case; that is correct.

Mr. GRAMM. You have Native Americans who live by fishing and gathering and eating sea gull eggs; right?

Mr. MURKOWSKI. They have traditionally gathered sea gull eggs in the spring of the year. They depend on fishing throughout the year.

Mr. GRAMM. You have bureaucrats in Washington who may have never been to Glacier Bay suggesting that

maybe, instead of eating sea gull eggs, they might raise chickens?

Mr. MURKOWSKI. It is pretty hard to do in that climate, but I am no expert on chickens.

Mr. GRAMM. They have never tried going to Glacier Bay and raising chickens, have they?

Mr. MURKOWSKI. I do not think they want to do that, with 200 inches of rain.

Mr. GRAMM. To make a long story short, what you are really saying is you have Native Americans who are trying to eke out a living by fishing and by eating sea gull eggs, and you have bureaucrats in Washington who may have never been there, certainly would never go live there, who are saying that somehow they have the right to force them to change their way of life, with the idea that somehow it is more their business what happens in Glacier Bay than it is the business of people who live there; right?

Mr. MURKOWSKI. That is pretty much the case. They say fishing is a commercial activity, but if you look at this tour boat entering into the bay with 1,200 passengers, that obviously is a pretty significant commercial activity.

There was a cruise vessel that had an accident in Glacier Bay the other day. It hit a rock. As far as I know, it is still on the rock. It leaked a little fuel—a few gallons. They are working on it. They are going to get it off. There is not going to be damage to the ecology or the environment. Nevertheless, that is a commercial activity.

Mr. GRAMM. I intend to vote with the Senator. I hope everybody will. Your amendment really makes the point that there is no end to the arrogance of people in Washington who are trying to tell people in a completely different part of the country, which they know nothing about, how to live their lives and claiming that somehow this bay belongs more to them than it does to people who have lived there for a thousand years. Not only are you representing your constituency, but you are speaking out on behalf of a concern, not in as clear a way, not in as glaring a way, but that many people in other parts of the country share. The last time I looked, there was no shortage of sea gulls on the planet.

Mr. MURKOWSKI. I have observed that as well. I thank my friend from Texas.

Mr. GRAMM. I thank the Senator.

Mr. MURKOWSKI. Mr. President, I will make one more point—I am sure there are others who want to be heard—relative to an inconsistency. That is, again, the U.S. Fish and Wildlife Service allows migratory bird taking in Alaska in the spring, and they have seen fit to do that, recognizing the subsistence needs of those native people, and egg gathering as well. But the U.S. Park Service, just within the last 2 weeks, has indicated they will not allow sea gull egg gathering in the park. We have two different agencies

with two different jurisdictions, I grant you that. But it is definitely an inconsistency.

Again, for those who are wondering what this issue is doing in the middle of steel and oil, I simply appeal to the floor managers to recognize the action that was taken when it was sent over to the House. Unlike steel and unlike oil, which did not have a vote on this floor, this issue had a vote. We had a good vote. As a consequence of that, it belongs in the package that is going back. Some may argue the intricacies of procedure, but a deal is a deal, and I made a commitment to my colleagues that I would bring this up again, and I intend to bring it up again and again because there is an injustice here.

If we are able to prevail on a tabling motion, why, then we run the risk of what may happen to it in the House. I urge the floor managers to take this amendment.

It is my intention to ask for the yeas and nays. I do not know what the procedure is, but it may be that the leaders want to delay voting on this matter until such time as they determine it is appropriate. I appeal to my colleagues to take the amendment.

The PRESIDING OFFICER. Is there a sufficient second? At the moment, there is not.

The Senator from Arizona.

Mr. MCCAIN. Mr. President, in light of the fact the Senator from New Mexico wants to speak on this amendment, I ask for the regular order.

With all due respect to my friends, we were going to vote 45 minutes ago.

Mr. STEVENS. Will the Senator yield?

Mr. MCCAIN. I ask for the regular order.

Mr. STEVENS. Will the Senator yield?

AMENDMENT NO. 685

The PRESIDING OFFICER. The regular order is the McCain amendment No. 685.

Mr. STEVENS. Mr. President, I move to table the McCain amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 685. 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 Pennsylvania, Mr. SANTORUM, is necessarily absent.

Mr. REID. I announce that the Senator from Connecticut, Mr. DODD, is necessarily absent.

The result was announced—yeas 64, nays 34, as follows:

[Rollcall Vote No. 174 Leg.]

YEAS—64

Akaka	Bayh	Biden
Baucus	Bennett	Bingaman

Bond	Hatch	Mikulski
Boxer	Helms	Moynihan
Breaux	Hollings	Murray
Bryan	Hutchison	Reed
Byrd	Inhofe	Reid
Campbell	Inouye	Robb
Cleland	Jeffords	Roberts
Cochran	Johnson	Rockefeller
Conrad	Kennedy	Sarbanes
Daschle	Kerrey	Schumer
DeWine	Kerry	Sessions
Domenici	Kohl	Shelby
Dorgan	Landrieu	Specter
Durbin	Lautenberg	Stevens
Edwards	Leahy	Thurmond
Feingold	Levin	Torricelli
Feinstein	Lieberman	Wellstone
Gorton	Lincoln	Wyden
Graham	Lugar	
Harkin	McConnell	

NAYS—34

Abraham	Fitzgerald	Murkowski
Allard	Frist	Nickles
Ashcroft	Gramm	Roth
Brownback	Grams	Smith (NH)
Bunning	Grassley	Smith (OR)
Burns	Gregg	Snowe
Chafee	Hagel	Thomas
Collins	Hutchinson	Thompson
Coverdell	Kyl	Voinovich
Craig	Lott	Warner
Crapo	Mack	
Enzi	McCain	

NOT VOTING—2

Dodd	Santorum
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The motion was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Alaska is recognized.

UNANIMOUS CONSENT AGREEMENT

Mr. STEVENS. Mr. President, I ask unanimous consent that I be recognized in order to offer a unanimous consent agreement regarding amendments; that following that I be recognized in order to make a short statement and move to table the Murkowski amendment No. 686, with no amendments in order to the amendments prior to the vote on that motion to table. I also ask unanimous consent that following the vote on the motion to table, if that amendment is tabled, the bill be read for the third time and the Senate proceed to a vote on passage of the bill, with no intervening action or debate, at 9:30 a.m. on Friday, June 18, and that paragraph 4 of rule XVIII be waived.

The PRESIDING OFFICER. Is there objection?

Mr. MURKOWSKI. Mr. President, point of inquiry. I don't mean to object. When does the Senator intend to have a vote on the tabling motion?

Mr. STEVENS. Immediately after I make that motion.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent to speak for another 5 minutes on the amendment, which is the pending amendment.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. I do object. Would the Senator at least let me be able to get the other amendments out of the way first?

Mr. MURKOWSKI. I have no objection, even though my amendment is the pending business—reserving my right to have 5 minutes on my pending amendment.

Mr. STEVENS. I have no objection. I amend my request to ask that prior to the motion to table and my comments, my colleague be recognized for 5 minutes. Let's get the agreement.

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

Mr. STEVENS. The total sequence is now agreed to, Mr. President?

The PRESIDING OFFICER. Correct.

AMENDMENT NO. 687

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from Alaska [Mr. STEVENS], for himself, Mr. DOMENICI, Mr. BYRD, Mr. GRAMM, and Mr. NICKLES, proposes an amendment numbered 687.

The amendment is as follows:

On page 7, beginning on line 3, strike all through line 7.

On page 10, beginning on line 23, strike all through page 11, line 2.

On page 34, beginning on line 14, strike all through 16.

On page 9, after line 17, insert the following new paragraph:

(4) GUARANTEE LEVEL.—No loan guarantee may be provided under this section if the guarantee exceeds 85 percent of the amount of principal of the loan.

On page 36, after line 23, insert the following new paragraph:

(4) GUARANTEE LEVEL.—No loan guarantee may be provided under this section if the guarantee exceeds 85 percent of the amount of principal of the loan.

On page 48, beginning on line 9, strike all through line 17.

On page 6, line 7, strike all through line 13, and insert the following:

(e) LOAN GUARANTEE BOARD MEMBERSHIP.—

(1) IN GENERAL.—There is established a Loan Guarantee Board, which shall be composed of—

(A) the Secretary of Commerce;

(B) the Chairman of the Board of Governors of the Federal Reserve System, who shall serve as Chairman of the Board; and

(C) the Chairman of the Securities and Exchange Commission.

On page 33, line 17, strike all through line 23, and insert the following:

(2) LOAN GUARANTEE BOARD.—There is established to administer the Program a Loan Guarantee Board, to be composed of—

(a) the Secretary of Commerce

(B) the Chairman of the Board of Governors of the Federal Reserve System who shall serve as Chairman of the Board; and

(C) the Chairman of the Securities and Exchange Commission.

On page 32, strike lines 10 and 11, and redesignate the remaining subparagraphs and cross references thereto accordingly.

Mr. DOMENICI. Mr. President, could we have a minute or two to explain that amendment?

Mr. STEVENS. I withdraw the request.

I ask unanimous consent that Senator DOMENICI, Senator GRAMM, and Senator NICKLES be permitted 5 minutes each to explain the amendment.

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

The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, in the interest of time, I will explain only one amendment, and I will let my colleagues pick up the others. If they want to repeat what I have said, fine.

Essentially, many Senators on this side have complained that this was an emergency measure, and that one way of looking at an emergency measure was that this bill might use some of the Social Security surplus. The emergency clause has been stricken. It is not in there anymore. As a consequence, this money is spent out of the regular allocation: Truth in budgeting, as you call it. It does not come out of the trust fund because it is paid for like any other program.

If you are wondering how much for this year's appropriation, it is \$19 million. So we have to find \$19 million within the \$1.8 billion budget of the United States. So we don't have to take any money out of Social Security. That is the only point I want to make.

We fixed three other things other Senators were concerned about. I will let Senator NICKLES or Senator GRAMM explain those. I don't need the remainder of my time. Whatever I have left, I yield back.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I thank my colleagues and, in particular, Senator BYRD, Senator DOMENICI, and Senator STEVENS, for working with Senator GRAMM, myself, and others to try to make this a better bill. Senator DOMENICI mentioned one, we strike the emergency provision. That basically means there is \$270 million estimated cost by CBO of this bill, and it was declared emergency. We are striking that. That means we won't be raising the caps. I think that is important; I don't think we should be calling everything an emergency, as I stated, and busting the budget. I appreciate the cooperation in striking that section.

We did a couple of other things. The bill originally said that the loan guarantees would be made up to 100 percent. We limited that now to a maximum loan guarantee of 85 percent. The lending organization, or bank, is going to have to put up 15 percent, with some risk. It may be 25 or 30 percent, but they will have to put up at least 15 percent. I think that is a good amendment.

We changed the composition of the board. Originally, the lending board was comprised of the Labor Secretary, the Treasury Secretary, and the Commerce Secretary.

We changed that. We said, well, we will keep the Secretary of Commerce on, but we will change it and add the Chairman of the Federal Reserve Board and the head of the SEC—I think, again, trying to take politics out of it, trying to put people on the board that

are more interested in economics and making good financial decisions, and not have it be so political.

We also have another amendment that would strike out the lower loan limits. The bill originally said in steel the loan range would be from \$25 million to \$250 million. We dropped the \$25 million lower limit. In other words, now a steel company can get a \$5 million loan, or a \$10 million loan, or a \$1 million loan; it won't have to be at least \$25 million.

We did the same thing for ore, which had a \$6 million minimum loan level. Now that can be smaller. For oil and gas, I believe, there was a \$250,000 minimum. We struck that minimum as well.

I think the combination of amendments we have had make this a better bill. I appreciate the fact that leaders who are promoting this bill have agreed to these amendments. I think it improves it. I am still going to vote no on final passage. I really do not think the Federal Government should be in the loan guarantee business for steel, or for oil and gas, and for the iron ore companies. But I do appreciate their consideration of these amendments.

I urge my colleagues to support them.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. FITZGERALD. Mr. President, I have a question for the Senator from Oklahoma about his amendment. I am wondering if there is anything in his amendment that would correct one problem I see in the bill, which is that it occurs to me, if that a steel company, for example, has an existing loan with some private bank—once this program goes into effect and that loan is in bad shape, the bank can encourage that steel company to apply for a new loan under this program and get that Federal guarantee, and thereby you are transferring that risk, or at least 85 percent of it, from that bank that otherwise would take the hit to the taxpayers.

Is there anything in the amendment that the Senator knows of, or anything in the original bill, that would prevent that kind of shenanigan?

Mr. NICKLES. To respond to the question of my friend and colleague—I think it is an excellent question—we didn't fix that problem. The Senator is exactly right. This bill still leaves it open where you can have a bad loan, or basically you are going to have that refinanced with the Government guaranteed loan; i.e., a steel company would have a \$100 million loan. Maybe they are paying a high interest rate—maybe 12 percent. Maybe that loan is in jeopardy. Maybe they are having a hard time making payments on it.

We haven't fixed that yet. That is an amendment some of us have been talking about. It wasn't in this package we just agreed to.

Mr. FITZGERALD. What about if there is a loan out there to one of the

small oil and gas companies, and the president and owner of the company have personally guaranteed the loan? Would they be in a position now, with this new loan program, to apply for a new loan under this type of guarantee program, get that new loan issued, and replace their personal guarantees with the Government guarantees so the owners and major shareholders, who could be very wealthy individuals, would be taken off the hook by the taxpayers?

Mr. NICKLES. I think, again, my colleague from Illinois is pointing out a shortcoming that is in the bill. It has not been fixed by the amendments that were offered. Quite possibly, maybe the Senator from Illinois will have an amendment, and maybe the principals that are engaged in this might support it.

I will be happy to work with the Senator to see if we can't correct that problem. But we haven't stopped anybody from refinancing a bad loan, or maybe a self-interest loan, as the Senator discussed. I personally think those mistakes should be corrected. We have taken four good steps to make it better. But we need some additional amendments to solve that problem.

The PRESIDING OFFICER. Under the agreement, the amendment is agreed to.

The amendment (No. 687) was agreed to.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I ask unanimous consent that the time for Senator GRAMM be reserved for a later time today. He is not here at this time.

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

Mr. STEVENS. Mr. President, if I may, I think I have some time on the bill to respond to the Senator from Illinois, to a certain extent.

With Alan Greenspan on the board managing this program—if I could have the attention of the Senator from Illinois—and the head of the SEC on the program making the regulations concerning these loans, the fact that the Senator has raised this issue on the floor I am sure will not miss their attention.

Mr. President, my colleague has 5 minutes. Then I am recognized after that. Is that correct?

The PRESIDING OFFICER. That is correct.

The Senator from Alaska is recognized.

AMENDMENT NO. 686

Mr. MURKOWSKI. Mr. President, it is my understanding that my amendment on Glacier Bay is the pending amendment before the body.

The PRESIDING OFFICER. The Senator is correct.

Mr. MURKOWSKI. I thank the Chair. I am disappointed to learn that my senior colleague intends to table the amendment. On the other hand, I know that he very much supports the continued fishing and subsistence harvest in

Glacier Bay. Nevertheless, we are faced with a situation here where the issue is kind of caught, if you will, between two major issues; namely, the guarantee on steel and the guarantee on oil. The reason it belongs here is because we voted on it in the supplemental in which we also had the steel and oil matters. We voted on it and passed it 59 to 40, and it went over to the conference. It was the same conference that addressed the Glacier Bay issue that addressed steel loan guarantees and the oil guarantee, which, I might mention, cost \$270 million. My amendment costs absolutely zero.

I hope my colleagues will accept the amendment. But they may see fit not to. As a consequence, I believe we have an injustice occurring in Alaska for those few hundred Alaska Indian people who depend, and have for years and years, on subsistence access in Glacier Bay. The bureaucrats within the Park Service moved in and simply said: We are going to close it, and that is it.

We have been able, through the efforts of Senator STEVENS, to get remuneration for the potential loss of their rights. But the fact is, on this chart we have 16 national parks where commercial fishing is allowed.

I encourage my colleagues to reflect on the vote that prevailed, 59 to 40, to allow fishing in Glacier Bay. But this is a different amendment. I changed my amendment. Previously, we were going to wait until there was a determination by the State to decide who had jurisdiction. That was going to go to the courts. My current amendment is simply an 18-month moratorium to allow the State to work with the Park Service to evaluate whether or not the resource is in danger. The funding for that is available within the funds for the Park Service.

I ask unanimous consent that statements by Alaska's Lieutenant Governor Fran Ulmer, by Myron Naneng, a respected member of the Migratory Bird Treaty negotiating team, and by the Director of the Fish and Wildlife Service, Jamie Clark, be printed in the RECORD with regard to the specifics of allowing migratory bird hunting in the spring on Federal lands in Alaska, as well as egg gathering.

MIGRATORY BIRD TREATY
ENFORCEMENT INCONSISTENCY

Unlike recent Park Service actions, the Fish and Wildlife Service has had a long-standing policy that is sensitive to subsistence use of migratory waterfowl, and shows that the Fish and Wildlife Service understands its importance to rural Alaskans.

During a Sept. 25, 1997, Senate hearing on the Migratory Bird Treaty, Alaska's Lt. Governor, Fran Ulmer, noted: "... much of the traditional harvest of migratory birds in rural Alaska has taken place, and continues to take place, during the closed-season portion of the year. In Alaska prohibitions on traditional hunting practices have been enforced on a very limited basis."

Myron Naneng, representing the Alaska Native Migratory Bird Working Group, and one of the treaty negotiators, said: "I want to begin by expressing our deepest appreciation for the leadership and commitment

(former Fish and Wildlife Service chief) Mollie Beattie demonstrated as head of the U.S. negotiating team. She showed an uncommon understanding of the nutritional and cultural aspects of the Native subsistence way of life, and her actions showed her confidence in Native people as responsible caretakers and managers of their subsistence resources."

The current Director of the Fish and Wildlife Service, Jamie Clark, had this to say: "Native people have continued their traditional hunt of migratory birds in the spring and summer, and neither government has rigidly enforced the closed season given the realities of life in the arctic and subarctic regions."

Elsewhere in her testimony to the Senate Foreign Relations Committee, Clark called the Fish and Wildlife Service's policy "discretionary non-enforcement." It was—and is—the only way to make the best of a bad situation until the treaty amendments can be put into effect.

If the Fish and Wildlife Service has the good sense to use "discretionary non-enforcement" everywhere else, then that option certainly is open to the National Park Service.

Unfortunately, NPS has instead chosen to ignore both the needs of the local people and Congress' clear desire to allow reasonable spring harvesting.

Mr. MURKOWSKI. Mr. President, finally, I believe that as an authorizer I have been caught, if you will, in this continued dilemma of the appropriators.

I remind you that we have not had hearings on the issue of steel, nor hearings on the issue of oil, as far as this guarantee package is concerned.

It reminds me of an issue that occurred last year with respect to the appropriations process. The Clinton administration decided to acquire Headwaters in Northern California for \$315 million and the New World Mine Site in Montana at a cost of \$65 million. That is \$380 million. It did not go through my committee of jurisdiction, the Energy and Natural Resources Committee. These decisions last year were made with no congressional involvement. The administration sought to bypass the authorizing committee entirely and have the appropriators essentially just write the check for the purpose. We are seeing more and more of this.

As an authorizer, I think we have a job to do, and we are either going to do our job or we might as well give it to the appropriators.

As chairman of the authorizing committee, I want the opportunity for the committee to carefully review the merits of this acquisition. Instead, \$380 million went right out. As a consequence, we are seeing similar things today with regard to the merits of the loan guarantee on oil and steel.

Ultimately, my arguments failed last year. The authorizations and funding were included in the 1998 Interior appropriations bill, much to the administration's delight. There were never any hearings. There was never any open debate for any type of public review.

My little deal represents a few hundred Native people in Alaska, appeal-

ing, if you will, for 18 months to study the impact of their modest fishing and subsistence gathering, and they are depending upon the Senate in this regard because they have no other place to turn. Give them money if you want, but they don't want handouts. They are a proud people; they want the right to continue to do what they have done.

I encourage my colleagues to recognize what is happening here. I hope some day we go to a 2-year budget process.

I appreciate the consideration of all my colleagues.

Mr. STEVENS. Mr. President, I note the Senator from Texas has returned. I ask unanimous consent his time be restored.

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

Mr. GRAMM. We have a bill before the Senate. Perhaps some believe the Government ought to be lending money to American industry; I don't, so I am not for the bill.

We have put together an amendment which I believe improves the bill.

No. 1, we strike the emergency designation so none of the money will come out of the Social Security trust fund.

No. 2, we set up a board made up of the Secretary of Commerce, the Chairman of the Federal Reserve Bank, and the Chairman of the Securities and Exchange Commission. Alan Greenspan would be Chairman. It is a major move towards taking politics out of the determination of who gets the loan.

We require that the lender put up 15 percent of the capital, take 15 percent of the risk, so that the Government does not end up eating the entire loss if there is a loss. Obviously, if you are lending money, you are going to have to make up part of the loss; you will do a better job than if you are lending somebody else's money. We take the minimums out of the bill, so small business can compete for the money.

Finally, we have agreed on language that will put a focus on trying to make loans to maximize the chances that the loans will be paid back and, to the maximum extent possible, take politics out of the process.

This does not make it a good bill, in my mind. I am not for it, but I think it improves it.

I thank the two authors of the bill for working for people, who were not for their bill and were not going to vote for it, to try to make it better. I thank my colleague for giving me an opportunity.

Mr. BYRD. I ask unanimous consent I be allowed to speak.

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

Mr. BYRD. Mr. President, I was one of those who worked on the amendments. I thank those who participated. I thank Mr. DOMENICI. I thank Mr. GRAMM and Mr. NICKLES. We all met, and I agreed on the amendments. I think they were good proposals. I think overall they improved the bill.

I thank all Senators who were engaged in the efforts. I thank the chairman of the Appropriations Committee for his fine cooperation.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I ask that Senator FITZGERALD be added as a cosponsor to the amendment.

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

Mr. STEVENS. Mr. President, I take the Senate back to the time we were in conference. We were in conference a long time on the supplemental appropriations bill with concerns about Kosovo and other vital areas of our national defense policy.

In conference on that bill, we worked late into the night on a series of matters. We had a vote on the Byrd and Domenici amendments. As a matter of fact, the House voted to accept the Byrd version of that loan guarantee program and rejected the version from Senator DOMENICI.

The Senate had not voted at that time. I conferred with Senate conferees and we told the House we insisted on our amendments. The House came back and voted again. At that time, it rejected both amendments. We were stalemated.

We went into the night the next night and through the day. It was about 9:30, 10 o'clock and I asked Senator BYRD if he would consider a suggestion I had. We had a second supplemental in our committee, and we had not conferred on that. It was a bill that was passed by the House and is a viable bill to send back to the House as another supplemental appropriations bill. I asked Senator BYRD if he would consent to take his amendment off of the bill that was pending in conference. I assured him that when we reconvened after the recess I would move the committee to put the steel loan guarantee on that bill and report it to the Senate. I made the same request to Senator DOMENICI. Both of them agreed.

We then conferred with the leadership of both the House and Senate. At that time, it was clear that if this proposal of having these two loan guarantee programs on the supplemental and sending it back to the House had any other amendment it would not be sent to conference in the House.

I remember well Senator BYRD asked me at that time: What are you going to do if the bill gets to the floor and this amendment is offered that would not be germane to either of these two loan guarantee programs, which under the circumstance would lead to the bill not being sent to conference in the House, by the House?

I said: Senator, as chairman of the Appropriations Committee, I will personally move to table any amendment that is not germane to the bill if it is reported by our committee.

We are at this position now. We have adopted the germane amendments. I congratulate all concerned for working that out. I was constrained to move to

table the amendment of the Senator from Arizona. I thank the Senate for tabling that amendment.

The last amendment is the amendment of my colleague that I cosponsored when the bill was before the Senate before. I say to the Senate, in all sincerity, the word of a Senator has to be kept, no matter what the price. I know I will read in my papers in Anchorage and throughout Alaska tomorrow about this, which will be deemed a feud between me and my colleague. It is not a feud. I have a responsibility to keep my word.

As chairman of the Appropriations Committee, I move to table the Murkowski amendment, and 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 question is on agreeing to the motion to table amendment No. 686.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Pennsylvania, Mr. SANTORUM and the Senator from Arizona, Mr. MCCAIN, are necessarily absent.

Mr. REID. I announce that the Senator from Connecticut (Mr. DODD), is necessarily absent.

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

The result was announced—yeas 59, nays 38, as follows:

[Rollcall Vote No. 175 Leg.]

YEAS—59

Abraham	Feingold	Mikulski
Baucus	Feinstein	Moynihan
Bayh	Gorton	Murray
Biden	Graham	Reed
Bingaman	Gregg	Reid
Boxer	Harkin	Robb
Breaux	Hollings	Roberts
Brownback	Inouye	Rockefeller
Bryan	Jeffords	Sarbanes
Byrd	Johnson	Schumer
Chafee	Kennedy	Sessions
Cleland	Kerrey	Shelby
Cochran	Kerry	Smith (OR)
Collins	Kohl	Snowe
Daschle	Lautenberg	Stevens
DeWine	Leahy	Torricelli
Domenici	Levin	Warner
Dorgan	Lieberman	Wellstone
Durbin	Lincoln	Wyden
Edwards	Lugar	

NAYS—38

Alaska	Fitzgerald	Lott
Allard	Frist	Mack
Ashcroft	Gramm	McConnell
Bennett	Grams	Murkowski
Bond	Grassley	Nickles
Bunning	Hagel	Roth
Burns	Hatch	Smith (NH)
Campbell	Helms	Specter
Conrad	Hutchinson	Thomas
Coverdell	Hutchison	Thompson
Craig	Inhofe	Thurmond
Crapo	Kyl	Voinovich
Enzi	Landrieu	

NOT VOTING—3

Dodd	McCain	Santorum
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The motion was agreed to.

Mr. BYRD. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I will make one clarifying statement relative to the vote that was taken and a reference made by my senior colleague to the germaneness of my amendment.

I would like the Record to note that the moratorium that I proposed simply amended last year's appropriations bill which terminated fishing in Glacier Bay. If the fisheries could be closed and the field of participants could be narrowed in an appropriation, then it was certainly not out of place to use the same process for the Glacier Bay amendment, which failed under the tabling motion. I think it was a legitimate appropriation amendment. It set parameters for the expenditure of funds to be appropriated. That is certainly a time-honored, time-tested device.

I recognize all my colleagues were interested in saving their own individual bills, those who are interested in steel, those who are interested in oil guarantees; and, obviously, I was interested in saving fishing in Glacier Bay for native people.

But, hopefully, there will be another day. I will continue to work to convince my colleagues of the merits of my position. I particularly want to thank and recognize the explanation offered by my senior colleague, Senator STEVENS, who had indicated to me sometime ago he would move to table any amendments on this pending matter. That was certainly addressed as well by Senator BYRD. I appreciate and respect their opinion.

We will still be fighting for the native people associated with fishing in Glacier Bay.

Mr. BYRD. Mr. President, if the distinguished Senator will yield?

Mr. MURKOWSKI. I am happy to yield to my good friend.

Mr. BYRD. As the distinguished Senator from Alaska will recall, I voted with him previously. But as I explained earlier today, had we amended this bill with a nongermane amendment, it would have killed the iron and the oil and gas guarantee bill. It would have been dead. Because the Speaker made no commitment to help bring up a bill that would have other matters included in it. He only made his commitment with regard to the iron and oil and gas guarantee. So I thank the Senator.

I had to vote against the Senator from Alaska on this occasion because I wanted to save the bill before the Senate.

Mr. MURKOWSKI. I certainly accept my good friend's explanation. I hope I will have another opportunity to bring the issue up and garner his support on its merits.

I thank the Chair. I thank my colleagues.

Mr. BURNS. Mr. President, I rise today with mixed feelings. On one hand I desperately want to do everything possible to help out America's oil patch. My state has lost thousands of jobs over the last decade and our small independent oil and gas producers are being forced out of the business. Our oil towns are now ghost towns and oil development plans for Montana are far and few between. I would love nothing more than to find a way to help out this vital segment of Montana's economy.

Unfortunately, I do not believe that the piece of legislation is the best course of action. With all due respect to my colleague, Senator DOMENICI, I cannot support any legislation that dips us deeper into the Social Security fund. We have made a stand. We will not continue to dip into this fund and put a further cramp on a system already strained to its breaking point. One step here, another there, and the next thing you know the pledge is gone, and along with it a promise I have made to my fellow Montanans.

It is a hard, hard decision, but I know that Montanans will support me. I have already heard from many of them on this vote. I have called some of my independent producers and asked them if this is the course of action they need us to take right now. Some of them originally supported the program, but more often than not I heard an answer that made me even more proud to know these men and women. They told me that they don't want a handout, and this legislation doesn't address the heart of the problem. The problem in oil country is pretty simple. The federal government is running us off the land and ensuring we can't make a profit.

If you want to help the true independents out there, the Montana businesses, and the other producers who live in the communities, then you better look at royalty relief and streamlining the process to keep our marginal wells in production. You need to let us get to the oil and gas, and you need to be there working with producers, not against them. The Bureau of Land Management, the Department of the Interior, and the United States Forest Service need to change. We don't need to set up a loaning bureaucracy to place more restrictions on our producers and rope them into more capital investment in a market of uncertainty.

Passing this legislation without addressing the heart of the problem is the same as increasing someone's credit limit because they are on the edge of bankruptcy. You have to address the problems of price and access versus production cost, you can't just give them more lead rope and hope the market rebounds to allow them to repay their loans.

Additionally, the legislation before us says you are only eligible for loans under this proposal if credit is not otherwise available, and you can ensure repayment. Well, that sounds like we

are talking out of both sides of our mouths. To make matters worse, the legislation dictates that you have to let the General Accounting Office take a full look at your company's records. Not many Montanans that I know want the federal government having full access to their books as a bargaining chip in their effort to get a loan. The other big problem is that the Guarantee Board is made up of appointees of the Clinton-Gore Administration. I believe the real problems facing our producers are political. Would this legislation only make this problem worse? The administration has a known political agenda that is attempting to move all economic activity off our public lands. They are locking it up piece by piece. Will this agenda infect the decision process as to who gets loans? A lot of our interest is on public land and I don't want to have to face the possibility that some of my producers would be discriminated against because they operate on public land.

I know that my colleagues who support this measure mean well, and they are looking for a way to respond to the pain in the oil patch as quickly as possible, but this is not the way to do it. We need to rally behind a consensus bill that gives tax relief and helps lower the cost of production. We need to stand firm on royalty rates, and we need to continue pushing our Cabinet agencies to stop running our producers off the land. We can extract oil and gas responsibly, and our nation depends on it. Unfortunately, the agenda of the current administration is blinded by politics and is set on completely ignoring the reality of what is good both for the West, and for the security of our nation.

No matter what the outcome of the vote today, I hope it does not distract us from working together to find a real solution. If the legislation passes, I don't want to hear that we have fixed the problem. If it fails, I hope those of us who understand the problems facing our oil and gas producers can come together and work towards passing legislation that goes to the core of the problem.

Mr. BREAUX. As a cochair of the Congressional Oil and Gas Forum, I would like to take a few minutes to discuss the importance of America's small, independent oil and gas producers and the importance of this oil and gas loan guarantee program to their survival.

Over time, oil and gas production in the lower 48 states has become the province of independent producers. The so-called majors are more likely to operate in the offshore deepwater and in Alaska. The independents' share of production in the continental U.S. has increased from about 45 percent in the mid-1980s to more than 60 percent in 1997.

Independents are a different element of the oil and gas production industry than majors. Most producers operating in the lower 48 are small producers.

They don't have the resources of majors such as refineries and chemical operations to buffer them during periods of low oil prices, such as those over the last year and a half.

As a result, independents finance their operations differently than majors. Independents generate 35 percent of their capital primarily from financial institutions. Low oil prices have made banks reluctant to make loans to the industry. This program would unlock the access to capital that is the lifeblood of this industry.

Independent producers have suffered significantly from the current price crisis. These statistics show the impact low prices have had since October 1997:

Domestic production has dropped below six million barrels per day—from 6.4 million to 5.8 million barrels per day. That's the lowest production since 1951.

More than 56,000 jobs lost out of an estimated 340,000 total industry jobs—that's more than 16 percent.

Although prices are improving, an additional 20,000 oil and natural gas jobs are at risk of being lost.

Since October 1997, 136,000 oil wells (25 percent of the U.S. total) and 57,000 natural gas wells have shut down. Many will never operate again.

Mr. President, \$2.21 billion in lost federal royalties and state severance and production taxes. In my state, falling royalty and severance tax revenue have caused Governor Mike Foster to order a \$30 million freeze on state government hiring and spending to head off a budget shortfall. The rate of growth in Louisiana sales and personal income taxes has fallen in recent months as laid-off energy workers reduce their spending.

Mr. President, \$25 billion in lost economic impact associated with shut down oil and gas wells.

U.S. production down 651,000 barrels per day to 5.88 million, the lowest level since 1951.

Operating rig counts have hit historic lows. From November 1997 through April 1999, the domestic drilling rig count dropped 50 percent. The rig count is a quick measure of the level of activity in the industry. While most of this drop has been in the oil side of the business—about a 60 percent drop—the natural gas side of the industry has seen a 40 percent decline.

Capital budgets for oil and natural gas development are down 25-30 percent with the biggest cuts in the U.S. Most independents are drilling new wells.

Faced with these stark problems, the oil and gas loan guarantee program provides a two-year, GATT-legal, \$500 million guaranteed loan program to back loans provided by private financial institutions to qualified oil and gas producers and the associated oil and gas service industry (drilling contractors, well service contractors, tubular goods, etc.)

The OMB estimates that the program will cost \$125 million. The cost is fully offset by funds from the Administration's travel budget.

Loan guarantees are an approach that the Federal Government has used to help recovery of key domestic industries or cities in times of severe crisis. They have been used for Chrysler Corporation and New York City. The Department of Agriculture operates an ongoing loan guarantee program for farmers that addresses their problems during low commodity prices. Here, the concept would provide bridge financing to allow independent producers and the oil industry supply business to recover from the current price crisis.

Independent producers throughout the country continue to suffer severe economic distress. Recovery will be neither quick nor easy. This Emergency Oil and Gas Loan Guarantee Program will save jobs and businesses. It will contribute to the continued viability of the independent producing industry and U.S. national security.

I urge my colleagues to support this legislation.

Mr. BINGAMAN. Mr. President, I co-sponsored the oil and gas loan guarantee program on the emergency supplemental because I believe this is an important and necessary program to ensure independent producers are able to continue operating in the United States. This program is available only to small producers who do not own refineries of any size. No major oil company is eligible.

We are currently importing well over 50 percent of our oil needs. The Energy Information Administration projects that by 2020 we will be importing 65 percent of the oil we consume. The independent oil and gas producers, those companies eligible for this program, have remained committed to domestic production. They are the backbone of our domestic oil supply. They do not import oil, and they do not sell gasoline. Every barrel these independents produce generates jobs, tax and royalty revenues and eliminates another barrel of imports.

Oil prices were as low as \$7 per barrel in New Mexico a few months ago. Although prices have recovered somewhat, small producers were devastated. In addition to the pending loan guarantee program, I believe we need to implement other policy changes to protect our domestic production. Our tax and royalty policies need to be changed to ensure independent oil and gas producers have enough cash flow so they can avoid shutting in production again when prices fall as low as they were recently.

I urge support for this bill.

The PRESIDING OFFICER. The clerk will read the bill for a third time.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. I thank my colleagues for their work in the handling of this legislation today. They made a lot of

progress. We will vote on final passage first thing in the morning.

A number of Senators have asked about the plan for tomorrow. We do take up the State Department authorization bill after we have final passage of this piece of legislation. There may be a necessary vote or two on amendments, but they will occur, hopefully, as early in the morning as possible, but none later than 11:45. So any of you who have plans to leave at 11:45 or 12 noon, whatever, you will be able to do that.

As usual, we announced we would have a vote or votes on this Friday, but the votes will not occur beyond 12 noon. I hope it will be earlier than that.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I am glad to yield.

Mr. BYRD. I thank the distinguished Senator from Massachusetts.

I only want to take a few seconds to thank the majority leader for bringing up the bill which the Senate has reached agreement on which will be voted on tomorrow morning, the iron and oil and gas guarantee bill. The leader made a commitment to bring that bill up; he did not make any commitment to pass it. He did not make any commitment to vote for it. But he made a commitment to bring it up, and he has kept his word. I thank him for that.

Mr. LOTT. Thank you very much.

Mr. BYRD. I thank my own leader, and I thank TED STEVENS, the chairman of the Appropriations Committee, and Senator DOMENICI. They have used their usual skill, good humor, and toughness. I think the Nation is better off as a result.

Thank you.

Mr. LOTT. Thank you very much.

Mr. BYRD. I thank the Senator from Massachusetts.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

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

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I see my friends and colleagues here from California and Illinois. I intend to use my 10 minutes. I will be glad to respond to questions, but I ask unanimous consent that following my time that the Senator from California be recognized for 10 minutes and the Senator from Illinois be recognized for 10 minutes.

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

Mr. KENNEDY. Thank you, Mr. President.

THE PATIENTS' BILL OF RIGHTS

Mr. KENNEDY. Mr. President, I will take just a few moments this evening to address the Senate on an issue which our leader, Senator DASCHLE, and others, have spoken to the Senate about in the period of these last few days. I would like to urge that the leadership here in the Senate set a firm time for the consideration of legislation, which I believe is of central concern to families all over this country, known as the Patients' Bill of Rights.

We have taken advantage of the opportunity in the Senate to make a case for the consideration of this legislation. We are very mindful that there are appropriations bills that have to be addressed, but I think this is a matter which is of central importance and concern to all of the families of this country. It does seem to me that we ought to address this question and at least establish a timeframe for which the Senate could debate and finalize its actions on this legislation.

I know there are probably Members wondering why there are several of us who are bringing this to the attention of the Senate again this evening. I would like to just review for the Senate membership what the timeframe has been in the consideration of this legislation since the introduction of the original Patients' Bill of Rights more than 2 years ago.

When we introduced legislation in the Senate over 2 years ago, we thought we would have an opportunity to address it, at least in the final months or weeks of the last session. We were unable to do so. At the very end of the session, the majority leader, at that time, indicated this would be a priority item for the consideration of the Senate.

I thought I would just review briefly tonight the key parts of this legislation and why so many of us are anxious that we have the assurance by the leadership that this matter will be considered by a date certain. If we secure a date, then members will know about it, and the American people will understand it. They will be able to focus on this extremely important health measure, which effectively, when all is said and done, will guarantee that medical decisions in this country are going to be made by the trained professionals and the patients they are treating and not be made by accountants in the various HMOs and insurance companies. When you get right down to it, that is what this legislation is all about.

The Patients' Bill of Rights was introduced over 2 years ago. It was never scheduled in the last Congress, despite our repeated efforts to bring it before the Senate. This year's track record is equally troubling.

On January 19, the majority leader said on the floor of the Senate that it was a priority. On January 27, in an address to the U.S. Chamber of Commerce, the majority leader announced that he expected the bill to come up in May. On March 18, our Health, Education, Labor and Pensions Committee

passed a bill on a party-line vote, but a report has just filed today. We passed the legislation out of our committee on March 18. Now we have April 18, May 18, June 18 coming up tomorrow.

On April 15, the majority leader issued a list of bills to be completed by Memorial Day. The Patients' Bill of Rights was not even on that list. On May 19, the majority leader told the National Journal that he hoped to bring up the bill in June, that he had ordered the Finance Committee to move its portions of the bill. But that committee has held 30 hearings this year, not one on the Patients' Bill of Rights, and no markup is scheduled.

Then on May 27, just as the Memorial Day recess was starting, the majority leader said at a press conference that he hoped it could be brought up by the summer.

So we have gone from an announcement in January that it is a priority to a possible scheduling in May, to a possible scheduling in June, and now it is something that might come up this summer. And just today, the Republican leader said flatly that if we asked for a reasonable number of amendments, the answer was no. That is a quote from the majority leader in today's publication of Congress Daily.

We can say, well, what is this really all about? Why should we be giving this consideration? We had the opportunity in the Health, Education, Labor and Pensions Committee to actually mark up a Patients' Bill of Rights in March of this year. It was reported out over the opposition of a number of us on some very important measures.

I will review very quickly with the Members of the Senate in the time that I have tonight—how much time remains?

The PRESIDING OFFICER (Mr. BENNETT). The Senator has 3 minutes 8 seconds.

Mrs. BOXER. You can take 5 minutes from me.

Mr. KENNEDY. I yield myself the 3 minutes then.

Mr. President, listed in this chart are the protections in the Patients' Bill of Rights. First of all, the legislation that we favor covers all 161 million Americans with private health insurance. Those on the other side, whose legislation primarily favors so-called self-funded programs, don't protect anyone in HMOs. But that's the issue here. HMOs are making decisions on the basis of the bottom line rather than the interests of the patients. We want to protect families. The Republican proposal doesn't even cover those individuals in HMOs, because HMOs are not self-funded.

One amendment would allow the Senate to show whether we are really interested in providing protection for all Americans who need it or just for one-third? It seems to me that could be an issue that wouldn't take a great deal of time to be able to understand.

We heard very considerable debate on complicated issues here this afternoon

and were able to make resolutions of those measures. Certainly we ought to be able to make a decision on the floor of the Senate whether we are interested in covering all Americans or whether we are interested, as our friends are on the other side, in only covering about a third of those.

So these issues on the chart are the principal differences between the Republican proposal and the Democratic bill. We would make sure we are going to cover all the patients. We would make sure that we are going to guarantee that all patients, including children, are able to get the specialists that are needed to deal with their needs.

We are going to guarantee coverage for routine costs in certain clinical trials. I believe that the next century is going to be known as the century of life sciences. We are committed here, I believe, in the Senate to doubling the research budget in the NIH. Why? Because of the promises of breakthroughs in lifesaving drugs for cancer and Parkinson's disease and Alzheimer's and other conditions. But to get these breakthrough drugs, you have to provide clinical trials. Clinical trials are a key element in terms of bringing the brilliance of our researchers from the laboratory to the bedside.

We want to make sure that individuals who are afflicted with a disease for which traditional treatments offer very little hope for their survival have access to the breakthroughs that can be achieved by clinical trials. If the medical doctor that is treating that patient recommends a clinical trial, we are committed to making sure that clinical trial will be available for that mother, for that daughter, for that child, for whomever it might be in the family that can benefit from it. That is one of the very important aspects in this debate.

It doesn't make a lot of sense on the one hand to be voting for billions of dollars to support research at the NIH to discover breakthrough therapies, but on the other hand not be able to use them. We want to make sure that there is going to be a law, a guarantee, that encourages access for certain patients.

So, we will take the time in the Senate to go over a few of these issues each day and spell out exactly the kinds of protections that we think are needed in a real Patients' Bill of Rights. There are not a lot of them.

When the minority leader indicated there would be probably 20 amendments or so needed on our side, it is no secret what many of those amendments would be. You can look right over this list and see the protections that are guaranteed in our Patients' Bill of Rights and the failings of the one that will be proposed by the opposition.

The bottom line is that over 200 organizations in this country, made up of the best of the medical profession, the best doctors, the best nurses, the patients' organizations, working families

and others, universally and uniformly support our proposal. And the other side does not have one, not one organization. There isn't a single medical organization in our country that supports their program. But 200 leading groups support ours. Not because it is Democrat or Republican. It is because ours protects patients.

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

Mrs. BOXER. Mr. President, if I could, I ask unanimous consent to engage my friend on my time in a couple of questions, reserve the remainder of my time, and then ask the Senator from Illinois if he would go, and then I will close.

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

Mrs. BOXER. I thank the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from California is recognized.

Mrs. BOXER. Mr. President, we thought there was a breakthrough from our majority leader. We believed we were going to have this Patients' Bill of Rights before us soon. I know we did that with the gun bill. I just want to know where we stand on this. I was listening to my friend. Is it my understanding it is the position of the majority leader that he would not agree to scheduling this Patients' Bill of Rights if we would just offer 20 amendments to it? Is that it? Did he put out a number of amendments he would accept?

Mr. KENNEDY. The Senator is quite correct, according to this morning's edition of Congress Daily. The leader was here earlier this evening and has not refuted it. The Democratic leader has restated it. Here it is. He says, "If they are still insisting on 20 amendments, the answer is no." Then he says, "We don't have but 2 weeks before the Fourth of July."

But, as I understand it, there are some 52 or 53 amendments that are now pending on the legislation we are calling up tomorrow, dealing with the State Department authorization. So 52 amendments are OK for the State Department authorization, but our 20 amendments are not OK for the Patients' Bill of Rights.

Here they are, effectively, on this chart. There is no secret about what we are generally interested in addressing. There may be some changes in some of the language. I think one of the ones that might be missing is something on "drive-through mastectomies," which is not spelled out here. But there is no secret here.

Mrs. BOXER. Mr. President, so that people in this country understand, when it comes to the State Department, which deals with other countries, there doesn't seem to be any problem of the leadership with having 50-plus amendments. But when it comes to the reality and everyday life of our people who are not getting the quality health care they deserve, who want to see HMOs held accountable,

who want to be able to go to a specialist, who want to make sure they have the information as to what all the possibilities of treatment are, who want to make sure, if they are, for example, a woman and they go to an OB/GYN and all of those points on there, we can't have that. They would add up to 20, 21 amendments, but we do not have agreement.

I think the American people ought to understand what is going on here. I have to say, in my heart of hearts, as my friend points out, every responsible organization that deals with health care supports this Patients' Bill of Rights—the Democrats' version. So one can only conclude it is the special interests on the other side that are blocking this proposal from coming to the floor. I can't come up with any other answer. I wonder if my friend can.

Mr. KENNEDY. The Senator is quite correct. I mentioned a moment ago—but it bears repeating—that we had the assurance by the majority leader on January 19 and January 27 that this would be a priority, and we expected the bill to come up in May. On March 18, we acted in our Health and Education Committee and reported out what I consider to be a "Patients' Bill of Wrongs." It doesn't provide the protections American patients need. But we ought to have whatever is going to be used out here so we can debate it. The bill from our committee was just filed today. They have had half of March, all of April, May, and half of June—3 months. That gives an indication of what the attitude and atmosphere is here in terms of acting on something that is of central importance to protecting families across this country.

And then, finally, as we heard today, it isn't just to the Senator from California, or from Illinois, or the Senator from Massachusetts, but they are saying no to the families in this country: No, you are not going to be able to have those protections considered. No, you are not going to be able to bring this up. We heard last year from those on the other side of the aisle that we are not going to let you decide what the agenda is going to be.

All we are trying to do is the people's business. It is the business that has been supported by virtually every single major medical and patient organization. It is their business, and their treatment. It is each family's business. That is why I wonder whether the Senator from California, like myself, is troubled by the fact that we can't get this legislation up, why we get a refusal to consider this proposal.

If I could ask the Senator, does the Senator remember that the Democratic leader indicated that, as far as speaking for the Democrats, we could go on sort of a dual track. If it was the judgment of the Republican leadership that we could do their agenda, I know I would be here through the afternoon tomorrow and through the afternoon

on Saturday, or in the evenings, of course, next week. We could certainly get a debate and discussion on the various 20 or so amendments needed to pass a good bill. And I am wondering if the Senator from California or the Senator from Illinois remembers when that proposal was put forward. I have been here a number of times when we have followed that procedure.

Mrs. BOXER. Yes, I just heard Senator DASCHLE propose again that we have a late shift. He said many Americans, after they work their day shift, work a late shift. Why don't we do it here in the Senate? Here we are, the Senator from Utah is in the Chair, and he is always ready to work; he is a great worker. We are here ready to work. The people want us to do the business.

I will close my question this way. This happened once before on the minimum wage. I hope the Senate remembers the ending of that. When the Senator from Massachusetts decides to take all his energy and put it to an issue, and we come around and we put our energy and spirit behind an issue, what happens is that eventually the issue will be heard. We did it with the minimum wage. It was a horrible situation, trying to get that before the Senate. But I think we know how to do it. As the Senator from Massachusetts said, if this wasn't an important issue, we would fail in our effort. If this was a frivolous matter, we wouldn't win. But it is important every single day to people.

I have case after case in California—and I hear them coming from around the country—where you have a little child who is your pride and joy. Suddenly, a terrible disease hits and an HMO says: You don't need a pediatric specialist; take him to our cancer specialist. They ask: Has the cancer specialist ever operated on a child before? The answer is: No, but he is good. They say: No; I want the best for my child. I want somebody who knows what it is to examine a little body. Children are not little adults; they are changing, they are growing, they are different. I, on the other hand, am a little adult, but a child is different and they need to have specialties.

Under the bill the Democrats are supporting, that would be a fact. You would have the right to have someone who knows what they are doing. If you want to get a tooth pulled, you don't go to a foot doctor. If you want to treat a child, you go to a pediatric specialist. So this is serious.

I am so happy to be part of this little trio tonight.

Mr. KENNEDY. If the Senator will yield, the proposal advanced by our Republican friends is so bad that you can't even appeal the rights it purports to guarantee. If, for example, you had a child whose doctor recommended a cancer specialist—a pediatric oncologist—and the HMO rejected it, by saying, "No, we are not going to allow you to see that specialist, even if

the doctor recommended it," and the parent said, "Well, I want to appeal"; under the proposal reported out of the Labor Committee, that family has no right of appeal, because the right of appeal is defined to deal only with certain decisions and not with regard to individuals' access to specialists. So it effectively excludes from the appeal system a whole range of care and protection that it claims to provide. That is rather a technical aspect. That may take a little time to debate. We can certainly vote on that. But not only don't you get the specialist, you don't even have a right to appeal it even if the doctor says this is what your child needs.

I can say, from a personal point of view, how important these provisions are. My son had cancer, osteosarcoma, and he was given little chance in terms of survival. They told him he needed a pediatric oncologist, and he was able to participate in a clinical trial that worked miracles for him and the other children who participated in it.

Members of the Senate always have very good insurance. We can get into clinical trials, and we can have our specialists. It is always interesting to me that some Members can vote no on these protections when they have it themselves. Then some Members wonder why people are cynical about how they view Members of the Congress.

As you well know, when you become a Member of the Senate, you fill out that little card so you can have the health care coverage that is available to Federal employees. You don't have to take it. But I bet there isn't a Member of the Senate who has refused it.

Yet, they are prepared to deny Americans across the country the kind of protections we have, and that our families have. They don't want to debate this issue.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I am happy to join my colleagues from California and Massachusetts. We were on the floor about a month ago and decided that we would like to have the Senate debate the gun issue. I remember the day very well. The majority leader, Senator LOTT, came to the floor and said: You will have your wish. In 2 weeks you will get a vote.

Most people view that as a very historic debate, as America was literally emotionally wrenched over the Littleton, CO, tragedy.

We, finally after a few weeks, addressed it on the floor of the Senate in a debate which culminated in the passage of sensible gun control legislation, when the Vice President of the United States, AL GORE, cast the deciding vote.

We come to the floor this evening, as we have before and will in the future, to urge the leadership of the Senate to again address the issue which is on the minds of American families nationwide.

Senator KENNEDY made an excellent point. We are blessed as Members of

the Senate. We are blessed by being considered Federal employees. As Federal employees, we have access to health care, which very few people in America have.

Imagine this for a moment. Once a year, we have open enrollment. We get to make a choice of medical plans. What do we want for our families?

There is a Congressman now who serves from the State of South Carolina in the House of Representatives who decided at age 60 that he wanted a lung transplant. He waited until open enrollment and enrolled in a plan which would cover a lung transplant for him at the age of 60. He signed up for it and went through the operation successfully, and still serves in the U.S. House of Representatives. This was 6 or 8 years ago. But he was able to shop for his health insurance. What a luxury.

How many Americans can do that? Those of us in the Senate and most Federal employees have that option. What we are talking about is giving this kind of protection and this kind of option to many different Americans when it comes to the quality of their own health care.

When we asked the Rand Corporation how important this issue is, they told us that 115 million Americans either have had a problem with their managed care insurance, or a member of their family has had a problem. This is a real concern.

Do you remember the movie "As Good As It Gets" with Jack Nicholson and Helen Hunt? She was so good in that movie and had a little boy suffering from asthma. There was this great scene in the movie where Jack Nicholson decides to pay for a specialist to come see her little boy at their apartment. They are sitting at the table, and Helen Hunt decides to give, in her own earthy way, an expletive definition of managed care. In every movie theater that I have been to where that movie is shown the people started applauding. She knows what she is talking about.

Arbitrary decisions that are being made by bureaucrats and clerks in insurance companies are not good for you or your family.

Senator KENNEDY is talking about the Democratic Patients' Bill of Rights. Senator BOXER of California spelled out the difference between these two.

It gets down to some fundamental things. When you look at it, think about this.

An internist from my hometown of Springfield, IL, a town of about 110,000 people with two excellent hospitals comes in to talk to me. We are in a conversation. He says: You know, I am treating more and more patients for depression. It is something that seems to bother a lot of people, and thank goodness we have many ways to treat it with drugs and therapies that work. He says: You know, a lot of my patients are concerned if it gets into part

of their medical record that they have been treated for chronic depression. He says: Of course, they know that if they are in a position where they have to apply for health insurance in the future they may be turned down because they have "a mental illness," a chronic depression, a very common malady among American people.

Shouldn't we during the course of this debate on a Patients' Bill of Rights talk about this kind of prejudice and discrimination against people who have chronic depression? This is something that affects every family. It could.

When we talk about access to health care—Senator KENNEDY made this point, and Senator BOXER as well—the difference between the Republican plan and the Democratic plan is graphic. The Republican plan excludes more than 100 million Americans from protections we are talking about. They cover people that are in a self-funded employer health insurance plan, about 48 million Americans. But look who is left behind—15 million Americans buying individual policies, 23 million State and local government workers, 75 million people whose employers provide coverage through an insurance policy, or an HMO, 75 million people written out of the Republican plan. They leave behind 113 million Americans.

If we are talking about a real bill that addresses the concern of real American families, it should include all.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. DURBIN. I am happy to yield.

Mr. KENNEDY. Basically, the self-funded plans are primarily the largest businesses. Looking at this another way, you will find that people left out of the Republican plan are schoolteachers, police officers, social workers, and small business men and women. How many small businesses have self-funded programs? Virtually none.

Mr. DURBIN. And farmers.

Mr. KENNEDY. And farmers. These are the ones that aren't included in the majority's proposal. These are the ones that the statistics confirm what the Senator from Illinois has said. But when you look behind those statistics about who is covered and who isn't covered, you will find that it is the working families, the small business men and women, and the farmers and the workers who are the ones that aren't included. They certainly should be protected as well as everyone else.

I thank the Senator.

Mr. DURBIN. I thank the Senator from Massachusetts. His point is well taken.

Before we end this debate, let's stop talking about health for a minute and let's talk about politics.

If this is such an important issue, and the debate on this issue is really one where we could have some debates, why are we not considering it on the floor of the Senate?

We spent 5 days debating protection for computer companies against lawsuits—5 days to protect these computer companies. It is an important debate. Can't we spend 5 hours talking about protecting American families when it comes to their health insurance? We are afraid of amendments, the Republicans say. We want to make sure that we have a limited number of amendments—no more than 20 on the side. In fact, that may be too many.

As Senator KENNEDY said, on the next bill we will consider there are over 50 amendments. We haven't disqualified that bill from consideration. We understand that it is important that we do our business and debate these things and vote on them.

The bottom line here is that there are Members on the other side of the aisle who do not want to face votes on these issues. They don't want to have to go home and explain why they stood with the insurance companies and voted against the people they are supposed to represent—the families, the consumers, those who are literally worried on a day-to-day basis as to whether they have health insurance protection.

I think, frankly, they have to face their responsibility on this side of the aisle as we do on our side of the aisle, a responsibility to face a tougher vote, make a choice, go home, and defend your vote. That is the nature of this government.

For them to try to construct some sort of a strategy on the floor to protect themselves from criticism is at the expense of the families across America who do not have adequate health insurance and expect Congress to do something to protect them.

Mrs. BOXER. Will the Senator yield?

Mr. DURBIN. I am happy to yield to the Senator from California.

Mrs. BOXER. I thank the Senator for his eloquence on this point.

When he said we spent 5 days taking care of the computer industry, I come from the Silicon Valley. I love those people. They are good people. They are the best employers. As a matter of fact, I thought it was a bit insulting to them to think that they need to have all of this special help from us. I think they are going to take care of the problem and stand up to the challenge. They are wonderful people. We took care of them with days of debate. We took care of the steel companies. We just did that. Oil companies—just did that.

I am sitting here thinking what about all these people who write us every day.

I want to ask the Senator a question. Is it not his understanding—because the Senator said this before, and I want the Senator to expound on it—that there are only two groups in America today who cannot be held accountable in a court of law? Could the Senator talk about who those groups are?

Mr. DURBIN. Every one of us as individuals and businesses can be held accountable for our actions. That is understandable. You go out and drink too much, drive a car, get in an accident, and you might be sued. There are two groups, though, that are spared this: foreign diplomats and health insurance companies.

Why in the world would we carve out this kind of protection from liability for this group of health insurance companies? If they make the wrong decision on coverage, and it is your child who ends up not getting adequate care, or getting a bad medical result, who should be held responsible—the doctor, the hospital, or the insurance company that made the basic decision? I think the insurance company should.

Frankly, if they are held accountable, they will think twice about making the wrong decision. They will make certain that children have access to specialists they need, that people can go to emergency rooms close to home, and when there is a medical necessity there is a continuity of care. If your employer changes health insurance, you have an opportunity to keep that doctor who is so important to you.

One of the most humbling experiences in my life—in the life of virtually anyone—is to sit in a waiting room in a hospital waiting to hear about the surgery on your child. Senator KENNEDY has been through that. I have been through that. It is something I will never forget. You realize that everything you hold dear and close is in the hands of people you have to trust to be the very best specialists, well-trained medical technicians trying to save or improve the life of someone you love so very much.

I think at those moments in our life when we are so vulnerable and pray that we have the very best and brightest helping our children and helping members of the family we love so much, to do the job and do the right thing and bring them home, we need to have the confidence that we have a system that works.

Over 100 million Americans today question whether this system works. They question whether that doctor they want to trust can tell them everything they need to know. They question whether that hospital making a decision can make that decision without worrying about some insurance clerk in some faraway city.

If we do nothing else in the 106th Congress, shouldn't we address this basic gut issue that American families worry about on a day-to-day basis? The 105th Congress came and went with a record no one remembers. This Congress has a chance to act. We may debate a lot of things on the floor of the Senate, but if we don't take up this very fundamental issue, we are missing our responsibility.

This Congress should not be toiling in an atmosphere of partisanship. It shouldn't be afraid to face tough issues. It should come forward and vote

for the Patients' Bill of Rights, as Senator KENNEDY and Senator BOXER have said, to make sure families across America receive the protection they deserve.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I will address the same subject that my senior colleague from Massachusetts and the Senators from California and Illinois have talked about: The Patients' Bill of Rights.

Our health care system has been a remarkably successful system. We can't forget the fact that over the years the idea of people living longer and healthier has become a reality.

When I was a little boy, all the kids in my neighborhood would come around and press their foreheads to the kitchen window because in our home sat a curiosity, in a certain sense. It was my great grandmother; she was over 80. In the neighborhood, everybody said she was the oldest lady in the world. They hadn't seen anybody over 80. It was a rarity.

These days, of course, somebody who lives over 80 is, thank God, rather commonplace. In fact, on the "Today Show" they used to announce people who celebrated their 80th birthday; then they announced the 90th birthdays; and now they announce the 100th and 105th birthdays. That is, in good part, because of our health care system.

It is a good health care system, there is no question. However, over the last several years it has developed some problems that can be fixed. These are not the intractable problems of how we pay for the costs of new operations that cost tens of thousands and even hundreds of thousands of dollars.

What happened is very simple. Costs were going up. We were basically involved in a cost-plus system. As a result, HMOs developed. HMOs had a good purpose. They were going to "rationalize" the health care system. They were going to keep costs down so that the providers could not raise costs willy-nilly and have a third party pay.

For a while it worked. Costs did decline. It is one of the reasons that our budget is in better shape today than it has been.

However, the pendulum swung too far. In a good effort to reduce costs, HMOs began to go too far. They started assigning important, often life-and-death decisions. They started taking those decisions out of the hands of physicians, out of the hands of hospitals, out of the hands of trained personnel, and putting them in the hands of actuaries.

As a result, day after day after day, injustices are done. We hear stories such as the one I told on the floor a couple of days ago about the young nurse who can barely walk because her HMO would not provide her with an orthopedic oncologist. Instead, she went to a regular orthopedic surgeon. The surgery was performed not well. The

tumor grew back. She had to go to an orthopedic oncologist.

How about a simple case where somebody has cancer. The HMO says yes, that is covered. Because of the cancer, they cannot swallow; they cannot eat. The HMO's decision of no dietary supplements being allowed is a ridiculous decision.

How about the times when people go to an emergency room and are told: You are not covered; go somewhere else.

Or when woman after woman after woman is again turned away from going to an obstetrician or gynecologist. A woman is told that osteoporosis, a common woman's disease, is not covered by the HMO, even though diseases that would be just as frequent in men are covered.

On issue after issue after issue, every day across America, scores of people—perhaps hundreds of people—are sitting there in awful situations and are told that not only do they have to deal with their illness but they have to deal with an unfair HMO.

What we seek to do, led by the senior Senator from Massachusetts, is simply to redress that imbalance. This is not radical surgery. We are not trying to totally change the system. We are not even trying to eliminate HMOs. We are simply trying to put in place some basic rules of fairness that seem to most Americans to be called for. We are simply trying to say that the pendulum, which has swung so far over on the side of the actuaries, should move a little bit back to the middle. We are attempting to keep the best parts of HMOs, which deal with cost savings, and at the same time get rid of their most egregious violations. We are on the floor of the Senate simply asking for a chance to debate those issues.

I have now been in the Senate close to 6 months. We had some historic moments in the first few months. Since then, it seems to me no issue is being asked to be debated more, to be discussed, to be legislated upon than this subject. Yet we are told we can't do it. It just does not make sense.

So we must come to the floor of the Senate in the early hours of the morning or the later hours of the evening and make our case. We shouldn't have to. This is a deliberative body that has been known for its great debates, that has been known for the fact that, if a group of Senators feels strongly about an issue, they will get to debate it and vote on it. That has been the tradition for the 200-some-odd glorious years of this body. It is being thwarted on an issue of great importance.

I am sure most of my colleagues in this body do not agree with every position I hold, and I don't agree with every position they hold on HMOs. How in the name of fairness can we refuse to debate the issue? How can we refuse that young nurse who really needs the orthopedic oncologist or that cancer victim who needs dietary supplements or that woman who needs help with

osteoporosis? How can we refuse, at least through their elective Representatives, to let their voices be heard?

So we debate tonight simply asking for some vital things. We ask for the ability of patients to be treated in the emergency room wherever that emergency occurs. We ask for the ability of people to get the specialists that are medically called for and that they need, not for excessive use, not for things they do not need, but for things they need. We ask, if that HMO makes an egregious and reckless mistake, for the ability to sue it, not out of malice but out of fairness, out of recompense, and out of a desire to correct an abuse that may have occurred.

As I mentioned, these are not large demands in the grand scheme of things, but they are very important to millions of Americans who either have an ill loved one, or have an illness themselves, or who worry that they might.

So I ask, and I am joined by so many of my colleagues, particularly those of us on this side of the aisle, I ask the majority leader to allow this issue to come to the floor, to allow a full and open debate. I do not know what the results will be, but I can tell you this: If we do that, we will be, indeed, fulfilling our obligation as the people's Senators, as the people's Representatives, and we will be living up to the fine and high traditions of this Senate.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. DASCHLE. 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. DASCHLE. Mr. President, I hoped to get over here prior to the time my colleagues left the floor, but let me compliment Senators KENNEDY, DURBIN, BOXER, SCHUMER, and others who participated in the colloquy this afternoon on the Patients' Bill of Rights. We are very hopeful that over the course of the next two weeks the Senate can reach an agreement on proceeding to the bill, the Patients' Bill of Rights.

We will be more than happy to enter into negotiations with our colleagues on the other side of the aisle with one understanding, that we have the opportunity to offer amendments. In fact, we have suggested at least 20 amendments to ensure that we have a good debate. We don't want to have a sham debate on something of this import. On a bill that we will take up tomorrow, the State Department authorization bill, both sides have agreed to consider 52 amendments. We passed the Defense authorization bill a month ago, and we agreed to over 100 amendments. We have reached an agreement on virtually every bill that has come to the floor. In fact, the juvenile justice bill

had 35 amendments with over 18 roll-call votes.

But I think the key question is, if tomorrow we can agree, as Republicans and Democrats, to consider 52 amendments on a bill that has, frankly, very little relevance to the day-to-day lives of every American, as important as it is for other reasons, then, my goodness, it would seem to me we could agree to 20 amendments on the Patients' Bill of Rights.

One of the amendments we feel very strongly about offering is an amendment to expand the scope of the bill. I just want to talk briefly about that before I move to another issue. Probably the single biggest difference—I won't say the only big difference, because there are many—but one of the most important differences between the Republican bill and the Democratic bill has to do with what we call scope. By scope, we simply mean who is covered.

By everybody's recognition, the Republican bill covers 48 million Americans. Those 48 million Americans fall into one category: those employed by large businesses that are self-insured. Those are the only American people today who are covered under the Republican bill.

I have a chart. This is so important. This chart says it so well. This chart shows what the Republican bill does not do, and why we feel so strongly about offering amendments. Mr. President, 48 million Americans are covered through a plan that self-funds insurance within the company. Here are all the people who are not covered; 75 million Americans are not covered who have individual insurance policies or an HMO that is purchased but not funded by their employer. In other words, if you are an employee of a company with self-funded insurance, you are covered. If you work for an employer who contracts with an insurance company or an HMO, you are not covered.

There are only 48 million people in that category—those who work for a self-insured employer. There are 75 million Americans who are working for employers who purchase their insurance through separately-funded insurance companies and HMOs. There are another 23 million Americans who have their insurance through their jobs in State and local governments, and then there are 15 million Americans who have individual insurance plans. All of those people are not covered in the Republican plan. Two-thirds of all of those with health insurance are not covered.

I do not know why they would not be covered under the Republican plan. I am sure our Republican colleagues have a good rationale for not including all of these people. I have heard them say they are covered in some of the State plans. That is the problem.

What if you move from one State to another? The average American family now moves three times in the life of the family as children are growing up. What if you move? What if you get

transferred? You may not be covered. How do you know? Are you going to call the State capital and find out? We say: Cover them all. Cover all 75 million Americans who are working for companies that have insurance coverage. Cover all State and local government employees. Cover all people who have individual policies and, yes, cover everybody who is working for a self-insured company.

That is just one of the many differences—and we want to talk more about that in the future—but it is why we ought to have amendments. Some suggest let's just have an up-or-down vote on the Republican bill and an up-or-down vote on the Democratic bill. That will not cut it. We will not have an opportunity to talk about issues like this.

I really hope we will have the opportunity to have that debate in the next 2 weeks. We will have the opportunity, because if we cannot get an agreement, we will be forced then to offer it as an amendment to another bill.

WHO CALLS THE SHOTS ON CAPITOL HILL, THE GUN LOBBY OR AVERAGE AMERICANS?

Mr. DASCHLE. Mr. President, I want to briefly talk about another issue, because it is pending in the House at this time and I think it is very important to talk about the gun control issue.

Last month, the day before the Senate voted to close the gun show loophole, a prominent Republican Senator made a prediction. He said it really did not matter how the Senate voted, because the House would water down any gun restrictions we pass.

That is what was predicted. The gun lobby and its supporters in the House have now made good on that threat. But even though we were warned, we are still stunned that the power of one lobbyist organization can be so demonstrably effective as they appear to have been thus far.

The gun lobby's approach to gun control in the Senate was a sham. It is a sham in the House. The first House Republican leadership announcement was that they would divide the juvenile bill into two separate bills: one focusing on youth crime and culture, the other on gun control.

We all recognize what that announcement was. It was a move to dilute or even kill the modest gun control measures that had passed in the Senate just a few short weeks ago. Now the House Republican leadership has decided not to bring its sham bill to the floor of the House until 8 o'clock tonight, well after the evening news. I think we know why. The pro-gun forces clearly do not want the American public to know what is going to happen after 8 o'clock tonight.

It may be after 8 o'clock tonight when the House begins its gun debate, but it is certainly high noon for those of us who care about this issue. It is time we find out who is going to win

this showdown: the gun lobby or the American people.

Littleton, CO, marked a turning point for most Americans, and now we will find out if it marked a turning point for the pro-gun forces on Capitol Hill—or if it is just business as usual. Are we going to make it harder for children and criminals to get guns—or easier? Is it as dramatic a moment, is it as clear a choice as many of us in the Senate believe it is?

Today, we are warning those who are about to vote in the House: The gun lobby tried every excuse and half-measure they could come up with to defeat the modest restrictions in the Senate, and they failed.

Why? Because we know what America wants. America wants to close the gun show loophole. Sham proposals that do not cover all gun shows and allow criminals to get guns are not enough. Weak measures that only allow 24—or even 72 hours—are not enough. Law enforcement must have up to three business days to complete background checks, when necessary, to make sure that guns do not end up in the hands of criminals. Nothing less is acceptable.

The gun lobby says it is, but I guarantee that any family who has lost a child to gun violence will disagree. Listen to your conscience and your constituents, not to the extremist wing of the gun lobby.

I come from gun country. Most South Dakotans feel pretty strongly about guns. They are part of our culture, our heritage. I have owned a gun since I was 8 years old. But even in South Dakota, the vast majority of people believe we need to do more to keep guns out of the hands of children and criminals.

Tonight, the House of Representatives has a chance to build on the conscientious proposals that passed in the Senate. It is a narrow window of opportunity for Congress to act in a way that will make a real difference for our children and for our communities. Let us listen, let us stop the maneuvering, let us do something now. Tonight is the night. Mr. President, 8 o'clock, 9 o'clock, 1 o'clock, 3 o'clock, it does not matter. Do the right thing. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

ENDING ABUSIVE AND EXPLOITATIVE CHILD LABOR

Mr. HARKIN. Mr. President, I will take a few minutes to speak about why I was necessarily absent from voting yesterday and explain how I would have voted had I been here.

For the better part of a decade, I have been working to help end abusive and exploitative child labor around the globe and even in our backyard. I have come to the floor many times over the last several years to speak about this issue, submitting resolutions, working with the International Labor Organiza-

tion, and others, to do what we can to end abusive and exploitative child labor.

The ILO, the International Labor Organization, estimates that 250 million children worldwide are economically active—that means they are working—and many work in dangerous environments which are detrimental to their emotional, physical, and moral well-being.

Yesterday was a very historic day. For the first time in the 80-year history of the International Labor Organization, the President of the United States addressed that body. The President traveled to Geneva and asked me to accompany him because of my work on this issue.

I cannot really find the words to describe the impact of the President of the United States standing in front of a couple thousand people, all of whom have been working for years to end child labor, speaking as the President of the United States—it was the first time in the history of the ILO that a President ever spoke to this organization—about one issue: child labor.

I could not have been more proud of our Nation and of President Clinton for the words he spoke, for the position he took on this issue. He endorsed this new convention. There is a new convention that was just signed today, a new convention to end the most abusive and exploitative forms of child labor around the globe. We were there. We signed it at the meeting. I am hopeful the President will very soon transmit this new convention to the Senate for ratification.

It was a great speech President Clinton gave to the ILO. I ask unanimous consent to have printed in the RECORD the address by the President of the United States to the International Labor Organization in Geneva, Switzerland, on June 16.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY THE PRESIDENT TO THE INTERNATIONAL LABOR ORGANIZATION CONFERENCE, UNITED NATIONS BUILDING, GENEVA, SWITZERLAND, JUNE 16, 1999

The PRESIDENT: Thank you very much, Director General Somavia, for your fine statement and your excellent work.

Conference President Mumuni, Director General Petrovsky, ladies and gentlemen of the ILO: It is a great honor for me to be here today with, as you have noticed, quite a large American delegation. I hope you will take it as a commitment of the United States to our shared vision, and not simply as a burning desire for us to visit this beautiful city on every possible opportunity.

I am delighted to be here with Secretary Albright and Secretary of Labor Herman; with my National Economic Advisor Gene Sperling, and my National Security Advisor Sandy Berger. We're delighted to be joined by the President of the American Federation of Labor, the AFL-CIO, John Sweeney, and several other leaders of the U.S. labor movement; and with Senator Tom Harkin from Iowa who is the foremost advocate in the United States of the abolition of child labor. I am grateful to all of them for coming with me, and to the First Lady and our daughter

for joining us on this trip. And I thank you for your warm reception of her presence here.

It is indeed an honor for me to be the first American President to speak before the ILO in Geneva. It is long overdue. There is no organization that has worked harder to bring people together around fundamental human aspirations, and no organization whose mission is more vital for today and tomorrow.

The ILO, as the Director General said, was created in the wake of the devastation of World War I as part of a vision to provide stability to a world recovering from war, a vision put forward by our President, Woodrow Wilson. He said then, "While we are fighting for freedom we must see that labor is free." At a time when dangerous doctrines of dictatorship were increasingly appealing the ILO was founded on the realization that injustice produces, and I quote, "unrest so great that the peace and harmony of the world are imperiled."

Over time the organization was strengthened, and the United States played its role, starting with President Franklin Roosevelt and following through his successors and many others in the United States Congress, down to the strong supporters today, including Senator Harkin and the distinguished senior Senator from New York, Patrick Moynihan.

For half a century, the ILO has waged a struggle of rising prosperity and widening freedom, from the shipyards of Poland to the diamond mines of South Africa. Today, as the Director General said, you remain the only organization to bring together governments, labor unions and business, to try to unite people in common cause—the dignity of work, the belief that honest labor, fairly compensated, gives meaning and structure to our lives; the ability of every family and all children to rise as far as their talents will take them.

In a world too often divided, this organization has been a powerful force for unity, justice, equality and shared prosperity. For all that, I thank you. Now, at the edge of a new century, at the dawn of the information Age, the ILO and its vision are more vital than ever—for the world is becoming a much smaller and much, much more interdependent place. Most nations are linked to the new dynamic, idea-driven, technology-powered, highly competitive international economy.

In digital revolution is a profound, powerful and potentially democratizing force. It can empower people and nations, enabling the wise and far-sighted to develop more quickly and with less damage to the environment. It can enable us to work together across the world as easily as if we were working just across the hall. Competition, communications and more open markets spur stunning innovation and make their fruits available to business and workers worldwide.

Consider this: Every single day, half a million air passengers, 1.5 billion e-mail messages and \$1.5 trillion cross international borders. We also have new tools to eradicate diseases that have long plagued humanity, to remove the threat of global warming and environmental destruction, to lift billions of people into the first truly global middle class.

Yet, as the financial crisis of the last two years has shown, the global economy with its churning, hyperactivity, poses new risks, as well, of disruption, dislocation and division. A financial crisis in one country can be felt on factory floors half a world away. The world has changed, much of it for the better, but too often our response to its new challenges has not changed.

Globalization is not a proposal or a policy choice, it is a fact. But how we respond to it

will make all the difference. We cannot dam up the tides of economic change anymore than King Knute* could still the waters. Nor can we tell our people to sink or swim on their own. We must find a new way—a new and democratic way—to maximize market potential and social justice, competition and community. We must put a human face on the global economy, giving working people everywhere a stake in its success, equipping them all to reap its rewards, providing for their families the basic conditions of a just society. All nations must embrace this vision, and all the great economic institutions of the world must devote their creativity and energy to this end.

Last May I had the opportunity to come and speak to the World Trade Organization and stress that as we fight for open markets, it must open its doors to the concerns of working people and the environment. Last November, I spoke to the International Monetary Fund and World Bank and stressed that we must build a new financial architecture as modern as today's markets, to tame the cycles of boom and bust in the global economy as we can now do in national economies; to ensure the integrity of international financial transactions; and to expand social safety nets for the most vulnerable.

Today I say to you that the ILO, too, must be ready for the 21st century, along the lines that Director General Somavia has outlined.

Let me begin by stating my firm belief that open trade is not contrary to the interest of working people. Competition and integration lead to stronger growth, more and better jobs, more widely shared gains. Renewed protectionism in any of our nations would lead to a spiral of retaliation that would diminish the standard of living for working people everywhere. Moreover, a failure to expand trade further could choke off innovation and diminish the very possibilities of the information economy. No, we need more trade, not less.

Unfortunately, working people the world over do not believe this. Even in the United States, with the lowest unemployment rate in a generation, where exports accounted for 30 percent of our growth until the financial crisis hit Asia, working people strongly resist new market-opening measures. There are many reasons. In advanced countries the benefits of open trade outweigh the burdens. But they are widely spread, while the dislocations of open trade are painfully concentrated.

In all countries, the premium the modern economy places on skills leaves too many hard-working people behind. In poor countries, the gains seem too often to go to the already wealthy and powerful, with little or no rise in the general standard of living. And the international organizations charged with monitoring and providing for rules of fair trade, and enforcement of them, seem to take a very long time to work their way to the right decision, often too late to affect the people who have been disadvantaged.

So as we press for more open trade, we must do more to ensure that all our people are lifted by the global economy. As we prepare to launch a new global round of trade talks in Seattle in November, it is vital that the WTO and the ILO work together to advance that common goal.

We clearly see that a thriving global economy will grow out of the skills, the idea, the education of millions of individuals. In each of our nations and as a community of nations, we must invest in our people and lift them to their full potential. If we allow the ups and downs of financial crises to divert us from investing in our people, it is not only those citizens or nations that will suffer—the entire world will suffer from their lost potential.

It is clear that when nations face financial crisis, they need the commitment and the expertise not only of the international financial institutions, they need the ILO as well. The IMF, the World Bank and WTO, themselves, should work more closely with the ILO, and this organization must be willing and able to assume more responsibility.

The lesson of the past two years is plain: Those nations with strong social safety nets are better able to weather the storms. Those strong safety nets do not just include financial assistance and emergency aid for poorest people, they also call for the empowerment of the poorest people.

This weekend in Cologne, I will join my partners in the G-8 in calling for a new focus on stronger safety nets within nations and within the international community. We will also urge improved cooperation between the ILO and the international financial institutions in promoting social protections and core labor standards. And we should press forward to lift the debt burden that is crushing many of the poorest nations.

We are working to forge a bold agreement to more than triple debt relief for the world's poorest nations and to target those savings to education, health care, child survival and fighting poverty. I pledge to work to find the resources so we can do our part and contribute our share toward an expanded trust fund for debt relief.

Yet, as important as our efforts to strengthen safety nets and relieve debt burdens are, for citizens throughout the world to feel that they truly have a hand in shaping their future they must know the dignity and respect of basic rights in the workplace.

You have taken a vital step toward lifting the lives of working people by adopting the Declaration on Fundamental Principles and Rights at Work last year. The document is a blueprint for the global economy that honors our values—the dignity of work, an end to discrimination, an end to forced labor, freedom of association, the right of people to organize and bargain in a civil and peaceful way. These are not just labor rights, they're human rights. They are a charter for a truly modern economy. We must make them an everyday reality all across the world.

We advance these rights first by standing up to those who abuse them. Today, one member nation, Burma, stands in defiance of the ILOs most fundamental values and most serious findings. The Director General has just reported to us that the flagrant violation of human rights persists, and I urge the ILO governing body to take definite steps. For Burma is out of step with the standards of the world community and the aspirations of its people. Until people have the right to shape their destiny we must stand by them and keep up the pressure for change.

We also advance core labor rights by standing with those who seek to make them a reality in the workplace. Many countries need extra assistance to meet these standards. Whether it's rewriting inadequate labor laws, or helping fight discrimination against women and minorities in the workplace, the ILO must be able to help.

That is why in the balanced budget I submitted to our Congress this year I've asked for \$25 million to help create a new arm of the ILO, to work with developing countries to put in place basic labor standards—protections, safe work places, the right to organize. I ask other governments to join us. I've also asked for \$10 million from our Congress to strengthen U.S. bilateral support for governments seeking to raise such core labor standards.

We have asked for millions of dollars also to build on our voluntary anti-sweat shop initiative to encourage the many innovative programs that are being developed to elimi-

nate sweat shops and raise consumer awareness of the conditions in which the clothes they wear and the toys they buy for their children are made.

But we must go further, to give life to our dream of an economy that lifts all our people. To do that, we must wipe from the Earth the most vicious forms of abusive child labor. Every single day tens of millions of children work in conditions that shock the conscience. There are children chained to often risky machines; children handling dangerous chemicals; children forced to work when they should be in school, preparing themselves and their countries for a better tomorrow. Each of our nations must take responsibility.

Last week, at the inspiration of Senator Tom Harkin, who is here with me today, I directed all agencies of the United States government to make absolutely sure they are not buying any products made with abusive child labor.

But we must also act together. Today, the time has come to build on the growing world consensus to ban the most abusive forms of child labor—to join together and to say there are some things we cannot and will not tolerate.

We will not tolerate children being used in pornography and prostitution. We will not tolerate children in slavery or bondage. We will not tolerate children being forcibly recruited to serve in armed conflicts. We will not tolerate young children risking their health and breaking their bodies in hazardous and dangerous working conditions for hours unconscionably long—regardless of country, regardless of circumstance. These are not some archaic practices out of a Charles Dickens novel. These are things that happen in too many places today.

I am proud of what is being done at your meeting. In January, I said to our Congress and the American people in the State of the Union address, that we would work with the ILO on a new initiative to raise labor standards and to conclude a treaty to ban abusive child labor everywhere in the world. I am proud to say that the United States will support your convention. After I return home I will send it to the U.S. Senate for ratification, and I ask all other countries to ratify it, as well. (Applause.)

We thank you for achieving a true breakthrough for the children of the world. We thank the nations here represented who have made genuine progress in dealing with this issue in their own nations. You have written an important new chapter in our effort to honor our values and protect our children.

Passing this convention alone, however, will not solve the problem. We must also work aggressively to enforce it. And we must address root causes, the tangled pathology of poverty and hopelessness that leads to abusive child labor. Where that still exists it is simply not enough to close the factories where the worst child labor practices occur. We must also ensure that children then have access to schools and their parents have jobs. Otherwise, we may find children in even more abusive circumstances.

That is why the work of the International Program for the Elimination of Child Labor is so important. With the support of the United States, it is working in places around the world to get children out of the business of making fireworks, to help children move from their jobs as domestic servants, to take children from factories to schools.

Let me cite just one example of the success being achieved, the work being done to eliminate child labor from the soccer ball industry in Pakistan. Two years ago, thousands of children under the age of 14 worked for 50 companies stitching soccer balls full-time. The industry, the ILOS and UNICEF

joined together to remove children from the production of soccer balls and give them a chance to go to school, and to monitor the results.

Today, the work has been taken up by women in 80 poor villages in Pakistan, giving them new employment and their families new stabilities. Meanwhile, the children have started to go to school, so that when they come of age, they will be able to do better jobs raising the standard of living of their families, their villages and their nation. I thank all who were involved in this endeavor and ask others to follow their lead.

I am pleased that our administration has increased our support for IPEC by tenfold. I ask you to think what could be achieved by a full and focused international effort to eliminate the worst forms of child labor. Think of the children who would go to school, whose lives would open up, whose very health would flower, freed of the crushing burden of dangerous and demeaning work, given back those irreplaceable hours of childhood for learning and playing and living.

By giving life to core labor standards, by acting effectively to lift the burden of debt, by putting a more human face on the world trading system and the global economy, by ending the worst forms of child labor, we will be giving our children the 21st century they deserve.

These are hopeful times. Previous generations sought to redeem the rights of labor in a time of world war and organized tyranny. We have a chance to build a world more prosperous, more united, more humane than ever before. In so doing, we can fulfill the dreams of the ILO's founders, and redeem the struggles of those who fought and organized, who sacrificed and, yes, died—for freedom, equality, and justice in the workplace.

It is our great good fortune that in our time we have been given the golden opportunity to make the 21st century a period of abundance and achievement for all. Because we can do that, we must. It is a gift to our children worthy of the millennium.

Thank you very much. (Applause.)

Mr. HARKIN. One of the very important things he said in his speech was:

You have taken a vital step by adopting this new convention. We will do everything we can to join with you.

We will not tolerate children being used in pornography and prostitution.

We will not tolerate children in slavery or bondage.

We will not tolerate children being forcibly recruited to serve in armed conflicts.

We will not tolerate young children risking their health and breaking their bodies in hazardous and dangerous working conditions for hours unconscionably long—regardless of country, regardless of circumstance. These are not some archaic practices out of a Charles Dickens novel. These are things that happen in too many places today.

The President said:

I am proud of what is being done at your meeting. In January, I said to our Congress and the American people in the State of the Union address, that we would work with the ILO on a new initiative to raise labor standards and to conclude a treaty to ban abusive child labor everywhere in the world. I am proud to say that the United States will support your convention. After I return home I will send it to the U.S. Senate for ratification, and I ask all other countries to ratify it, as well.

Mr. President, today I had delivered to every office a letter, a cover letter, and a copy of the new convention on the worst forms of child labor. It has

all the information in here that Senators and their staffs would need to understand what that new convention is.

I did that because it is my intention to offer a sense-of-the-Senate resolution to the State Department authorization bill stating our support for this historic convention. I hope my colleagues will take the time to look at the material that I sent to their offices. I hope that we can all join together in a bipartisan effort to support this convention. This convention offers a brighter tomorrow for all of our world's children.

Yesterday, because I was in Geneva with the President for this very historic gathering and for this very historic speech by the President of the United States, I was necessarily absent from the Senate floor.

Had I been here, on the military construction appropriations bill, I would have voted yes.

Iowa is deeply saddened that I could not be here to vote on a bill for which I had worked for a long time with Senator KENNEDY and Senator JEFFORDS, and so many others. I am happy to see that it passed the Senate 99-0. Had I been here, it would have been 100-0; and that is the Workforce Incentives Act.

As the chief sponsor of the Americans with Disabilities Act, this was sort of one of the final building blocks of ensuring that people with disabilities not only have the right and the civil rights to go out and get jobs and work, but this bill provides them with the necessary support in the health care that they need. Too often, people with disabilities go out to get a job, and under the Americans with Disabilities Act they can get that job, but then they lose their health care. Because many of these jobs are low-paying, entry-level jobs, they simply cannot afford to take them. So I am really proud that the Senate, in a strong bipartisan fashion, passed the Workforce Incentives Act yesterday. Had I been here I would have of course voted yes.

On the lockbox provision that came up, again, I would have voted no on that because there were no amendments allowed. I feel very strongly that the provision, the loophole that I felt was in the bill, that said that this was only good until Social Security reform was passed, I do not believe was adequate enough. The question is, What reform are we talking about? I think we needed to define the reform before we voted for the lockbox.

On the energy and water appropriations, I would have supported that.

On the legislative branch appropriations, I would have voted yes on that had I been here.

I wanted to state for the RECORD why I was necessarily absent yesterday, and how I would have voted had I been here.

Thank you, Mr. President. I yield the floor.

WORK INCENTIVES IMPROVEMENT ACT OF 1999

Mr. JEFFORDS. Mr. President, the time has come. Our friends with disabilities have waited patiently. Our bipartisan coalition has remained united. The last obstacles have been resolved. Assurances have been given. I am referring to yesterday's passage of the landmark legislation, S. 331, the Work Incentives Improvement Act of 1999.

When I came to Congress in January 1975, one of my legislative priorities was to provide access to the American dream for individuals with disabilities. It was not an easy task. I learned quickly that providing access for Americans with disabilities was complicated.

It involved providing access to education, it involved removing physical barriers, and it involved ensuring access to rehabilitation, job training, and job placement assistance. It required obtaining access to assistive technology and health care. Most importantly, access to the American dream for people with disabilities meant gaining the opportunity to choose and to participate in the full range of community activities. Moreover, it involved making sure that the federal government, along with other entities, be made to comply with laws affecting access for people with disabilities. We have made tremendous progress in the last 24 years.

The Individuals with Disabilities Education Act, the Rehabilitation Act, the Americans with Disabilities Act, and the Assistive Technology Act have changed, and will continue to change lives. Children with disabilities are being educated with their peers. No agency or individual, including the Federal Government, can discriminate against individuals on the basis of disability in employment, transportation, public accommodations, public services, or telecommunications. Job training and placement opportunities for individuals with disabilities are ever expanding because of the reforms we achieved in the Work Force Investment Act of 1998. I am proud of these accomplishments.

I began work on the Work Incentives Improvement Act more than 2 years ago. Since then, I have learned a great deal. I suspect the same holds true for the 79 other co-sponsors of this bill. S. 331 addresses a fundamental flaw in federal policy. Individuals with disabilities must choose between working or having health care. This is an absurd choice. Yet, current federal law forces individuals with disabilities to make this choice. People with disabilities want to work, and will work, if they are given access to health care. S. 331 does just that—it gives workers with disabilities access to appropriate health care—health care that is not readily available or affordable from the private sector. People with disabilities want to work, and will work, if they are given access to job training and job

placement assistance. S. 331 does just that—it gives individuals with disabilities training and help in securing a job.

Over the past several months, we have all received letters in support of S. 331. I would like to share one such story with you. Don is a 30 year-old man, who has mild mental retardation, cerebral palsy, a seizure disorder, and a visual impairment. Don works, but only part-time.

At the end of his letter, Don wrote:

The Work Incentives Improvement Act will help my friends become independent too. Then they can pay taxes too. But most of all, they will have a life in the community. We are adults. We want to work. We don't need a hand out, we need a hand up.

S. 331 will give Don and his friends a hand up. Doing so would be good for Don, and good for the nation.

Hard facts make a compelling case for S. 331:

The growth rate of Social Security disability programs between 1989 and 1997 was 64 percent.

Social Security disability cash payments grew from \$34.4 billion in 1989 to \$62.9 billion in 1997.

For 1997, GAO estimated weekly disbursements in cash payments to be \$1.21 billion.

In my state of Vermont, 24,355 Social Security disability beneficiaries are waiting for S. 331 to become law. Nationally, that figure is 7.5 million. Under current law, if these people work and earn over \$500 per month, they lose cash payments and health care coverage under Medicaid or Medicare. There are few if any private insurance options available to these individuals, so only one-half of one percent of the 7.5 million forgo cash payments and federally subsidized health care, and work without health insurance. Would any of us take that risk?

Let's take a closer look at some numbers. As I indicated, there are 7.5 million Social Security disability beneficiaries. Of those who work, very few make more than \$500 a month. In fact, of working individuals with disabilities on Supplemental Security Income (SSI), only 17 percent make over \$500 per month and only 10 percent make over \$1000 per month. Another 29 percent make \$65 or less per month.

Let's assume that S. 331 and the companion bill in the House, H.R. 1180 become law, and only 200 Social Security disability beneficiaries in each state work and forgo cash payments. That would be 10,000 individuals across the country out of the 7.5 million disability beneficiaries. The annual savings to the Federal Treasury in cash payments for just these 10,000 people out of 7.5 million would be \$133,550,000! Imagine the savings to the Federal Treasury if this number were higher.

Clearly, the Work Incentives Improvement Act of 1999 is targeted, fiscally responsible legislation. It enables individuals with significant disabilities to enter the work force for the first time, re-enter the work force, or avoid leaving it in the first place.

These individuals will no longer need to worry about losing their health care if they choose to work a forty-hour week, to put in overtime, or to pursue a career advancement. Individuals who need job training or job placement assistance will get it.

Private insurers will begin to have access to data that describes the health care-use patterns of workers with disabilities, and as a result, will be able to expand or develop appropriate health care packages for individuals with disabilities who work.

I would like to highlight a few of the health care provisions in S. 331. First, S. 331 allows states to expand Medicaid coverage to workers with disabilities and to require the workers, depending on their income, to pay a part or all of the premium for this coverage.

A state that elects to expand coverage receives a grant to support the design, establishment, and operation of infrastructures to support working individuals with disabilities.

The bill also includes a 6-year trial program that permits Social Security Disability Insurance (SSDI) beneficiaries to continue to receive Medicare coverage if they work.

Finally, the legislation includes a time-limited demonstration program allowing states to extend Medicaid coverage to workers who have a disability which, without access to health care, would become severe enough to qualify them for Social Security disability cash payments. This demonstration will produce important information on the cost effectiveness of early health care intervention in keeping people with disabilities from becoming too disabled to work.

S. 331 reflects what individuals with disabilities say they need. It was shaped by input across the philosophical spectrum. It was endorsed by the President in his State of the Union Address. And, it's companion bill H.R. 1180 has recently been reported out of the House Committee on Commerce with unanimous support.

The passage of S. 331 allows responsible change to federal policy and the elimination of a perverse dilemma for many Americans with disabilities—if you don't work, you get health care; if you do work, you don't get health care.

S. 331 is a vital link in making the American dream, an accessible dream, for Americans with disabilities.

Let me tell you about the dream of a young constituent of mine. Her name is Maria, and she faces many daily challenges as a result of her disabilities. She contacted my office to let me know that she is counting on S. 331 being signed into law. Maria is a junior majoring in Spanish at a college in Vermont. She plans to graduate next year, and hopes to attend graduate school to become a Spanish teacher for children and adults from Central and South America.

Maria has her whole life ahead of her. She has dreams, and she has contributions to make. Yesterday's passage of

S. 331 made Maria's dreams possible. She will be able to pursue a career without fear of losing the health care she needs.

The enactment of S. 331 is our graduation present to Maria . . . and to the millions of other Americans with disabilities, who also want to work, a sign of our recognition of their right to contribute to the economic and social vibrancy of America.

In closing, I would like to thank my many colleagues who contributed to making yesterday, with a record vote of 99-0, a reality.

First, I must thank my bipartisan co-sponsors Senators KENNEDY, ROTH, and MOYNIHAN the original co-sponsors of this bill. Each of them made a commitment many months ago to work together to create a sound piece of legislation to address a real problem for millions of Americans with disabilities. Such commitment represents the best of what the Senate can accomplish when principle is placed above partisanship.

I also thank the additional, original 35 co-sponsors of this bill and the subsequent 45 co-sponsors who represent a total of over three quarters of this body, perhaps a Senate record on health care legislation. Together, we have come to understand the importance of health care and a job to individuals with disabilities. Sometimes the power of common sense and the voices of reason transcend politics and help us to forge new policy that will make America a better place for all of its citizens.

Over the last two weeks, the Majority Leader has been the driving force who urged us to work out policy differences that were delaying floor consideration. We did so through good faith efforts that broadened support for the bill and reduced its overall modest cost. In particular, I want to recognize Senators NICKLES, BUNNING, and GRAMM for their willingness to reach consensus with us on policy without compromising the integrity of the legislation, thus, allowing S. 331 to move forward.

I must strongly thank the over two hundred national organizations that offered time, energy, and ideas to create and support a bill that will improve the quality of life for millions of Americans with disabilities who want to work.

And finally, I would like to thank several individuals and groups who have contributed to the development and to the Senate passage of this legislation. In particular, I would like to thank my staff including Patricia Morrissey, Mark Powden, Paul Harrington, Lu Zeph, Erik Smulson, Joe Karpinski, Leah Menzies, Chris Crowley and the many others who worked long and hard to bring this bill about.

Additionally, I would like to recognize and thank the staff members of the three other primary co-sponsors who took the lead in their offices: Connie Garner from Senator KENNEDY'S

Staff, Jennifer Baxendell and Alec Vachon from Senator ROTH's staff, and Kristen Testa from Senator MOY-NIHAN's staff.

In addition to staff, I would like to recognize the contributions of the Work Incentives Task Force of the Consortium for Citizens with Disabilities who met weekly with staff for over a year to build the consensus necessary to get us here today.

Thank you, Mr. President.

OBJECTIONABLE PROVISIONS IN S. 1186, ENERGY AND WATER APPROPRIATIONS FOR FY 2000

Mr. McCAIN. Mr. President, the energy and water appropriations bill is fundamental to our Nation's energy and defense-related activities, and takes care of vitally important water resources infrastructure needs. Unfortunately, this bill diverts from its intended purpose by including a multitude of additional, unrequested earmarks to the tune of \$531 million.

This amount is substantially less than the earmarks included in the FY '99 appropriations bill and I commend my colleagues on the Appropriations Committee for their hard work in putting this bill together. In fact, this year's recommendation is about 60 percent lower than the earmarks included in last year's appropriation bill. My optimism was raised upon reading the committee report which states that the Committee is "reducing the number of projects with lower priority benefits." Unfortunately, while the Committee attempts to be more fiscally responsible, there is a continuing focus on parochial, special interest concerns.

Funding is provided in this bill for projects where it is very difficult to ascertain their overall importance to the security and infrastructure of our nation.

Let me highlight a few examples:

\$3,000,000 is provided for an ethanol pilot plant at Southern Illinois University; \$300,000 is provided to the Vermont Agriculture Methane project; \$400,000 is included for aquatic weed control at Lake Champlain in Vermont, and, \$100,000 in additional funding for mosquito control in North Dakota.

How are these activities connected to the vital energy and water resource needs of our nation? Why are these projects higher in priority than other flood control, water conservation or renewable energy projects? These are the type of funding improprieties that make a mockery of our budget process.

Various projects are provided with additional funding at levels higher than requested by the Administration. The stated reasons include the desire to finish some projects in a reasonable timeframe. Unfortunately, other projects are put on hold or on a slower track. The inconsistency between the Administration's request, which is responsible for carrying out these projects, and the views of the Appropri-

ators on just how much funding should be dedicated to a project, is troubling. As a result, various other projects that may be equally deserving or higher in priority do not receive an appropriate amount of funding, or none at all. Many of my objections are based on these types of inconsistencies and nebulous spending practices.

Another \$92 million above the budget request is earmarked in additional funding for regional power authorities. I fail to understand why we continue to spend millions of federal dollars at a time when power authorities are increasingly operating independent of federal assistance. Even the Bonneville Power Administration, one of these power entities, is self-financed and operates without substantial federal assistance.

We must stop this practice of wasteful spending. It is unconscionable to repeatedly ask the taxpayers to foot the bill for these biased actions. We must work harder to focus our limited resources on those areas of greatest need nationwide, not political clout.

I remind my colleagues that I object to these earmarks on the basis of their circumvention of our established process, which is to properly consider, authorize and fund projects based on merit and need. Indeed, I commend my colleagues for not including any projects which are unauthorized. However, there are still too many cases of erroneous earmarks for projects that we have no way of knowing whether, at best, all or part of this \$531 million should have been spent on different projects with greater need or, at worst, should not have been spent at all.

I supported passage of this bill, but let me state for the record that this is not the honorable way to carry out our fiscal responsibilities.

Mr. President, I ask unanimous consent that this list of objectionable provisions in S. 1186 and its accompanying Senate report be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

OBJECTIONABLE PROVISIONS IN S. 1186—FY 2000 ENERGY AND WATER APPROPRIATIONS BILL

BILL LANGUAGE

Department of Defense, Army Corps of Engineers

General Investigations

Earmark of \$226,000 for the Great Egg Harbor Inlet to Townsend's Inlet, New Jersey.

General Construction

Earmark of \$2,200,000 to Norco Bluffs, California.

Earmark of \$3,000,000 to Indianapolis Central Waterfront, Indiana.

Earmark of \$1,000,000 to Ohio River Flood Protection, Indiana.

Earmark of \$800,000 to Jackson County, Mississippi.

Earmark of \$17,000,000 to Virginia Beach, Virginia (Hurricane Protection).

An additional \$4,400,000 to Upper Mingo County (including Mingo County Tributaries), Lower Mingo County (Kermit), Wayne County, and McDowell County, ele-

ments of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project in West Virginia.

Earmark of \$2,000,000 to be used by the Secretary of the Army, acting through the Chief of Engineers, is directed to construct bluff stabilization measures at authorized locations for Natchez Bluff, Mississippi.

Earmark of \$200,000 to be used by the Secretary of the Army, acting through the Chief of Engineers, to initiate a Detailed Project Report for the Dickenson County, Virginia, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River, West Virginia, Virginia and Kentucky, project.

An additional \$35,630,000 above the budget request to flood control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.

Power Marketing Administrations

\$39,594,000 restored to the Southeastern Power Administration above the budget request.

An additional \$60,000 above budget request for operation and maintenance at Southwestern Power Administration.

An additional \$52,084,000 above the budget request for Western Area Power Administration.

Independent Agencies

An additional \$5,000,000 above the budget request is provided for the Appalachian Regional Commission.

An amount of \$25,000,000 above the budget request is provided for the Denali Commission.

General Provisions

Language which stipulates all equipment and products purchased with funds made available in this Act should be American-made.

REPORT LANGUAGE

Department of Defense, Army Corps of Engineers

General Investigations

Earmark of \$100,000 to the Barrow Coastal Storm Damage Reduction, AK.

Earmark of \$100,000 to Chandalar River Watershed, AK.

Earmark of \$100,000 to Gastineau Channel, Juneau, AK.

Earmark of \$100,000 to Skagway Harbor, AK.

Earmark of \$150,000 to Rio De Flag, Flagstaff, AZ.

Earmark of \$250,000 to North Little Rock, Dark Hollow, AR.

Earmark of \$250,000 to Llagas Creek, CA.

An additional \$450,000 to Tule River, CA.

An additional \$450,000 to Yuba River Basin, CA.

Earmark of \$250,000 to Bethany Beach, South Bethany, DE.

Earmark of \$100,000 to Lake Worth Inlet, Palm Beach County, FL.

Earmark of \$100,000 to Mile Point, Jacksonville, FL.

An additional \$170,000 to Metro Atlanta Watershed, GA.

Earmark of \$100,000 to Kawaihae Deep Draft Harbor, HI.

Earmark of \$100,000 to Kootenai River at Bonners Ferry, ID.

Earmark of \$100,000 to Little Wood River, ID.

Earmark of \$100,000 to Mississinewa River, Marion, IN.

Earmark of \$100,000 to Calcasieu River Basin, LA.

Earmark of \$500,000 to Louisiana Coastal Area, LA.

Earmark of \$100,000 to St. Bernard Parish, LA.

Earmark of \$100,000 to Detroit River Environmental Dredging, MI.

Earmark of \$400,000 to Sault Ste. Marie, MI.

An additional \$400,000 to Lower Las Vegas Wash Wetlands, NV.

Earmark of \$75,000 to Truckee Meadows, NV.

Earmark of \$200,000 to North Las Cruces, NM.

Earmark of \$100,000 to Lower Roanoke River, NC and VA.

Earmark of \$300,000 to Corpus Christi Ship Channel, LaQuinta Channel, TX.

Earmark of \$200,000 to Gulf Intracoastal Waterway Modification, TX.

Earmark of \$100,000 to John H. Kerr, VA and NC.

Earmark of \$100,000 to Lower Rappahannock River Basin, VA.

Earmark of \$500,000 to Lower Mud River, WV.

Earmark of \$400,000 to Island Creek, Logan, WV.

Earmark of \$100,000 to Wheeling Waterfront, WV.

Language which directs the Corps of Engineers to work with the city of Laurel, MT to provide appropriate assistance to ensure reliability in the city's Yellowstone River water source.

Construction

An additional \$1,200,000 to Cook Inlet, AK.
An additional \$900,000 to St. Paul Harbor, AK.

An additional \$13,000,000 to Montgomery Point Lock and Dam, AR.

An additional \$8,000,000 to Los Angeles County Drainage Area, CA.

Earmark of \$500,000 to Fort Pierce Beach, FL.

Earmark of \$500,000 to Lake Worth Sand Transfer Plant, FL.

An additional \$2,000,000 to Chicago Shoreline, IL.

An additional \$10,000,000 to Olmstead Locks and Dam, Ohio River, IL and KY.

An additional \$2,000,000 to Kentucky Lock and Dam, Tennessee River, KY.

An additional \$2,000,000 to Inner Harbor Navigation Canal Lock, LA.

An additional \$5,000,000 to Lake Pontchartrain and Vicinity, LA.

An additional \$1,000,000 to West Bank Vicinity of New Orleans, LA.

An additional \$2,500,000 to Poplar Island, MD.

Earmark of \$250,000 to Clinton River, MI Spillway.

Earmark of \$100,000 to Lake Michigan Center.

Earmark of \$1,100,000 to St. Croix River, Stillwater, MN.

An additional \$5,000,000 to Blue River Channel, Kansas City, MO.

An additional \$1,000,000 to Missouri National Recreational River, NE and SD.

An additional \$8,900,000 to Tropicana and Flamingo Washes, NV.

Earmark of \$250,000 to Passaic River, Minish Waterfront Park, NJ.

Earmark of \$750,000 to New York Harbor Collection and Removal of Drift, NY & NJ.

An additional \$4,000,000 to West Columbus, OH.

An additional \$90,000 to the Lower Columbia River Basin Bank Protection, OR and WA.

An additional \$10,000,000 to Locks and Dams 2, 3 and 4, Monongahela River, PA.

An additional \$1,000,000 to Cheyenne River Sioux Tribe, Lower Brule Sioux, SD.

Earmark of \$1,000,000 to James River Restoration, SD.

Earmark of \$1,000,000 to Black Fox, Murfree Springs, and Oakland Wetlands, TN.

Earmark of \$1,000,000 to Tennessee River, Hamilton County, TN.

Earmark of \$800,000 to Greenbrier River Basin, WV.

Earmark of \$1,000,000 to Lafarge Lake, Kickapoo River, WI.

Earmark of \$400,000 for aquatic weed control at Lake Champlain in Vermont.

An additional \$960,000 for various earmarks under Section 107, Small Navigation Project.

An additional \$5,675,000 for various earmarks under Section 205, Small flood control projects.

An additional \$1,760,000 for various earmarks under Section 206, Aquatic ecosystem restoration.

An additional \$1,500,000 for various earmarks under Section 1135, Projects Modifications for improvement of the environment.

An additional \$12,500,000 for the Mississippi River Levees, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri and Tennessee.

An additional \$500,000 to St. Francis Basin, Arkansas and Missouri.

An additional \$2,000,000 for the Louisiana State Penitentiary Levee, Louisiana.

An additional \$500,000 for Backwater Pump, Mississippi.

An additional \$585,000 for the Big Sunflower River, Mississippi.

An additional \$5,000,000 for Demonstration Erosion Control, Mississippi.

An additional \$2,000,000 for the St. Johns Bayou and New Madrid Floodway, Missouri.

An additional \$2,764,000 for the Mississippi River Levees, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.

An additional \$1,500,000 for the St. Francis River Basin, Arkansas and Missouri.

An additional \$2,250,000 for the Atchafalaya Basin, Louisiana.

An additional \$1,000,000 for Arkabutla Lake, Missouri.

An additional \$1,000,000 for End Lake, Missouri.

An additional \$1,000,000 for Grenada Lake, Mississippi.

An additional \$1,000,000 for Sardis Lake, Mississippi.

An additional \$31,000 for Tributaries, Mississippi.

Corps of Engineers—Operation and Maintenance, General

An additional \$2,000,000 for Mobile Harbor, Alabama.

Earmark of \$1,000,000 for Lowell Creek Tunnel (Seward), Arkansas.

An additional \$1,500,000 for Mississippi River between Missouri River and Minneapolis, Illinois, Indiana, Minnesota, Missouri.

An additional \$525,000 for John Redmond Dam and Reservoir, Kansas.

An additional \$2,000,000 for Red River Waterway, Mississippi River to Shreveport, Louisiana.

Earmark of \$250,000 for Missouri National River.

An additional \$35,000 for Little River Harbor, New Hampshire.

Earmark of \$20,000 for Portsmouth Harbor, Piscataqua River, New Hampshire.

An additional \$1,500,000 for Delaware River Philadelphia to the Sea, New Jersey, Pennsylvania and Delaware.

Earmark of \$800,000 for Upper Rio Grande Water Operations Model.

An additional \$100,000 for Garrison Dam, Lake Sakakawea, North Dakota.

An additional \$500,000 for Oologah Lake, Oklahoma.

An additional \$2,300,000 for Columbia and Lower Willamette River Below Vancouver, Washington and Portland.

An additional \$50,000 for Port Orford, Oregon.

Earmark \$400,000 for Corpus Christi Ship Channel, Barge Lanes, Texas.

An additional \$1,140,000 for Burlington Harbor Breakwater, Vermont.

An additional \$3,000,000 for Grays Harbor and Chehalis River, Washington.

Language which directs the Army Corps of Engineers to address maintenance at Humboldt Harbor, CA; additional maintenance dredging of the Intracoastal Waterway in South Carolina from Georgetown to Little River, and from Port Royal to Little River; dredging at the entrance channel at Murrells Inlet, SC; additional dredging for the Lower Winyah Bay and Gorge in Georgetown Harbor, SC.

Bureau of Reclamation—Water and Related Resources

Earmark of \$5,000,000 for Headgate Rock Hydroelectric Project.

An additional \$1,500,000 for Central Valley Project: Sacramento River Division.

Earmark of \$250,000 for Fort Hall Indian Reservation.

Earmark of \$4,000,000 for Rock Peck Rural Water System, Montana.

Earmark of \$2,000,000 for Lake Mead and Las Vegas Wash.

Earmark of \$1,500,000 for Newlands Water Right Fund.

Earmark of \$800,000 for Truckee River Operation Agreement.

Earmark of \$400,000 for Walker River Basin Project.

An additional \$2,000,000 for Middle Rio Grande Project.

Earmark of \$300,000 for Navajo-Gallup Water Supply Project.

Earmark of \$750,000 for Santa Fe Water Reclamation and Reuse.

Earmark of \$250,000 for Ute Reservoir Pipeline Project.

An additional \$2,000,000 for Garrison Diversion Unit, P-SMBP

Earmark of \$400,000 for Tumalo Irrigation District, Bend Feed Canal, Oregon.

An additional \$2,000,000 for Mid-Dakota Rural Water Project

Earmark of \$600,000 for Tooele Wastewater Reuse Project.

Department of Energy

Earmark of \$1,000,000 is for the continuation of biomass research at the Energy and Environmental Research Center.

Earmark of \$5,000,000 for the McNeil biomass plant in Burlington, Vermont.

Earmark of \$300,000 for the Vermont Agriculture Methane project.

Earmark of \$2,000,000 for continued research in environmental and renewable resource technologies by the Michigan Biotechnology Institute.

Earmark of \$500,000 for the University of Louisville to research the commercial viability of refinery construction for the production of P-series fuels.

No less than 3,000,000 for the ethanol pilot plant at Southern Illinois University at Edwardsville.

Earmark of \$250,000 for the investigation of simultaneous production of carbon dioxide and hydrogen at the natural gas reforming facility in Nevada.

Earmark of \$350,000 for the Montana Trade Port Authority in Billings Montana.

Earmark of \$250,000 for the gasification of Iowa switchgrass and its use in fuel cells.

Earmark of \$1,000,000 to complete the 4 megawatt Sitka, Alaska project.

Earmark of \$1,700,000 for the Power Creek hydroelectric project.

Earmark of \$1,000,000 for the Kotzebue wind project.

Earmark of \$300,000 for the Old Harbor hydroelectric project.

Earmark of \$1,000,000 for a demonstration associated with the planned upgrade of the Nevada Test Site power substations of distributed power generation technologies.

Earmark of \$3,000,000 for the University of Nevada at Reno Earthquake Engineering Facility.

An additional \$35,000,000 to initiate a new strategy (which includes \$5,000,000 for activities at Lawrence Livermore National Laboratory, \$10,000,000 for Los Alamos National Laboratory, and \$20,000,000 for work at Sandia National Laboratory).

An additional \$15,000,000 for the Nevada Test Site.

An additional \$15,000,000 for future requirements at the Kansas City Plant compatible with the Advanced Development and Production Technologies [ADAPT] program and Enhanced Surveillance program.

An additional \$10,000,000 for core stockpile management weapon activities to support work load requirements at the Pantex plant in Amarillo, Texas.

An additional \$10,000,000 to address funding shortfalls in meeting environmental restoration Tri-Party Agreement compliance deadlines, and to accelerate interim safe storage of reactors along the Columbia River.

An additional \$10,000,000 for spent fuel activities related to the Idaho Settlement Agreement with the Department of Energy.

An additional \$30,000,000 for tank cleanup activities at the Hanford Site, WA.

An additional \$20,000,000 to Rocky Flats site, CO.

Total amount of Earmarks: \$531,124,000.

FISCAL YEAR 2000 ENERGY AND WATER APPROPRIATIONS BILL

Mr. DORGAN. Mr. President, I rise today to congratulate the chairman and ranking member of the Energy and Water Appropriations Subcommittee, Senators DOMENICI and REID, for the extraordinary work they have accomplished in bringing the FY2000 energy and water appropriations bill to the floor. While this bill funds a number of vastly important national security and economic development programs and initiatives, until this year it has been relatively non-controversial, in part because of the hard work of my colleagues, Senators DOMENICI and REID.

This year, however, they have had to operate under more difficult circumstances. They have had to fashion a bill from extremely limited resources. As reported by the Appropriations Committee, the bill provides \$21.2 billion in new budget authority—\$12.6 billion within defense activities and \$8.6 billion within nondefense. In the defense accounts, that represents a \$220 million increase over the President's budget request. In the nondefense accounts, however, it represents a reduction of \$608 million from the request. This includes decreases in funding for critical water projects.

As the distinguished chairman of the subcommittee noted in his opening remarks on Monday, this is the first time in his memory—and he has been here many years longer than this Senator from North Dakota—that less funding for water projects is provided than requested in the budget. This is a worrisome situation for many important and worthwhile flood control and other projects in the coming year, but that is also a situation forced upon this subcommittee, indeed on most subcommit-

tees, by the allocations received as a result of staying within the budget caps.

He also noted that he was unable to accommodate all of the funding requests of the members of this body. That was the case with this Senator, but I do want to note that he and his distinguished ranking member were able to fund a number of important flood control and water development projects in my home state of North Dakota.

For instance, as the city of Grand Forks continues its recovery from the devastating 1997 floods of the Red River, the city and State have developed a plan to reconstruct flood control dikes to protect the cities of Grand Forks, ND, and East Grand Forks, MN, from future floods. The city and State are matching Federal funds for this project, but this bill provides \$9 million in federal funds for initial construction.

It also funds the President's request of \$27 million for the Garrison Diversion project as well as over \$2 million in additional funds requested by me and Senator CONRAD for unmet water supply needs on our Indian reservations. The tribes have already reached their funding ceiling under existing authority for these needs and the Bureau of Reclamation has documented over \$200 million in critical unmet water development needs on three reservations. These funds will begin to make a dent in these needs.

I am also pleased that the bill recommends \$1 million for the Energy and Environmental Research Center, EERC, to conduct research relating to the integration of biomass with fossil fuels in conventional power systems to increase busload renewable electricity generation; development of practical methods for using biomass in advanced power systems; and improvement of efficiency and environmental performance in agricultural processing and forest-based product industries producing food, fiber, and chemicals. These funds will build upon the exciting research already being conducted at the nationally recognized EERC in Grand Forks.

The bill funds the President's request of \$5 million to purchase of easements and compensate landowners who in the Buford-Trenton area are unable to farm as a result of flooding and high water tables caused by siltation upriver from the Garrison Dam. In 1998, more than 1000 acres remained under water and represented an economic loss to the farmers and others in this area of hundreds of thousands of dollars. This year, the water level is higher and only continues to grow. This is a Federal responsibility and one which is only beginning to be met. The project was authorized in the 1996 Water Development Act at \$34 million and this represents continued progress for buying easements from willing sellers.

Finally, I appreciate the subcommittee's support for an amendment offered by me and Senator CONRAD to add

\$50,000 for a reevaluation study of the Grafton dikes project by the Army Corps of Engineers. Because the project was de-authorized, this report is needed. While not reauthorizing the project, these funds will help us jump start the process once the project is reauthorized.

Our water supply and flood control needs in North Dakota are many and growing. Not all of our requested needs are met by this bill, but this is a good bill and one I can support. I thank Chairman DOMENICI and Ranking Member REID for their support and look forward to working with them in conference.

I yield the floor.

FISCAL YEAR 2000 MILITARY CONSTRUCTION APPROPRIATIONS BILL

Mr. TORRICELLI. Mr. President, I rise today in strong support of the FY 2000 Military Construction Appropriations Bill. This legislation demonstrates a considerable investment in our military's infrastructure, and a strong commitment to improving the quality of life of our soldiers that will go a long way toward achieving retention and recruiting goals. I especially thank and acknowledge the efforts of the distinguished chairman of the Appropriations Committee, Senator STEVENS, the distinguished ranking member of the Appropriations Committee Senator BYRD, the chairman of the Military Construction Subcommittee, Senator BURNS, and ranking member, Senator MURRAY.

I am particularly pleased that the committee included \$1.9 million for the Armament Software Engineering Center, ASEC, at Picatinny Arsenal in my home State of New Jersey. Throughout our Nation's history, Picatinny Arsenal has provided our men and women with the high-technology weapons that have helped achieve our military victories. The new ASEC will consolidate many of the Arsenal's operations, thus enhancing Picatinny's capability to test and upgrade "smart" weapons. In 1998, the Senate supported ASEC by providing funds for the initial design, but unfortunately, the Army has not yet moved forward with the project. I am pleased by the Senate's renewed support of the Center, and look forward to working with the Subcommittee and the Army to ensure that this state-of-the-art facility becomes a reality.

I also express my support for the committee's inclusion of \$11.8 million to modernize several facilities at the United States Military Academy Preparatory School, USMAPS, at Fort Monmouth. Currently, the cadets attending USMAPS are housed in substandard facilities which have not been modernized since 1979. This funding will provide for much needed improvements that will allow USMAPS to continue training cadets for the Army and admittance into the U.S. Military Academy at West Point.

I am extremely pleased by the Senate's support of the ACFT/Platform Interface Lab, API Lab, at the Lakehurst Naval Air Warfare Center. The inclusion of \$15.71 million for this project will allow for the consolidation of 14 labs and 5 different 40-70 year old facilities to build the new modern API lab. The consolidation of these facilities in one location will result in greater productivity and efficiency, and an increased ability for Lakehurst to fulfill its mission of ensuring our military's aircraft can take off and land safely from all Navy ships.

I thank the committee for supporting several projects at two other critical bases in my State. First, the \$5.6 million provided for the Centralized Tactical Vehicle Wash Facility at Fort Dix will increase our ability to prepare military vehicles for missions overseas. Second, the funding for a Consolidated Aircraft Maintenance Hangar, Visiting Quarters and additional units of housing at McGuire Air Force Base will improve the standard of living and increase productivity throughout the base.

Finally, while I am supportive of the projects included in this legislation, I look forward to working with the community to identify additional funding for another important project that was not included in the bill. This project, the National Guard Bureau Training and Training Technology Battle Lab, T3BL, at Fort Dix, will allow the Army National Guard to conduct cutting edge training through the application and use of critical training, aides, devices, simulators, and simulation. Currently, \$9.5 million is needed to begin the second phase construction of the lab.

Mr. President, I again thank the distinguished chairman, Ranking Member BYRD, Chairman BURNS, and Ranking Member MURRAY for their commitment and attention to these important issues.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, June 16, 1999, the federal debt stood at \$5,581,245,428,829.42 (Five trillion, five hundred eighty-one billion, two hundred forty-five million, four hundred twenty-eight thousand, eight hundred twenty-nine dollars and forty-two cents).

One year ago, June 16, 1998, the federal debt stood at \$5,489,044,000,000 (Five trillion, four hundred eighty-nine billion, forty-four million).

Five years ago, June 16, 1994, the federal debt stood at \$4,592,643,000,000 (Four trillion, five hundred ninety-two billion, six hundred forty-three million).

Ten years ago, June 16, 1989, the federal debt stood at \$2,783,200,000,000 (Two trillion, seven hundred eighty-three billion, two hundred million) which reflects a debt increase of almost \$3 trillion—\$2,798,045,428,829.42 (Two trillion,

seven hundred ninety-eight billion, forty-five million, four hundred twenty-eight thousand, eight hundred twenty-nine dollars and forty-two cents) during the past 10 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3750. A communication from the Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC-3751. A communication from the Executive Director, Governmental Affairs, Non Commissioned Officers Association of the United States of America, transmitting, pursuant to law, the annual report for calendar years 1997 and 1998; to the Committee on the Judiciary.

EC-3752. A communication from the Under Secretary, Oceans and Atmosphere, Department of Commerce, transmitting, a report relative to the 1997-98 El Niño event; to the Committee on Commerce, Science, and Transportation.

EC-3753. A communication from the Executive Director, National Commission on Libraries and Information Science, transmitting, pursuant to law, the annual report for fiscal year 1998; to the Committee on Health, Education, Labor, and Pensions.

EC-3754. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a certification of a proposed manufacturing license for Japan; to the Committee on Foreign Relations.

EC-3755. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a certification of a proposed manufacturing license for Portugal; to the Committee on Foreign Relations.

EC-3756. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a certification of a proposed export license for Egypt; to the Committee on Foreign Relations.

EC-3757. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report of the Office of Child Support Enforcement for fiscal year 1997; to the Committee on Finance.

EC-3758. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, Presidential Determination Number 99-28, relative to the People's Republic of China; to the Committee on Finance.

EC-3759. A communication from the Assistant Secretary for Management and Chief Financial Officer, Department of the Treasury, transmitting, pursuant to law, a report relative to a vacancy in the Department of the Treasury; to the Committee on Finance.

EC-3760. A communication from the Executive Director, Federal Labor Relations Authority, transmitting, pursuant to law, the Authority's report under the Government in the Sunshine Act for calendar year 1998; to the Committee on Governmental Affairs.

EC-3761. A communication from the Chairman, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of the Office of Inspector General for the period of October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC-3762. A communication from the Administrator, Agency for International Development, transmitting, pursuant to law, the report of the Office of Inspector General for the period of October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC-3763. A communication from the Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of the Office of Inspector General for the period of October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC-3764. A communication from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of the Office of Inspector General for the period of October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC-3765. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the report of the Office of Inspector General for the period of October 1, 1998, through March 31, 1999, and the management response; to the Committee on Governmental Affairs.

EC-3766. A communication from the Chief Operating Officer/President, Resolution Funding Corporation, transmitting, pursuant to law, the statement on internal controls and the audited financial statement for calendar year 1998; to the Committee on Governmental Affairs.

EC-3767. A communication from the Executive Director, District of Columbia Financial Responsibility and Management Assistance Authority, transmitting, pursuant to law, the Financial Plan and Budget for the District of Columbia for fiscal year 2000; to the Committee on Governmental Affairs.

EC-3768. A communication from the Director, Office of Congressional Affairs, Office of Nuclear Regulatory Research, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Design and Fabrication Code Case Acceptability—ASME Section III, Division 1" (Regulatory Guide 1.84, Revision 31), received June 16, 1999; to the Committee on Environment and Public Works.

EC-3769. A communication from the Director, Office of Congressional Affairs, Office of Nuclear Regulatory Research, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Materials Code Case Acceptability—ASME Section III, Division 1" (Regulatory Guide 1.85, Revision 31), received June 16, 1999; to the Committee on Environment and Public Works.

EC-3770. A communication from the Director, Office of Congressional Affairs, Office of Nuclear Regulatory Research, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Inservance Inspection Code Case Acceptability—ASME Section XI, Division 1" (Regulatory Guide 1.147, Revision 12), received June 16,

1999; to the Committee on Environment and Public Works.

EC-3771. A communication from the Director, Office of Congressional Affairs, Office of Nuclear Regulatory Research, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Laboratory Testing of Nuclear-Grade Activated Charcoal" (NRC Generic Letter 99-02), received June 16, 1999; to the Committee on Environment and Public Works.

EC-3772. A communication from the Chairman, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Revision of Fee Schedules; 100% Fee Recovery; FY-1999" (RIN3150-AG08), received June 16, 1999; to the Committee on Environment and Public Works.

EC-3773. A communication from the Director, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants; Determination of Endangered Status for the Plant 'Eriogonum apricum' (inclusive of varieties 'apricum' and 'prostratum')—(Ione Buckwheat) and Threatened Status for the Plant 'Arctostaphylos myrtilifolia'—(Ione Manzanita)" (RIN1018-AE25), received June 4, 1999; to the Committee on Environment and Public Works.

EC-3774. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Migratory Bird Special Canada Goose Permit" (RIN1018-AE46), received June 14, 1999; to the Committee on Environment and Public Works.

EC-3775. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Kansas" (FRL #6361-8), received June 14, 1999; to the Committee on Environment and Public Works.

EC-3776. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Missouri" (FRL #6361-9), received June 14, 1999; to the Committee on Environment and Public Works.

EC-3777. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Solid Waste Programs; Management Guidelines for Beverage Containers; Removal of Obsolete Guidelines" (FRL #6362-4), received June 14, 1999; to the Committee on Environment and Public Works.

EC-3778. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Monterey Bay Unified Air Pollution Control District" (FRL #6363-2), received June 15, 1999; to the Committee on Environment and Public Works.

EC-3779. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report

of a rule entitled "Final Determination to Extend Deadline for Promulgation of Action on Section 126 Petitions" (FRL #6363-5), received June 15, 1999; to the Committee on Environment and Public Works.

EC-3780. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Technical Amendments to Approval and Promulgation of Implementation Plans; Oregon, Correction of Effective Date Under CRA" (FRL #6363-6), received June 15, 1999; to the Committee on Environment and Public Works.

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-197. A petition from the Attorney General of the State of South Carolina relative to a proposed interstate compact between Georgia and South Carolina; to the Committee on the Judiciary.

POM-198. A resolution adopted by the Board of Commissioners, McNairy County, Tennessee relative to prayer in schools; to the Committee on the Judiciary.

POM-199. A petition from a citizen of the State of Texas relative to redress of grievances; to the Committee on the Judiciary.

POM-200. A petition from a citizen of the State of Texas relative to redress of grievances; to the Committee on the Judiciary.

POM-201. A petition from a citizen of the State of Mississippi relative to a demand for damages for wrongful death; to the Committee on the Judiciary.

POM-202. A petition from a citizen of the State of Mississippi relative to a demand for damages for wrongful death; to the Committee on the Judiciary.

POM-203. A joint resolution adopted by the Legislature of the State of Nevada relative to Social Security; to the Committee on Finance.

ASSEMBLY JOINT RESOLUTION NO. 12

Whereas, The Social Security system provides benefits to 44 million Americans, including over 27 millions retirees, 4½ million people with disabilities, almost 4 million surviving children and over 8 million surviving adults, and is essential to the dignity and security of a large number of the residents of this country; and

Whereas, The Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds have reported to Congress that the "total income" of the Social Security system "is estimated to fall short of expenditures beginning in 2019 and in each year thereafter . . . until [trust fund] assets are exhausted in 2029"; and

Whereas, Intergenerational fairness, honest accounting principles, prudent budgeting and sound economic policy all require saving Social Security to ensure that our country may better afford the demands placed on Social Security upon the retirement of the "baby boomer" generation beginning in 2010; and

Whereas, If efforts were expended to save the Social Security system, the national savings would be expanded, interest rates would be reduced, private investments would be enhanced, labor productivity would increase and the economy of this country would grow; and

Whereas, The Social Security system produces an annual surplus that is invested in government bonds and the United States Department of Treasury currently borrows the

"surplus," which is projected to approach \$100 billion dollars by the end of 1999, and spends this money on programs that are unrelated to Social Security; and

Whereas, The United States House of Representatives introduced a bill into Congress 1 year ago, designated H.R. 3207, that would have created the "Save Social Security First Reserve Fund" into which the Secretary of the Treasury would be required to deposit budget surpluses pending Social Security reform; and

Whereas, This bill was referred to the Subcommittee on Social Security on February 19, 1998, but died in committee; and

Whereas, Similar bills have been introduced to protect the Social Security system, but to date none have been acted upon; now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada, Jointly, That the members of the 70th session of the Nevada Legislature hereby urge the Federal Government to invest all surplus money from Federal Old-Age and Survivors Insurance for the benefit of the Social Security system; and be it further

Resolved, that such investments must be in public debt securities with suitable maturities and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities; and be it further

Resolved, That the income on such investments must be credited to and form a part of the fund for use in the future; and be it further

Resolved, That the Chief Clerk of the Assembly prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives, the Secretary of the Treasury and each member of the Nevada Congressional Delegation; and be it further

Resolved, That this resolution becomes effective upon passage and approval.

POM-204. A concurrent resolution adopted by the Legislature of the State of Hawaii relative to food quality protection; to the Committee on Agriculture, Nutrition, and Forestry.

SENATE CONCURRENT RESOLUTION NO. 132

Whereas, the safe, responsible use of pesticides for agricultural, food safety, structural, public health, environmental, and other purposes has significantly advanced the overall welfare of Hawaii's citizens and the environment; and

Whereas, the 1996 Food Quality Protection Act (FQPA) establishes new safety standards that pesticides must meet to be newly registered or remain on the market; and

Whereas, the FQPA requires the U.S. Environmental Protection Agency (USEPA) to ensure that all pesticide tolerances meet these new standards by reassessing one-third of the 9,700 current pesticide tolerances by August 1999, and all current tolerances in ten years; and

Whereas, risk determinations based on sound science and reliable real-world data are essential for accurate decisions, and the best way for USEPA to obtain this data is to require its development and submission by the registrants through the data call-in process; and

Whereas, risk determinations made in the absence of reliable, science-based information is expected to result in the needless loss of pesticides and certain uses of other pesticides; and

Whereas, the needless loss of pesticides and certain pesticide uses will result in fewer pest control options for Hawaii and would be

harmful to the economy of Hawaii by jeopardizing agriculture, one of the few industries that has shown great strength during the recent years of the State's flat economy, and fewer pest control options for urban and suburban uses that will result in significant loss of personal property and increased human health concerns; and

Whereas, the needless loss of pesticides will jeopardize the ability of the state and county governments to protect public health and safety on public property and to protect our natural environmental resources, for example, from aggressive alien species; and

Whereas, the flawed implementation of the FQPA is likely to result in significant increases in food costs to consumers, thereby putting the nutritional needs of children, the poor, and the elderly at unnecessary risk; and

Whereas, the Clinton administration has directed the USEPA and the U.S. Department of Agriculture to work jointly toward implementing the FQPA in a manner that assures that our children will be adequately protected and that risk determinations related to pesticide tolerances and registrations will be based on accurate, science-based information; and

Whereas, the cost of developing data to quantify real-world risk is prohibitive and minor use data may not be financed by pesticide registrants and the State and pesticide users may fund studies to support minor users; now, therefore, be it

Resolved by the Senate of the Twentieth Legislature of the State of Hawaii, Regular Session of 1999, the House of Representatives concurring, that the Legislature of the State of Hawaii does hereby respectfully request that the U.S. Congress direct the Administrator of the U.S. Environmental Protection Agency to:

(1) Initiate rulemaking to ensure that the policies and standards it intends to apply in evaluating pesticide tolerances and making realistic risk determinations are based on accurate information, real-world data available through the data call-in process, and sound science, and are subject to adequate public notice and comment before it issues final pesticide tolerance determinations;

(2) Provide interested persons the opportunity to produce data needed to evaluate pesticide tolerances so that USEPA can avoid making faulty final pesticide tolerance determinations based upon unrealistic default assumptions;

(3) Implement the FQPA in a manner that will not adversely disrupt agricultural production nor adversely affect the availability, diversity of the food supply, nor jeopardize the public health or environmental quality through the needless reassessment of pesticide tolerances for non-agricultural activities; and

(4) Delay the August 1999, deadline until 2001 or until the USEPA, USDA, industry leaders and manufacturers can provide science-based data as to use, application, and residue of the pesticides under review; and be it further

Resolved, That the Legislature of the State of Hawaii respectfully requests that pesticide registrants and the U.S. Environmental Protection Agency support minor use registrations by reserving a meaningful portion of the risks projected from the use of a pesticide or a class of pesticides for minor uses; and be it further

Resolved, That certified copies of this Concurrent Resolution be transmitted to the Speaker of the U.S. House of Representatives, President of the U.S. Senate, members of Hawaii's congressional delegation, the Administrator of the USEPA, the Secretary of the U.S. Department of Agriculture, the Governor of Hawaii, the American Crop Pro-

tection Association, the American Farm Bureau Federation, and Responsible Industry for a Sound Environment.

POM-205. A resolution adopted by the House of the Legislature of the State of Hawaii relative to The United Nations Children's Fund; to the Committee on Foreign Relations.

HOUSE RESOLUTION NO. 219

Whereas, a forum is needed to follow up on the recommendations of the Millennium Young People's Congress to be held in October 1999; and

Whereas, children and youth are the key to world peace, sustainability, and productivity in the next millennium; and

Whereas, the health, welfare, and rights of children are the basic foundations that must be established for all children and youth; and

Whereas, Hawaii's location in the middle of the Pacific Rim provides an excellent and strategic location for the meeting place to follow up on the recommendations of the Millennium Young People's Congress, to discuss the health, welfare, and rights of children as basic foundations for all children and youth, and to research pertinent issues and alternatives concerning children and youth and propose viable models for societal application; now, therefore, be it

Resolved, by the House of Representatives of the Twentieth Legislature of the State of Hawaii, Regular Session of 1999, that the United Nations Children's Fund (UNICEF) is respectfully requested to establish a center for the health, welfare, and rights of children and youth in Hawaii and support for the center is respectfully requested from the President of the United States and Congress; and be it further

Resolved, That certified copies of this Resolution be transmitted to the Secretary General of the United Nations Children's Fund, the President of the UNICEF Executive Board, the President of the United States, the President of the United States Senate, and the Speaker of the United States House of Representatives.

POM-206. A concurrent resolution of the Legislature of the State of Hawaii relative to the nomination of the Chief of Staff, U.S. Army; to the Committee on Armed Services.

HOUSE CONCURRENT RESOLUTION NO. 56

Whereas, on April 21, 1999, General Shinseki was nominated by President Clinton to become Chief of Staff of the United States Army; and

Whereas, General Eric Shinseki was born in Lihue, Hawaii, graduated from Kauai High School in 1961, and is a graduate of the U.S. Military Academy at West Point and Duke University; and

Whereas, General Shinseki currently serves as the Vice-Chief of Staff of the United States Army and is also the first Asian-American four-star general having received his fourth star in August of 1997 when he became commanding general of all U.S. Army forces in Europe and was head of the stabilization force in Bosnia-Herzegovina; and

Whereas, General Shinseki's awards and decorations include the Distinguished Service Medal, Legion of Merit, Bronze Star, Purple Heart, and Meritorious Service Medal; now, therefore, be it

Resolved by the House of Representatives of the Twentieth Legislature of the State of Hawaii, Regular Session of 1999, the Senate concurring, that the United States Senate is urged to confirm the nomination of General Eric Shinseki as Chief of Staff of the United States Army; and be it further

Resolved, That a certified copy of this Concurrent Resolution be transmitted to the

President of the United States Senate, to Senator Daniel K. Inouye, and to Senator Daniel K. Akaka.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Appropriations:

Special Report entitled "Further Revised Allocation to Subcommittees of Budget Totals for Fiscal Year 2000" (Rept. No. 106-79).

By Mr. COCHRAN, from the Committee on Appropriations, without amendment:

S. 1233: An original bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes (Rept. No. 106-80).

By Mr. MCCONNELL, from the Committee on Appropriations, without amendment:

S. 1234: An original bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes (Rept. No. 106-81).

By Mr. JEFFORDS, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 326: A bill to improve the access and choice of patients to quality, affordable health care (Rept. No. 106-82).

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 692: A bill to prohibit Internet gambling, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Ms. COLLINS (for herself, Mr. DURBIN, and Mr. GRASSLEY):

S. 1231. A bill to amend title XVIII of the Social Security Act to establish additional provisions to combat waste, fraud, and abuse within the Medicare program, and for other purposes; to the Committee on Finance.

By Mr. COCHRAN (for himself and Mr. AKAKA):

S. 1232. A bill to provide for the correction of retirement coverage errors under chapters 83 and 84 of title 5, United States Code; to the Committee on Governmental Affairs.

By Mr. COCHRAN:

S. 1233. An original bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. MCCONNELL:

S. 1234. An original bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. LEAHY (for himself, Mr. HATCH, Mr. BIDEN, Mr. DEWINE, and Mr. SCHUMER):

S. 1235. A bill to amend part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to allow railroad police officers to attend the Federal Bureau of Investigation National Academy for law enforcement training; to the Committee on the Judiciary.

By Mr. CRAIG (for himself and Mr. CRAPO):

S. 1236. A bill to extend the deadline under the Federal Power Act for commencement of the construction of the Arrowrock Dam Hydroelectric Project in the State of Idaho; to the Committee on Energy and Natural Resources.

By Mr. HUTCHINSON:

S. 1237. A bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with veterans' disability compensation; to the Committee on Armed Services.

By Mr. HUTCHINSON (for himself and Mr. WELLSTONE):

S. 1238. A bill to amend title 38, United States Code, to authorize the payment of dependency and indemnity compensation to the surviving spouses of certain former prisoners of war dying with a service-connected disability related totally disabling at the time of death; to the Committee on Veterans Affairs.

By Mr. GRAHAM (for himself, Mr. MACK, Mr. BINGAMAN, Mr. INOUE, Mr. INHOFE, Mr. BURNS, Mr. BAUCUS, Mr. CRAPO, Mr. CRAIG, and Mrs. FEINSTEIN):

S. 1239. A bill to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules; to the Committee on Finance.

By Mr. MURKOWSKI (for himself, Mr. BREAU, Mr. GORTON, Mr. COCHRAN, Mr. HUTCHINSON, Ms. COLLINS, Mrs. LINCOLN, Mr. SHELBY, Ms. SNOWE, Mrs. MURRAY, Mr. SESSIONS, Mr. SMITH of Oregon, Mrs. HUTCHISON, Mr. GRAMS, and Ms. LANDRIEU):

S. 1240. A bill to amend the Internal Revenue Code of 1986 to provide a partial inflation adjustment for capital gains from the sale or exchange of timber; to the Committee on Finance.

By Mr. ASHCROFT (for himself, Mrs. HUTCHISON, Mr. ABRAHAM, Mr. ALLARD, Mr. BOND, Mr. BROWNBACK, Mr. BUNNING, Mr. BURNS, Mr. CHAFEE, Mr. COCHRAN, Ms. COLLINS, Mr. COVERDELL, Mr. CRAIG, Mr. DEWINE, Mr. DOMENICI, Mr. ENZI, Mr. FRIST, Mr. GRAMM, Mr. GRASSLEY, Mr. GREGG, Mr. HAGEL, Mr. HATCH, Mr. HELMS, Mr. HUTCHINSON, Mr. JEFFORDS, Mr. KYL, Mr. LOTT, Mr. MCCAIN, Mr. MCCONNELL, Mr. NICKLES, Mr. ROBERTS, Mr. SESSIONS, Mr. SMITH of Oregon, Mr. SMITH of New Hampshire, Mr. THOMAS, Mr. THURMOND, and Mr. SHELBY):

S. 1241. A bill to amend the Fair Labor Standards Act of 1938 to provide private sector employees the same opportunities for time-and-a-half compensatory time off and biweekly work programs as Federal employees currently enjoy to help balance the demands and needs of work and family, to clarify the provisions relating to exemptions of certain professionals from minimum wage and overtime requirements of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BROWNBACK (for himself, Mr. LOTT, Mr. ALLARD, Mr. ABRAHAM, Mr. COVERDELL, Mr. SESSIONS, and Mr. CRAIG):

S. Res. 124. A resolution to establish a special committee of the Senate to address the cultural crisis facing America; to the Committee on Rules and Administration.

By Mr. LOTT (for himself, Mr. DASCHLE, Mr. NICKLES, Mr. REID, Mr. AKAKA, Mr. BROWNBACK, Mr. BAUCUS, Mr. COVERDELL, Mr. BAYH, Mr. DOMENICI, Mr. BIDEN, Mr. GRASSLEY, Mr. BINGAMAN, Mr. HUTCHINSON, Mrs. BOXER, Mr. JEFFORDS, Mr. BREAU, Ms. SNOWE, Mr. BRYAN, Mr. SPECTER, Mr. BYRD, Mr. STEVENS, Mr. CLELAND, Mr. CONRAD, Mr. DODD, Mr. DORGAN, Mr. DURBIN, Mr. EDWARDS, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. HARKIN, Mr. HOLLINGS, Mr. INOUE, Mr. JOHNSON, Mr. KENNEDY, Mr. KERREY, Mr. KERRY, Mr. KOHL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Ms. MIKULSKI, Mr. MOYNIHAN, Mrs. MURRAY, Mr. REED, Mr. ROBB, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SCHUMER, Mr. TORRICELLI, Mr. WELLSTONE, and Mr. WYDEN):

S. Con. Res. 40. A concurrent resolution commending the President and the Armed Forces for the success of Operation Allied Force; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. COLLINS (for herself, Mr. DURBIN, and Mr. GRASSLEY):

S. 1231. A bill to amend title XVIII of the Social Security Act to establish additional provisions to combat waste, fraud, and abuse within the Medicare Program, and for other purposes; to the Committee on Finance.

MEDICARE FRAUD PREVENTION AND ENFORCEMENT ACT OF 1999

Ms. COLLINS. Mr. President, on behalf of myself and my distinguished colleagues Senator DURBIN and Senator GRASSLEY, I rise today to introduce the Medicare Fraud Prevention and Enforcement Act of 1999. Both of these Senators have been leaders in the fight against Medicare fraud.

This bill will help solve an almost \$13 billion problem. According to the HHS Inspector General, waste, fraud, abuse, and other improper payments drained about that much from the Medicare Trust Fund in fiscal year 1998. Fraud and abuse not only compromise the solvency of the Medicare program but also, in some cases, directly affect the quality of care delivered to the 38 million older and disabled Americans who depend upon this program. Although this legislation will not prevent all of the waste, fraud, and abuse that now plagues Medicare, it represents an important step toward a solution to a problem that threatens the financial integrity of this vital social program.

Unfortunately, there is no line item in the budget called "Medicare Waste, Fraud and Abuse" that we can simply cut to eliminate this insidious problem. It is a complicated, difficult challenge to plug the holes that make Medicare at high risk for fraud and abuse.

In May 1997, the Permanent Subcommittee on Investigations, which I

chair, started an extensive investigation of the Medicare program. So far, my Subcommittee has held three hearings in an effort to expose fraud and abuse within Medicare.

As the Subcommittee's hearings revealed, we are now seeing a dangerous and growing problem with Medicare fraud. Career criminals and bogus providers with no background in health care are increasingly entering the system with the sole purpose of stealing hard-earned taxpayer dollars from the Medicare Trust Fund. Only tough deterrents can prevent these unscrupulous providers from entering the Medicare system. At the same time, however, we must be careful not to make entry into the Medicare program so difficult that the process deters legitimate health care providers. We owe it to the American public to strike this crucial balance.

During a Subcommittee hearing earlier last year, we heard testimony describing egregious examples of fraud committed by unscrupulous health care providers. For example, two physicians who submitted in excess of \$690,000 in fraudulent Medicare claims listed nothing more than a Brooklyn laundromat as their office location. We were also told that over \$6 million in Medicare funds were sent to durable medical equipment companies that provided no services; one of these companies even listed a fictitious address that would have placed the firm in the middle of a runway at the Miami International Airport.

While the number of unscrupulous providers in the Medicare program is very small relative to the number of honest providers, these criminals nevertheless are able to steal millions of dollars from Medicare, wreaking financial havoc on the program. This fraud contributes to the tremendous increase in health care expenditures and adversely affects the quality of health care given to our nation's elderly and disabled.

In response to the serious problems identified through my Subcommittee's investigation, Senator DURBIN, Senator GRASSLEY, and I are introducing legislation designed to prevent waste, fraud, and abuse by strengthening the Medicare enrollment process, expanding certain standards of participation, and reducing erroneous payments. Among other things, this legislation gives additional enforcement tools to the federal law enforcement agencies pursuing health care criminals.

One of the most important steps this bill takes is to prevent scam artists and criminals from securing the provider numbers that permit them to gain access to the Medicare system. Specifically, this bill requires background investigations to be conducted on all new providers to prevent career criminals from getting involved with Medicare in the first place. In addition, this bill requires site inspections of new durable medical equipment suppliers and community mental health

centers prior to their being given a provider number. This will help close the system to those who apply for a provider number from a bogus or non-existent location. Together, these provisions are designed to make it more difficult for unscrupulous individuals to obtain a Medicare provider number and begin submitting fraudulent claims.

This legislation also requires community mental health centers to meet applicable certification or licensing requirements in their state before they are issued a provider number, and requires the Secretary of Health and Human Services to establish additional standards for such centers to participate in the Medicare system.

In September of last year, Health Care Financing Administration Administrator Nancy-Ann DeParle acknowledged the extensive fraud associated with community mental health centers as she announced a 10-point plan to curb abuses within this program. I applaud Administrator DeParle for taking a step in the right direction, but we can go further.

Our legislation requires each agency that bills Medicare on behalf of physicians or provider groups to register with HCFA and receive a unique registration number. Many billing companies receive a percentage of the claims they submit that are paid by Medicare. Unethical companies, therefore, have a financial incentive to inflate the cost or number of claims submitted. Because billing companies do not have a Medicare provider number, however, it is difficult for HCFA to sanction or exclude them from billing Medicare. Hence, there is little to deter unscrupulous billing companies from submitting inflated claims. This bill makes all companies accountable for their billings through a uniform registration system.

This legislation also provides that Medicare contractors should be held financially accountable for any amounts they improperly pay to excluded providers 60 or more days after being notified of the exclusion. There have been numerous instances in which a Medicare contractor has continued to pay a provider after HCFA had excluded the provider from participating in the program. As a result, excluded providers have sometimes continued to receive unauthorized payments due to the negligence of contractors.

Why should American taxpayers swallow the cost of improper payments when a contractor has been specifically told not to pay a particular provider and yet continues to do so? This bill would help deter such negligence. I realize, however, that this is a complex issue and that this accountability provision may require further refinement.

Under our legislation, providers also would be required to refund overpayments even if they filed for bankruptcy, if the overpayments were incurred through fraudulent means. This money would then be deposited into

the Medicare Trust Fund. Some bad actors have used bankruptcy as a shield against repaying Medicare. Essentially, unscrupulous individuals steal literally hundreds of thousands of dollars from the Medicare program, hide or spend it quickly, and then file for bankruptcy protection when they are caught, leaving the Medicare Trust Fund in debt. With this bill, we intend to close this loophole.

Another provision of this legislation aims to halt trafficking in provider numbers. The bill makes it a felony to knowingly, purchase, sell, or distribute Medicare beneficiary or provider numbers with the intent to defraud. Our investigation revealed that there is a growing problem with unscrupulous providers using "recruiters" to fraudulently obtain Medicare beneficiary identification numbers, thereafter using these numbers to bill for services never delivered. This problem must be stopped.

Our legislation will also grant much needed statutory law enforcement authority to qualified special agents of the Department of Health and Human Service's Office of Inspector General. Even though one of their major responsibilities is to enforce federal criminal laws, these special agents have no statutory authority to carry firearms, make arrests, or execute search warrants. The office now operates under a temporary Memorandum of Understanding with the Department of Justice.

This lack of full law enforcement authority jeopardizes the safety of HHS-OIG special agents and witnesses under their protection. As my Subcommittee's hearings have demonstrated, more and more career criminals are becoming involved in health care fraud; this increases the potential danger to the agents charged with investigating these crimes. It is time for Congress to spell out the law enforcement authorities of the HHS Office of Inspector General in a more permanent way.

I am very pleased that Senator GRASSLEY, who has been a leader in the fight against Medicare fraud, waste, and abuse, has agreed to be an original cosponsor of our legislation. Senator DURBIN and I have incorporated into our legislation a valuable proposal that Senator GRASSLEY sponsored, namely requiring the use of Universal Product Numbers ("UPNs") on claims forms for reimbursement under the Medicare program. Senator GRASSLEY, and a bipartisan coalition, introduced this concept as a freestanding bill, S.256, which I cosponsored earlier this year.

These provisions of our legislation would require that a UPN that uniquely identifies the item would be affixed by the manufacturer to medical equipment and supplies. The UPNs would be based on commercially-accepted identification standards, however, customized equipment would not be required to comply with this requirement. Senator DURBIN and I believe that this proposal is complementary to

our package of reforms and strengthens the legislation we are introducing today.

Mr. President, the bill we are introducing today represents our concrete commitment to improve the Medicare program by providing additional tools that are needed to combat the extensive waste, fraud, and abuse that plague our nation's most important health care program. The unscrupulous individuals who commit Medicare fraud drive legitimate providers out of business, cost taxpayers vast sums of money, deliver substandard services and equipment, and endanger our elderly by not providing needed services.

We must use common sense and cost-effective solutions to curtail the spreading infection of fraud that threatens the vitality of Medicare. Yet, we must do more. We have a serious responsibility to older Americans across the country and to the nation's taxpayers to protect the Medicare program. We urge our colleagues to join us in this bi-partisan effort to strengthen and improve the Medicare program.

Thank you, Mr. President, and I ask unanimous consent that the bill, a section-by-section analysis of the bill, and four letters endorsing the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1231

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the "Medicare Fraud Prevention and Enforcement Act of 1999".

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Site inspections and background checks.
- Sec. 3. Registration of billing agencies.
- Sec. 4. Expanded access to the health integrity protection database (HIPDB).
- Sec. 5. Liability of medicare carriers and fiscal intermediaries for claims submitted by excluded providers.
- Sec. 6. Community mental health centers.
- Sec. 7. Limiting the use of automatic stays and discharge in bankruptcy proceedings for provider liability for health care fraud.
- Sec. 8. Illegal distribution of a medicare or medicaid beneficiary identification or provider number.
- Sec. 9. Treatment of certain Social Security Act crimes as Federal health care offenses.
- Sec. 10. Authority of Office of Inspector General of the Department of Health and Human Services.
- Sec. 11. Universal Product Numbers on Claims Forms for Reimbursement Under the Medicare program.

SEC. 2. SITE INSPECTIONS AND BACKGROUND CHECKS.

(a) **SITE INSPECTIONS FOR DME SUPPLIERS, COMMUNITY MENTAL HEALTH CENTERS, AND OTHER PROVIDER GROUPS.**—Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is amended by adding at the end the following:

"SITE INSPECTIONS FOR DME SUPPLIERS, COMMUNITY MENTAL HEALTH CENTERS, AND OTHER PROVIDER GROUPS

"SEC. 1897. (a) SITE INSPECTIONS.—

"(1) IN GENERAL.—The Secretary shall conduct a site inspection for each applicable provider (as defined in paragraph (2)) that applies for a provider number in order to provide items or services under this title. Such site inspection shall be in addition to any other site inspection that the Secretary would otherwise conduct with regard to an applicable provider.

"(2) APPLICABLE PROVIDER DEFINED.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), in this section, the term 'applicable provider' means—

"(i) a supplier of durable medical equipment (including items described in section 1834(a)(13));

"(ii) a supplier of prosthetics, orthotics, or supplies (including items described in paragraphs (8) and (9) of section 1861(s));

"(iii) a community mental health center;

or

"(iv) any other provider group, as determined by the Secretary.

"(B) EXCEPTION.—In this section, the term 'applicable provider' does not include—

"(i) a physician that provides durable medical equipment (as described in subparagraph (A)(i)) or prosthetics, orthotics, or supplies (as described in subparagraph (A)(ii)) to an individual as incident to an office visit by such individual; or

"(ii) a hospital that provides durable medical equipment (as described in subparagraph (A)(i)) or prosthetics, orthotics, or supplies (as described in subparagraph (A)(ii)) to an individual as incident to an emergency room visit by such individual.

"(b) STANDARDS AND REQUIREMENTS.—In conducting the site inspection pursuant to subsection (a), the Secretary shall ensure that the site being inspected is in full compliance with all the conditions and standards of participation and requirements for obtaining medicare billing privileges under this title.

"(c) TIME.—The Secretary shall conduct the site inspection for an applicable provider prior to the issuance of a provider number to such provider.

"(d) TIMELY REVIEW.—The Secretary shall provide for procedures to ensure that the site inspection required under this section does not unreasonably delay the issuance of a provider number to an applicable provider."

(b) BACKGROUND CHECKS.—Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (as amended by subsection (a)) is amended by adding at the end the following:

"BACKGROUND CHECKS

"SEC. 1898. (a) BACKGROUND CHECK REQUIRED.—Except as provided in subsection (b), the Secretary shall conduct a background check on any individual or entity that applies to the Secretary for a provider number for the purpose of furnishing any item or service under this title. In performing the background check, the Secretary shall—

"(1) conduct the background check before issuing a provider number to an individual or entity;

"(2) include a search of criminal records in the background check; and

"(3) provide for procedures that ensure the background check does not unreasonably delay the issuance of a provider number to an eligible individual or entity.

"(b) USE OF STATE LICENSING PROCEDURE.—The Secretary may use the results of a State licensing procedure as a background check under subsection (a) if the State licensing procedure meets the requirements of subsection (a).

"(c) ATTORNEY GENERAL REQUIRED TO PROVIDE INFORMATION.—

"(1) IN GENERAL.—Upon request of the Secretary, the Attorney General shall provide the criminal background check information referred to in subsection (a)(2) to the Secretary.

"(2) RESTRICTION ON USE OF DISCLOSED INFORMATION.—The Secretary may only use the information disclosed under subsection (a) for the purpose of carrying out the Secretary's responsibilities under this title.

"(d) REFUSAL TO ISSUE PROVIDER NUMBER.—

"(1) AUTHORITY.—In addition to any other remedy available to the Secretary, the Secretary may refuse to issue a provider number to an individual or entity if the Secretary determines, after a background check conducted under this section, that such individual or entity has a history of acts that indicate issuance of a provider number to such individual or entity would be detrimental to the best interests of the program or program beneficiaries. Such acts may include, but are not limited to—

"(A) any bankruptcy;

"(B) any act resulting in a civil judgment against such individual or entity; or

"(C) any felony conviction under Federal or State law.

"(2) REPORTING OF REFUSAL TO ISSUE PROVIDER NUMBER TO THE HEALTH INTEGRITY PROTECTION DATABASE (HIPDB).—A determination to refuse to issue a provider number to an individual or entity as a result of a background check conducted under this section shall be reported to the health integrity protection database established under section 1128E in accordance with the procedures for reporting final adverse actions taken against a health care provider, supplier, or practitioner under that section."

(c) REGULATIONS; EFFECTIVE DATE.—

(1) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall promulgate such regulations as are necessary to implement the amendments made by subsections (a) and (b).

(2) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to applications received by the Secretary of Health and Human Services on or after January 1, 2000.

(d) USE OF MEDICARE INTEGRITY PROGRAM FUNDS.—The Secretary of Health and Human Services may use funds appropriated or transferred for purposes of carrying out the medicare integrity program established under section 1893 of the Social Security Act (42 U.S.C. 1395ddd) to carry out the provisions of sections 1897 and 1898 of that Act (as added by subsections (a) and (b)).

SEC. 3. REGISTRATION OF BILLING AGENCIES.

(a) REGISTRATION OF BILLING AGENCIES AND INDIVIDUALS.—Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (as amended by section 2(b)) is amended by adding at the end the following:

"REGISTRATION OF BILLING AGENCIES AND INDIVIDUALS

"SEC. 1899. (a) REGISTRATION.—The Secretary shall establish procedures for the registration of all applicable persons.

"(b) REQUIRED APPLICATION.—Each applicable person shall submit a registration application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

"(c) IDENTIFICATION NUMBER.—If the Secretary approves an application submitted under subsection (b), the Secretary shall assign a unique identification number to the applicable person.

"(d) REQUIREMENT.—Every claim for reimbursement under this title that is compiled

and submitted by an applicable person shall contain the identification number that is assigned to the applicable person pursuant to subsection (c).

"(e) TIMELY REVIEW.—The Secretary shall provide for procedures that ensure the timely consideration and determination regarding approval of applications under this section.

"(f) DEFINITION OF APPLICABLE PERSON.—In this section, the term 'applicable person' means an individual or an entity that compiles and submits claims for reimbursement under this title to the Secretary on behalf of any individual or entity."

(b) PERMISSIVE EXCLUSION.—Section 1128(b) of the Social Security Act (42 U.S.C. 1320a-7(b)) is amended by adding at the end the following:

"(16) FRAUD BY APPLICABLE PERSON.—An applicable person (as defined in section 1899(f)) that the Secretary determines knowingly submitted or caused to be submitted a claim for reimbursement under title XVIII that the applicable person knows or should know is false or fraudulent."

(c) REGULATIONS; EFFECTIVE DATE.—

(1) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall promulgate such regulations as are necessary to implement the amendment made by subsections (a) and (b).

(2) EFFECTIVE DATE.—The amendment made by subsections (a) and (b) shall take effect on January 1, 2000.

SEC. 4. EXPANDED ACCESS TO THE HEALTH INTEGRITY PROTECTION DATABASE (HIPDB).

(a) IN GENERAL.—Section 1128E(d)(1) of the Social Security Act (42 U.S.C. 1320a-7e(d)(1)) is amended to read as follows:

"(1) AVAILABILITY.—The information in the database maintained under this section shall be available to—

"(A) Federal and State government agencies and health plans, and any health care provider, supplier, or practitioner entering an employment or contractual relationship with an individual or entity who could potentially be the subject of a final adverse action, where the contract involves the furnishing of items or services reimbursed by 1 or more Federal health care programs (regardless of whether the individual or entity is paid by the programs directly, or whether the items or services are reimbursed directly or indirectly through the claims of a direct provider); and

"(B) utilization and quality control peer review organizations and accreditation entities as defined by the Secretary, including but not limited to organizations described in part B of title XI and in section 1154(a)(4)(C)."

(b) CRIMINAL PENALTY FOR MISUSE OF INFORMATION.—Section 1128B(b) of the Social Security Act (42 U.S.C. 1320a-7b(b)) is amended by adding at the end the following:

"(4) Whoever knowingly uses information maintained in the health integrity protection database maintained in accordance with section 1128E for a purpose other than a purpose authorized under that section shall be imprisoned for not more than 3 years or fined under title 18, United States Code, or both."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act.

SEC. 5. LIABILITY OF MEDICARE CARRIERS AND FISCAL INTERMEDIARIES FOR CLAIMS SUBMITTED BY EXCLUDED PROVIDERS.

(a) REIMBURSEMENT TO THE SECRETARY FOR AMOUNTS PAID TO EXCLUDED PROVIDERS.—

(1) REQUIREMENTS FOR FISCAL INTERMEDIARIES.—

(A) IN GENERAL.—Section 1816 of the Social Security Act (42 U.S.C. 1395h) is amended by adding at the end the following:

“(m) An agreement with an agency or organization under this section shall require that such agency or organization reimburse the Secretary for any amounts paid by the agency or organization for a service under this title which is furnished by an individual or entity during any period for which the individual or entity is excluded, pursuant to section 1128, 1128A, or 1156, from participation in the health care program under this title if the amounts are paid after the 60-day period beginning on the date the Secretary provides notice of the exclusion to the agency or organization, unless the payment was made as a result of incorrect information provided by the Secretary or the individual or entity excluded from participation has concealed or altered their identity.”

(B) CONFORMING AMENDMENT.—Section 1816(i) of the Social Security Act (42 U.S.C. 1395h(i)) is amended by adding at the end the following:

“(4) Nothing in this subsection shall be construed to prohibit reimbursement by an agency or organization pursuant to subsection (m).”

(2) REQUIREMENTS FOR CARRIERS.—Section 1842(b)(3) of the Social Security Act (42 U.S.C. 1395u(b)(3)) is amended—

(A) by striking “and” at the end of subparagraph (I); and

(B) by inserting after subparagraph (I) the following:

“(J) will reimburse the Secretary for any amounts paid by the carrier for an item or service under this part which is furnished by an individual or entity during any period for which the individual or entity is excluded, pursuant to section 1128, 1128A, or 1156, from participation in the health care program under this title if the amounts are paid after the 60-day period beginning on the date the Secretary provides notice of the exclusion to the carrier, unless the payment was made as a result of incorrect information provided by the Secretary or the individual or entity excluded from participation has concealed or altered their identity; and”

(b) CONFORMING REPEAL OF MANDATORY PAYMENT RULE.—Section 1862(e) of the Social Security Act (42 U.S.C. 1395y(e)) is amended—

(1) in paragraph (1)(B), by striking “and when the person” and all that follows through “person”; and

(2) by amending paragraph (2) to read as follows:

“(2) No individual or entity may bill (or collect any amount from) any individual for any item or service for which payment is denied under paragraph (1). No individual is liable for payment of any amounts billed for such an item or service in violation of the preceding sentence.”

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to claims for payment submitted on or after the date of enactment of this Act.

(2) CONTRACT MODIFICATION.—The Secretary of Health and Human Services shall take such steps as may be necessary to modify contracts and agreements entered into, renewed, or extended prior to the date of enactment of this Act to conform such contracts or agreements to the provisions of this section.

SEC. 6. COMMUNITY MENTAL HEALTH CENTERS.

(a) IN GENERAL.—Section 1861(ff)(3)(B) of the Social Security Act (42 U.S.C. 1395x(ff)(3)(B)) is amended by striking “entity” and all that follows and inserting the following: “entity that—

“(i) provides the community mental health services specified in paragraph (1) of section 1913(c) of the Public Health Service Act;

“(ii) meets applicable certification or licensing requirements for community mental health centers in the State in which it is located;

“(iii) provides a significant share of its services to individuals who are not eligible for benefits under this title; and

“(iv) meets such additional standards or requirements for obtaining medicare billing privileges as the Secretary may specify to ensure—

“(I) the health and safety of beneficiaries receiving such services; or

“(II) the furnishing of such services in an effective and efficient manner.”

(b) RESTRICTION.—Section 1861(ff)(3)(A) of the Social Security Act (42 U.S.C. 1395x(ff)(3)(A)) is amended by inserting “other than in an individual’s home or in an inpatient or residential setting” before the period.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to items and services furnished after the sixth month that begins after the date of enactment of this Act.

SEC. 7. LIMITING THE DISCHARGE OF DEBTS IN BANKRUPTCY PROCEEDINGS IN CASES WHERE A HEALTH CARE PROVIDER OR A SUPPLIER ENGAGES IN FRAUDULENT ACTIVITY.

(a) IN GENERAL.—

(1) CIVIL MONETARY PENALTIES.—Section 1128A(a) of the Social Security Act (42 U.S.C. 1320a-7a(a)) is amended by adding at the end the following: “Notwithstanding any other provision of law, amounts made payable under this section are not dischargeable under section 727, 1141, 1228(a) or (b), or 1328 of title 11, United States Code, or any other provision of such title.”

(2) RECOVERY OF OVERPAYMENT TO PROVIDERS OF SERVICES UNDER PART A OF MEDICARE.—Section 1815(d) of the Social Security Act (42 U.S.C. 1395g(d)) is amended—

(A) by inserting “(1)” after “(d)”; and

(B) by adding at the end the following:

“(2) Notwithstanding any other provision of law, amounts due to the Secretary under this section are not dischargeable under section 727, 1141, 1228(a) or (b), or 1328 of title 11, United States Code, or any other provision of such title if the overpayment was the result of fraudulent activity, as may be defined by the Secretary.”

(3) RECOVERY OF OVERPAYMENT OF BENEFITS UNDER PART B OF MEDICARE.—Section 1833(j) of the Social Security Act (42 U.S.C. 1395l(j)) is amended—

(A) by inserting “(1)” after “(j)”; and

(B) by adding at the end the following:

“(2) Notwithstanding any other provision of law, amounts due to the Secretary under this section are not dischargeable under section 727, 1141, 1228(a) or (b), or 1328 of title 11, United States Code, or any other provision of such title if the overpayment was the result of fraudulent activity, as may be defined by the Secretary.”

(4) COLLECTION OF PAST-DUE OBLIGATIONS ARISING FROM BREACH OF SCHOLARSHIP AND LOAN CONTRACT.—Section 1892(a) of the Social Security Act (42 U.S.C. 1395ccc(a)) is amended by adding at the end the following:

“(5) Notwithstanding any other provision of law, amounts due to the Secretary under this section are not dischargeable under section 727, 1141, 1228(a) or (b), or 1328 of title 11, United States Code, or any other provision of such title.”

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to bankruptcy petitions filed after the date of enactment of this Act.

SEC. 8. ILLEGAL DISTRIBUTION OF A MEDICARE OR MEDICAID BENEFICIARY IDENTIFICATION OR PROVIDER NUMBER.

Section 1128B(b) of the Social Security Act (42 U.S.C. 1320a-7b(b)), as amended by section

4(b), is amended by adding at the end the following:

“(5) Whoever knowingly, intentionally, and with the intent to defraud purchases, sells or distributes, or arranges for the purchase, sale, or distribution of 2 or more medicare or medicaid beneficiary identification numbers or provider numbers shall be imprisoned for not more than 3 years or fined under title 18, United States Code (or, if greater, an amount equal to the monetary loss to the Federal and any State government as a result of such acts), or both.”

SEC. 9. TREATMENT OF CERTAIN SOCIAL SECURITY ACT CRIMES AS FEDERAL HEALTH CARE OFFENSES.

(a) IN GENERAL.—Section 24(a) of title 18, United States Code, is amended—

(1) by striking the period at the end of paragraph (2) and inserting “; or”; and

(2) by adding at the end the following:

“(3) section 1128B of the Social Security Act (42 U.S.C. 1320a-7b).”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act and apply to acts committed on or after the date of enactment of this Act.

SEC. 10. AUTHORITY OF OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(a) AUTHORITY.—Notwithstanding any other provision of law, upon designation by the Inspector General of the Department of Health and Human Services, any criminal investigator of the Office of Inspector General of such department may, in accordance with guidelines issued by the Secretary of Health and Human Services and approved by the Attorney General, while engaged in activities within the lawful jurisdiction of such Inspector General—

(1) obtain and execute any warrant or other process issued under the authority of the United States;

(2) make an arrest without a warrant for—

(A) any offense against the United States committed in the presence of such investigator; or

(B) any felony offense against the United States, if such investigator has reasonable cause to believe that the person to be arrested has committed or is committing that felony offense; and

(3) exercise any other authority necessary to carry out the authority described in paragraphs (1) and (2).

(b) FUNDS.—The Office of Inspector General of the Department of Health and Human Services may receive and expend funds that represent the equitable share from the forfeiture of property in investigations in which the Office of Inspector General participated, and that are transferred to the Office of Inspector General by the Department of Justice, the Department of the Treasury, or the United States Postal Service. Such equitable sharing funds shall be deposited in a separate account and shall remain available until expended.

SEC. . UNIVERSAL PRODUCT NUMBERS ON CLAIMS FORMS FOR REIMBURSEMENT UNDER THE MEDICARE PROGRAM.

(A) (a) ACCOMMODATION OF UPNS ON MEDICARE CLAIMS FORMS.—Not later than February 1, 2001, all claims forms developed or used by the Secretary of Health and Human Services for reimbursement under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) shall accommodate the use of universal product numbers for a UPN covered item.

(b) REQUIREMENT FOR PAYMENT OF CLAIMS.—Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is amended by adding at the end the following:

"USE OF UNIVERSAL PRODUCT NUMBERS

"SEC. 1897. (a) IN GENERAL.—No payment shall be made under this title for any claim for reimbursement for any UPN covered item unless the claim contains the universal product number of the UPN covered item.

"(b) DEFINITIONS.—In this section:

"(1) UPN COVERED ITEM.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'UPN covered item' means—

"(i) a covered item as that term is defined in section 1834(a)(13);

"(ii) an item described in paragraph (8) and (9) of section 1861(s);

"(iii) an item described in paragraph (5) of section 1861(s); and

"(iv) any other item for which payment is made under this title that the Secretary determines to be appropriate.

"(B) EXCLUSION.—The term 'UPN covered item' does not include a customized item for which payment is made under this title.

"(2) UNIVERSAL PRODUCT NUMBER.—The term 'universal product number' means a number that is—

"(A) affixed by the manufacturer to each individual UPN covered item that uniquely identifies the item at each packaging level; and

"(B) based on commercially acceptable identification standards such as, but not limited to, standards established by the Uniform Code Council-International Article Numbering System or the Health Industry Business Communication Council."

(C) DEVELOPMENT AND IMPLEMENTATION OF PROCEDURES.—

(1) INFORMATION INCLUDED IN UPN.—The Secretary of Health and Human Services, in consultation with manufacturers and entities with appropriate expertise, shall determine the relevant descriptive information appropriate for inclusion in a universal product number for a UPN covered item.

(2) REVIEW OF PROCEDURE.—From the information obtained by the use of universal product numbers on claims for reimbursement under the Medicare program, the Secretary of Health and Human Services, in consultation with interested parties, shall periodically review the UPN covered items billed under the Health Care Financing Administration Common Procedure Coding System and adjust such coding system to ensure that functionally equivalent UPN covered items are billed and reimbursed under the same codes.

(d) EFFECTIVE DATE.—The amendment made by subsection (b) shall apply to claims for reimbursement submitted on and after February 1, 2002.

(B) STUDY AND REPORTS TO CONGRESS.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study on the results of the implementation of the provisions in subsections (a) and (c) of section 2 and the amendment to the Social Security Act in subsection (b) of that section.

(b) REPORTS.—

(1) PROGRESS REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services shall submit a report to Congress that contains a detailed description of the progress of the matters studied pursuant to subsection (a).

(2) IMPLEMENTATION.—Not later than 18 months after the date of enactment of this Act, and annually thereafter for 3 years, the Secretary of Health and Human Services shall submit a report to Congress that contains a detailed description of the results of the study conducted pursuant to subsection (a), together with the Secretary's recommendations regarding the use of universal product numbers and the use of data obtained from the use of such numbers.

(C) DEFINITIONS.

In this Act:

(1) UPN COVERED ITEM.—The term 'UPN covered item' has the meaning given such term in section 1897(b)(1) of the Social Security Act (as added by section 2(b)).

(2) UNIVERSAL PRODUCT NUMBER.—The term 'universal product number' has the meaning given such term in section 1897(b)(2) of the Social Security Act (as added by section 2(b)).

(D) AUTHORIZATION OF APPROPRIATIONS.

The are authorized to be appropriated such sums as may be necessary for the purpose of carrying out the provisions in subsections (a) and (c) of section 2, section 3, and section 1897 of the Social Security Act (as added by section 2(b)).

MEDICARE FRAUD PREVENTION AND ENFORCEMENT ACT OF 1999—SECTION-BY-SECTION SUMMARY

Sec. 1: Short Title: "Medicare Fraud Prevention and Enforcement Act of 1999".

Sec. 2: Site Inspections and Background Checks

Requires the Health Care Financing Administration (HCFA) to conduct a site inspection prior to issuing a provider number for all new providers of durable medical equipment, prosthetics, orthotics or supplies, community mental health services, or any other provider group deemed necessary by the Secretary.

Requires site inspections to include, at a minimum, verification of compliance with all established standards of enrollment relating to a particular provider type.

Requires background checks on all new providers prior to issuing a provider number. The background check shall include a criminal history background check. Grants the Secretary the authority to substitute state licensing procedures for background checks if it is determined that a State's procedures have the same substantive requirements.

Requires the Attorney General to provide criminal background information to the Secretary regarding individuals applying for a Medicare provider number. The Secretary may only use this information for determining eligibility for participation in the Medicare program.

The Secretary may decline to issue a provider number if the Secretary determines, after a background check, that the applicant has a history of acts that the Secretary determines would be detrimental to the best interests of the program or its beneficiaries.

The Secretary shall report all decisions to refuse a provider number as a result of a background check to the Health Integrity Protection Database.

HCFA may use Medicare Integrity Program funds to cover the costs of conducting the site visits and background investigations.

A physician or hospital that provides durable medical equipment, prosthetics, orthotics or supplies incident to an office visit or emergency room visit is exempt from the site visit requirement.

Explanation: Currently, site inspections and background checks are random and typically only occur in certain areas of the country and on certain types of providers. Mandating site inspections and background checks would significantly enhance the ability of HCFA to keep "bad apples" from entering the program. Site inspections must do more than simply verify that a business actually exists at a particular location; they must ensure that the entity meets or exceeds the established participation standards related to their speciality.

Sec. 3: Registration of Billing Agencies

Requires agencies that bill Medicare on behalf of physicians or provider groups to register with HCFA.

Requires HCFA to assign a unique registration number to each billing agency.

Requires that every claim submitted by a billing agency to Medicare for reimbursement include the agency's unique registration number.

Allows the Secretary to exclude a billing agency from participating in the Medicare program if it knowingly submits a false or fraudulent claim.

Explanation: This provision would require HCFA to assign a unique identifying number (similar to a provider number) to each company which would then allow Medicare to sanction or exclude these companies (and principal owners) from billing Medicare. Federal law enforcement agencies have received several allegations involving cases in which billing companies that bill Medicare on behalf of providers submitted fraudulent (upcoded/unbundled/fictitious) claims for payment. Many billing companies receive a percentage of all claims paid by Medicare; therefore, these companies have a financial incentive to inflate the cost or number of claims submitted. This occurs both with and without the knowledge of the provider. Because these billing companies do not have a Medicare provider number (they bill using the particular physician's provider number), HCFA is currently unable to sanction or exclude the companies from billing Medicare.

Sec. 4: Expand Access to the Health Integrity Protection Database (HIPDB)

Allows any entity that bills Medicare to query the HIPDB before hiring or initiating a contractual relationship with a health care provider.

HIPDB is intended to provide a "one stop shop" data base for public information on the imposition of health care sanctions. Includes information such as health care-related criminal convictions, civil judgments, exclusions, and adverse license or certification actions.

Abuse of the information in the HIPDB is a federal felony. Whoever knowingly uses information maintained in the database for unauthorized purposes shall be imprisoned for not more than 3 years or fined under title 18, United States Code, or both.

Currently, the HIPDB is only available to government investigators and health care plans.

Explanation: Expanding access to HIPDB for those entities that bill Medicare will allow for better tracking and accountability of individuals who have received an adverse action; therefore, allowing the employer to make a more informed hiring decision.

Sec. 5: Contractor Payments to Excluded Providers

Requires a Medicare contractor to reimburse the Secretary for any amounts paid by HCFA for claims submitted by excluded providers 60 days after the Secretary has provided notice of the exclusion, unless the payment was made as a result of incorrect information provided by the Secretary or the individual or entity excluded from participation has concealed or altered their identity.

Prevents an excluded provider from directly billing a Medicare beneficiary.

Explanation: There have been numerous instances in which Medicare contractors have continued to pay providers after HCFA had excluded the provider from participating in the program. As a result, excluded individuals and entities have continued to receive Medicare payments due to the negligence of contractor personnel. Instead of draining the Medicare Trust Fund, Medicare contractors should be held financially accountable for any amounts they improperly pay to excluded providers 60 days after they have been notified of the exclusion unless the payment was made as a result of incorrect information by HHS or the excluded provider intentionally concealed or altered its identity so

that the contractor could not have known the provider was excluded. By making Medicare contractors liable for such erroneous payments, they will be encouraged to exert greater diligence when reviewing new provider applications and paying claims.

Sec. 6: Community Mental Health Centers (CMHC)

CMHCs must meet applicable certification or licensing requirements of the state in which they are located before they are issued a provider number.

CMHCs cannot serve only Medicare patients.

CMHCs must meet additional standards of participation to be established by the Secretary before they are issued a provider number.

Explanation: This provision is designed to ensure that fraudulent or fly-by-night companies are not allowed to participate in the CMHC program. Recent subcommittee hearings have highlighted the rampant fraud within the CMHC program. CMHCs are paid by Medicare to provide partial hospitalization services to patients that would otherwise have to be admitted for inpatient psychiatric treatment. The program has grown from about \$30 million in 1993 to more than \$350 million in 1997. Of the approximately 1,500 CMHCs nationwide, more than 250 of these centers are located in the State of Florida. On-site visits to these facilities in Florida by HCFA personnel revealed that many CMHCs did not meet the criteria for a Medicare provider number, numerous patients did not meet eligibility criteria, and many centers were using non-licensed staff to furnish non-therapeutic services. In essence, Medicare was paying for adult daycare, which is not allowed.

Sec. 7: Bankruptcy Protection

Provides that any overpayment which is the result of fraudulent activity is not dischargeable through the bankruptcy process.

Provides that any civil monetary penalty or collection of past-due obligations arising from breach of a scholarship and loan contract are not dischargeable through the bankruptcy process.

Explanation: Under current law, health care providers and suppliers can use bankruptcy as a shield against recovery of Medicare overpayments. A provider or supplier can assert that any overpayment due to the Medicare program is discharged and does not survive the bankruptcy proceeding. Under this proposal, a provider or supplier would be liable to refund overpayments even in bankruptcy if the provider obtained the overpayment by fraudulent means. This money would eventually be deposited into the Medicare Trust Fund. Additionally, any civil monetary penalties levied or past-due obligations arising from breach of a contract entered into pursuant to the National Health Services Corp Scholarship Program, the Physician Shortage Area Scholarship Program, or the Health Education Assistance Loan Program, are not dischargeable.

Sec. 8: Illegal Distribution of a Medicare or Medicaid Provider Number or Beneficiary Identification Number

This provision makes it a felony for a person to knowingly, intentionally, and with the intent to defraud, purchase, sell, or distribute two or more Medicare or Medicaid beneficiary identification numbers or provider numbers.

An individual convicted under this section shall be fined under Title 18 of the United States Code or, whichever is greater, an amount equal to the monetary loss to the Government, or imprisoned for not more than 3 years, or both.

Explanation: There are no specific statutes that prohibit the purchase, sale or distribution of a Medicare or Medicaid provider num-

ber or beneficiary identification (billing) number. This provision would address the growing trend of unscrupulous providers using "recruiters" to fraudulently obtain beneficiary identification numbers in order to bill for bogus services. In addition, this provision will provide penalties for individuals who "steal" legitimate provider numbers and then submit fraudulent claims.

Sec. 9: Define Certain Crimes as Health Care Offenses

Defines criminal violations of the Medicare/Medicaid statutes under section 1128B of the Social Security Act (including the illegal sale or distribution of a Medicare provider number or beneficiary identification number) as "federal health care offenses".

Explanation: The Health Insurance Portability and Accountability Act (HIPAA) established several enforcement tools for deterring health care related crime, including authority for injunctive relief, streamlined investigative demand and subpoena procedures, and property forfeitures. These remedies were made applicable to all "Federal health care offenses". In identifying these criminal provisions, however, some criminal provisions (i.e., kickbacks, false certifications, and overcharging beneficiaries) were inadvertently omitted. This provision defines the aforementioned crimes as well as the offenses enumerated in Section 8 (Illegal Distribution of a Medicare or Medicaid beneficiary identification or provider number) of this bill as Federal health care offenses.

Sec. 10: Authority of Inspector General for the Department of Health and Human Services (HHS)

Gives criminal investigators within HHS' Office of Inspector General the authority to:

Obtain and execute warrants;
Arrest without warrant if—a crime committed against the United States is committed in their presence; or the investigator reasonably believes a felony offense has been committed.

Share in forfeited assets when pursuing a joint investigation with another law enforcement agency.

The authority provided under this section shall be carried out in accordance with guidelines approved by the Attorney General.

Exercise those authorities necessary to carry out those functions.

Explanation: The lack of full law enforcement authority jeopardizes the safety of HHS-OIG agents and witnesses under their protection. HHS-OIG agents currently exercise limited law enforcement authority under a special deputation issued by the Department of Justice through the U.S. Marshals Office. This special deputation allows HHS-OIG agents to exercise only *limited* law enforcement powers. All HHS-OIG agents receive nine weeks of specialized training at the Federal Law Enforcement Training Center. This is the same training required by the United States Marshal Service, United States Secret Service, and numerous other federal law enforcement agencies. More and more career criminals are becoming involved in health care fraud; this increases the potential danger for those agents charged with investigating these crimes. Both the Federal Law Enforcement Officers Association as well as the Fraternal Order of Police support this provision.

Sec. 11: Universal Product Numbers on Claims Forms for Reimbursement

Requires that all Medicare claims forms accommodate a Universal Product Number (UPN) no later than February 1, 2001, in order to receive reimbursement under the Medicare program. The UPN requirement would apply to all durable medical equipment and supplies, orthotics and prosthetics, except for any customized items, billed under the Medicare program.

The Secretary, in consultation with manufacturers and entities with appropriate expertise, shall determine the relevant descriptive information appropriate for inclusion in a UPN.

The Secretary, in consultation with interested parties, shall review information obtained by the use of UPNs on claims forms and shall adjust the Common Procedure Coding System (Medicare's current coding system) to ensure that functionally equivalent UPN covered items are billed and reimbursed under the same codes.

The UPN shall be based upon, but not limited to, commercially acceptable identification standards established by the Uniform Code Council-International Article Numbering System or the Health Industry Business Communications Council. The two Councils are not-for-profit organizations that are currently used by the industry to establish and issue bar codes, but should a similar entity develop, the Secretary retains the discretion to use this as well.

No payments shall be made for claims forms not containing UPNs submitted after February 1, 2002. This grace period provides manufacturers that are not currently using UPNs time to adjust to this new reimbursement system.

The Secretary shall report to Congress no later than 6 months after the date of enactment of this Act on the progress of implementing UPNs on claims forms.

The Secretary shall report 18 months after the date of enactment and annually thereafter for 3 years a detailed description of the results of using the UPN for reimbursement.

Explanation: Currently, HCFA does not know which products it is purchasing. The only identification that is reflected on the claims form is a billing code. The billing code for each individual product can cover a wide range of items. For example, GAO determined that one single Medicare code is used for more than 200 different urological catheters and the wholesale price range of the catheters varies from \$1 to \$18. The use of a UPN would specifically identify the item and, thus, reduce the likelihood of "upcoding" and combat fraud and abuse in the Medicare program.

HEALTH INDUSTRY
DISTRIBUTORS ASSOCIATION,
Alexandria, VA, February 8, 1999.

Hon. SUSAN COLLINS,
*Chair, Permanent Subcommittee on Investigations,
Committee on Governmental Affairs, Wash-
ington, DC.*

DEAR MADAM CHAIRWOMAN: On behalf of the Health Industry Distributors Association (HIDA), I applaud you for introducing the Medicare Fraud Prevention and Enforcement Act. HIDA is the national trade association of home care companies and medical products distribution firms. Created in 1902, HIDA represents over 700 companies with approximately 2500 locations nationwide. HIDA Members provide value-added distribution services to virtually every hospital, physician's office, nursing facility, clinic, and other health care sites across the country, as well as to a growing number of home care patients.

As a professional trade association, HIDA wholeheartedly supports the rigorous enforcement of laws that ensure that Medicare pays reasonable reimbursement amounts for medically necessary items and services on behalf of Medicare beneficiaries. HIDA has long advocated the responsible administration of the Medicare program, and has repeatedly identified specific abusive or illegal practices occurring in the marketplace to assist the government's anti-fraud efforts. HIDA has also assisted in the development of

additional targeted policies designed to aid the government in the administration of the Medicare Program.

The Medicare Fraud Prevention and Enforcement Act is needed to support the integrity of the Medicare Program. HIDA has advocated more stringent standards for Medicare Part B durable medical equipment, prosthetic, orthotic and supply (DMEPOS) providers for a number of years. HIDA believes that the current Medicare DMEPOS supplier standards are simply insufficient. Importantly, it is not just the de minimus nature of the standards that is deficient, but also the process Medicare uses to determine whether a provider actually meets those standards. The site visits and increased provider scrutiny included in your bill will address our concerns.

By enacting this bill, Medicare will realize an immediate benefit by ensuring that beneficiaries receive DMEPOS services only from legitimate firms. Unscrupulous providers will never have an opportunity to engage in abusive behavior because they will never be able to bill the Medicare program on behalf of beneficiaries. Consequently, these increased standards and enforcement tools will significantly contribute to reducing fraud and abuse in the Medicare program. For these reasons HIDA strongly supports the Medicare Fraud Prevention and Enforcement Act.

Again, thank you for introducing this important bill. Please contact Ms. Erin H. Bush, HIDA's Associate Director of Governmental Relations (703) 838-6110 if we can be of any assistance.

Sincerely,

CARA C. BACHENHEIMER,
Vice President.

PEDORTHIC FOOTWEAR ASSOCIATION,
Columbia, MD, April 27, 1999.

Hon. SUSAN COLLINS,
U.S. Senate, Chair, Government Affairs Permanent Subcommittee on Investigations, Washington, DC.

DEAR SENATOR COLLINS: The Pedorthic Footwear Association (PFA) applauds your leadership and ongoing efforts to combat fraud and abuse in the Medicare program. Your legislation, "The Medicare Fraud Prevention & Enforcement Act of 1999," is encouraging as a positive step forward to strengthen current law and further protect both patients and providers.

PFA strongly shares your concern that only qualified entities should be able to participate and provide health care services to the nation's Medicare patient population. In an effort to protect patients and provide HCFA with improved control of its supplies, PFA greatly appreciates your leadership and introduction of legislation to address these important public policy issues.

The PFA, founded in 1958, is a not-for-profit organization representing professionals in the field of pedorthics—the design, manufacture, modification and fit of footwear, including foot orthoses, to alleviate foot problems caused by disease, overuse, congenital defect or injury. Pedorthists are one of the four professionals recognized by Congress as suppliers of the Therapeutic Shoes for Diabetics benefit.

Shoes are simply apparel for most people, but for individuals with severe diabetic foot disease, shoes are a part of their treatment plan. As such, PFA supports all efforts to ensure that these patients are treated and provided services by qualified individuals. Thank you for your efforts to enhance HCFA's overall ability to accomplish its mission of protecting the health of the pa-

tient and the integrity of the Medicare program.

Sincerely,

ROGER MARZANO, C.P.O., C.PED.,
President.

THE AMERICAN OCCUPATIONAL
THERAPY ASSOCIATION, INC.,
Bethesda, MD, May 21, 1999.

Hon. SUSAN COLLINS,
Chair, Permanent Subcommittee on Investigations, Senate Governmental Affairs Committee, Washington, DC.

DEAR MADAM CHAIRMAN: On behalf of the 60,000 occupational therapists, occupational therapy assistants, and students who are members of the American Occupational Therapy Association, I want to express support for your Medicare Fraud Prevention and Enforcement Act of 1999.

As providers whose services are covered under both Parts A and B of the Medicare program, our members are well aware of the importance of assuring that the program is well-run, appropriately administered and monitored and that high standards of quality are maintained, including assurance of the use of qualified personnel.

Your efforts to require scrutiny of new providers can be an important element of an overall improvement in the Medicare program. We are also pleased that your bill recognizes the validity of state licensure as a proxy for background checks.

Thank you for your efforts to promote quality, efficient services under Medicare.

Sincerely,

CHRISTINA A. METZLER,
Director,
Federal Affairs Department.

AARP,
Washington, DC, June 17, 1999.

Hon. SUSAN M. COLLINS,
Chair,
Governmental Affairs Permanent Subcommittee, on Investigations, U.S. Senate, Washington, DC.

DEAR MADAM CHAIR: AARP commends you and your colleague, Sen. Richard Durbin, for introducing the "Medicare Fraud Prevention and Enforcement Act of 1999." Fraud and abuse remain serious problems in the Medicare program that drain valuable funds which could otherwise be used to help strengthen the program for current and future beneficiaries. Your legislation's focus on deterrence is constructive and should significantly improve Medicare's ability to stop fraud by unscrupulous providers before it happens.

The provisions in your bill to require site inspections and background checks of certain providers, to require billing agencies to register with the Health Care Financing Administration, to allow entities billing Medicare to access the Health Integrity Protection Database, and to make it a felony to distribute provider or beneficiary identification numbers are powerful tools that should make those intent on defrauding the Medicare program think twice before attempting to do so.

As we move to strengthen Medicare's ability to identify and eliminate fraud, it is important to do this judiciously so that the vast majority of providers—who are honest and intent on following the rules—are not burdened. The provisions of your bill appear reasonable and seem to reflect this critical balance. While fraud and abuse cannot be completely eliminated, it can be significantly reduced. Your bill will help in this effort.

AARP is pleased to have the opportunity to comment on this legislation and we appreciate the work you and Sen. Durbin have done to reduce the effect of fraud and abuse

on the Medicare program and its beneficiaries. We look forward to continuing to work with you and your colleagues in the House and Senate on a bipartisan basis to find effective ways to address this issue.

If you have any questions, please feel free to contact me or have your staff contact Michele Kimball of the AARP Federal Affairs Health Team at 202-434-3772.

Sincerely,

HORACE B. DEETS,
Executive Director.

Mr. DURBIN. Mr. President, in summary, I am proud to be a cosponsor of this bipartisan legislation. I am also proud to be a member of the Permanent Subcommittee on Investigations of the Governmental Affairs Committee, which Senator COLLINS chairs. This has been one of the best assignments I have had in the Senate because Senator COLLINS is not afraid to tackle tough issues. We have gone after the issue of food safety with fascinating hearings which I believe will lead to improving America's food supply and really protecting America's families.

She has shown extraordinary courage in addressing this issue of Medicare fraud. Frankly, it took a very good investigative team and her determination to bring us to this moment where this legislation is being introduced.

Mr. President, 39 million Americans rely on Medicare. If you have a parent or grandparent who is elderly or disabled, they may view Medicare as their health insurance plan. Without it, think where America would be if elderly people and disabled folks had to rely on their own resources to pay for their medical care.

We pay a great deal of money each year in America to keep Medicare, this health insurance plan, solvent and working; about \$218 billion a year. What Senator COLLINS is addressing is the fact that we know for a fact that each year we waste anywhere from \$13 billion to \$21 billion a year. You say: How does that happen? Is it a matter of the bureaucrats moving the paper around, and they get it wrong? No, for the most part, it comes down to people who are setting out to intentionally defraud the Government, and they are so good at it, we lose at least \$35 million a day—a day—to these smoothies, these swindlers, these con artists who prey upon the Medicare system as an open pot of money they can reach into and grab.

When Senator COLLINS' investigators went out, they found that some of the people who claimed to be providing medical services and medical equipment do not even exist. The addresses they gave, when we traced them, turned out, if they were true addresses, would be smack dab in the middle of a runway at the Miami International Airport, and no one checked up on it. Year after year, we send out money automatically to these folks without verification.

The legislation I am introducing with Senator COLLINS will really put some teeth in the law and say we are not going to tolerate this anymore. The

money that is being taken out of this program is at the expense of the elderly and disabled and certainly at the expense of America's taxpayers.

Can I give one illustration of this? Nursing homes provide care for elderly people who suffer from incontinency. It is something which happens to many older folks. Nursing homes are supposed to provide adult diapers for seniors who find themselves in this predicament. However, one of the groups that we discovered decided they would try to invent a way to bill the Federal Government for these 30-cent diapers that are needed for elderly people, so they changed the name of the diaper to "female urinary collection device" and billed the Federal Government \$8 an item: a 30-cent diaper, billed them \$8—clearly fraudulent, taking money right out of the Treasury, money that, frankly, should be there for the real needs of senior citizens.

The stories go on and on. With this bill, we try to step forward and say we are going to put an end to it or at least reduce it dramatically. We are going to create incentives for people who take the time, as many seniors should with the help of their families, to go through their medical bills. Really, that is the first line of defense. When a senior under Medicare receives a medical bill, I know it has to be a challenge—it is for me and I am an attorney—they should go through it page by page and look for things that do not make sense. When they discover these things and call into the hotline under Medicare, we can many times track down abuses and fraud and help not only that senior, but every senior and Americans in general.

I salute the Senator from Maine. Her leadership on this issue is absolutely essential.

By Mr. COCHRAN (for himself and Mr. AKAKA):

S. 1232. A bill to provide for the correction of retirement coverage errors under chapters 83 and 84 of title 5, United States Code; to the Committee on Governmental Affairs.

THE FEDERAL ERRONEOUS RETIREMENT COVERAGE CORRECTIONS ACT

Mr. COCHRAN. Mr. President, today I am introducing a bill to provide relief to many Federal employees and their families who, through no fault of their own, find themselves the victims of retirement coverage errors.

In 1984, the Federal government made a transition from the Civil Service Retirement System (CSRS) to the Federal Employees Retirement System (FERS). As government agencies carried out the complex job of applying two sets of transition rules, mistakes were made, and thousands of employees were placed in the wrong retirement system—many learning that their pensions would be less than expected. Under the current statutory scheme, federal agencies have no choice but to correct a retirement coverage error when it is discovered, effectively forc-

ing employees into a new retirement plan. Unfortunately, the correction of a retirement coverage error can have a harmful impact on an employee's financial ability to plan for retirement.

This proposal, "The Federal Erroneous Retirement Coverage Corrections Act," provides comprehensive and equitable relief to employees, former employees, retirees, and survivors who are affected by retirement coverage errors. The bill provides individuals with a choice between corrected retirement coverage and the coverage the employee expected to receive, without disturbing Social Security coverage law. For each type of retirement coverage error, individuals are furnished the opportunity to maintain their expected level of retirement benefits without a change in their retirement savings and planning. Among other provisions, the bill also provides that certain employees who missed an opportunity to contribute to the Thrift Savings Plan (TSP) due to a coverage error may receive interest on their TSP make-up contributions.

"The Federal Erroneous Retirement Coverage Corrections Act" provides a comprehensive solution to the problems faced by Federal employees due to retirement coverage errors—it does so at a reasonable cost and without creating unnecessary administrative burdens.

I invite my colleagues to support this effort to address a serious problem affecting Federal employees and their families.

Mr. President, I ask unanimous consent that a copy of the section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

THE FEDERAL ERRONEOUS RETIREMENT COVERAGE CORRECTIONS ACT—SECTION-BY-SECTION ANALYSIS

The "Federal Erroneous Retirement Coverage Corrections Act" would provide a remedy to federal employees who have been placed in the wrong retirement system.

Section 1: Provides the short title ("Federal Erroneous Retirement Coverage Corrections Act") and the Table of Contents.

Section 2: Defines the terms used throughout the Act.

Section 3: Provides coverage for all errors that have been in effect for at least three years of service after December 31, 1986.

Section 4: Provides that elections made under this Act are irrevocable.

TITLE I: DESCRIPTION OF RETIREMENT COVERAGE ERRORS AND MEASURES FOR RECTIFICATION

This title details the specific types of retirement coverage errors and the remedies provided by the Act.

Subtitle A: Covers employees and annuitants who should have been FERS covered, but were erroneously covered under CSRS or CSRS Offset. These individuals have a choice between correction to FERS or be covered by CSRS Offset. Includes provisions that allow all employee contributions, and earnings thereon, to remain in the TSP account if CSRS Offset is elected.

Subtitle B: Covers employees who should have been covered by a retirement plan

(CSRS, CSRS Offset, or FERS), but were erroneously covered by Social Security only. In all cases, coverage is corrected to the appropriate plan so that the employee has retirement coverage.

Subtitle C: Covers employees who should have been covered by Social Security only, but were erroneously covered by CSRS or CSRS Offset. These individuals have a choice between correction to Social Security only or be covered by CSRS Offset.

Subtitle D: Covers employees who should have been covered by CSRS, CSRS Offset, or Social Security only, but were erroneously covered by FERS. These individuals have a choice between remaining in FERS or correction to the appropriate plan. Includes provisions that allow all employee contributions, and earnings thereon, to remain in the TSP account if coverage other than FERS is elected.

Subtitle E: Covers employees who should have been covered by CSRS Offset, but were erroneously covered by CSRS. Coverage is corrected to CSRS Offset to conform with Social Security coverage law.

Subtitle F: Covers employees who should have been covered by CSRS, but were erroneously covered by CSRS Offset. Coverage is corrected to CSRS to conform with Social Security coverage law.

TITLE II: GENERAL PROVISIONS

Section 201: Requires that all government agencies make reasonable efforts to identify and notify individuals affected by retirement coverage errors.

Section 202: Authorizes OPM, SSA, and TSP to obtain any information necessary to carry out the responsibilities of this Act.

Section 203: Provides for payment of interest on certain deposits made by employees that, due to correction of a retirement coverage error, are returned to the employee. Allows retirement credit for certain periods of service without payment of a service credit deposit. Provides that the retirement or survivor benefit is actuarially reduced by the amount of deposit owed.

Section 204: Provides that the employing agency pays any employer OASDI taxes due for the period of erroneous coverage, subject to the three-year statute of limitations in the Internal Revenue Code. OPM will transfer excess employee retirement deductions to the OASDI Trust Funds to fund the employee share of the OASDI taxes. In no case will an employee be required to pay additional OASDI taxes.

Section 205: Provides that certain employees who missed an opportunity to contribute to TSP due to a coverage error may receive interest on their own TSP make-up contributions. "Lost" interest will be paid by the employing agency. Note: Current law already provides that certain employees who missed an opportunity to contribute to TSP due to a coverage error may receive agency matching contributions on TSP make-up contributions, agency automatic one percent contributions to TSP, and interest on both.

Section 206: Provides that employing agencies may not remove excess agency retirement contributions from the Civil Service Retirement and Disability Fund.

Section 207: Requires that agencies obtain written approval from OPM before placing certain employees under CSRS coverage.

Section 208: Authorizes the Director of OPM to extend deadlines, reimburse individuals for reasonable expenses incurred by reason of the coverage error or for losses, and waive repayments required under the Act.

Section 209: Authorizes OPM to prescribe regulations to administer the Act.

TITLE III: OTHER PROVISIONS

Section 301: Makes remedies provided under the Act also available to employees of

the Foreign Service and the Central Intelligence Agency.

Section 302: Authorizes payments from the Civil Service Retirement and Disability Fund for administrative expenses incurred by OPM and for other payments required under the Act.

Section 303: Allows individuals to bring suit against the United States Government for matters not covered under this Act.

Section 304: Provides that the Act is effective from the date of enactment.

TITLE IV: TAX PROVISIONS

Section 401: Provides that transfers and payments of contributions under this Act will not result in an income tax liability for affected employees.

TITLE V: MISCELLANEOUS RETIREMENT PROVISIONS

Section 501: Allows portability of service credit between Federal Reserve service and FERS.

Section 502: Provides technical amendments to chapter 84 of title 5, United States Code, that allow certain transfers to other federal retirement systems to be treated as separations from federal services for TSP purposes.

By Mr. LEAHY (for himself, Mr. HATCH, Mr. BIDEN, Mr. DEWINE, and Mr. SCHUMER):

S. 1235. A bill to amend part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to allow railroad police officers to attend the Federal Bureau of Investigation National Academy for law enforcement training; to the Committee on the Judiciary.

NATIONAL ACADEMY FOR LAW ENFORCEMENT TRAINING ATTENDANCE LEGISLATION

Mr. LEAHY. Mr. President, I am pleased to introduce with Senators HATCH, BIDEN, DEWINE, and SCHUMER, a bill to provide railroad police officers the opportunity to attend the Federal Bureau of Investigation's National Academy for law enforcement training in Quantico, Virginia.

The FBI is currently authorized to offer the superior training available at the FBI's National Academy only to law enforcement personnel employed by state or local units of government. Police officers employed by railroads are not allowed to attend this Academy despite the fact that they work closely in numerous cases with Federal law enforcement agencies as well as State and local law enforcement. Providing railroad police with the opportunity to obtain the training offered at Quantico would improve inter-agency cooperation and prepare them to deal with the ever increasing sophistication of criminals who conduct their illegal acts either using the railroad or directed at the railroad or its passengers.

Railroad police officers, unlike any other private police department, are commissioned under State law to enforce the laws of that State and any other State in which the railroad owns property. As a result of this broad law enforcement authority, railroad police officers are actively involved in numerous investigations and cases with the FBI and other law enforcement agencies.

For example, Amtrak has a police officer assigned to the New York City Joint Task Force on Terrorism, which is made up of 140 members from such disparate agencies at the FBI, the U.S. Marshals Service, the U.S. Secret Service, and the Bureau of Alcohol, Tobacco and Firearms. This task force investigates domestic and foreign terrorist groups and responds to actual terrorist incidents in the Metropolitan New York area.

Whenever a railroad derailment or accident occurs, often railroad police are among the first on the scene. For example, when a 12-car Amtrak train derailed in Arizona in October 1995, railroad police joined the FBI at the site of the incident to determine whether the incident was the result of an intentional criminal act of sabotage.

Amtrak police officers have also assisted FBI agents in the investigation and interdiction of illegal drugs and weapons trafficking on transportation systems in the District of Columbia and elsewhere. In addition, using the railways is a popular means for illegal immigrants to gain entry to the United States. According to recent congressional testimony, in 1998 alone, 33,715 illegal aliens were found hiding on board Union Pacific railroad trains and subject to arrest by railroad police.

With thousand of passengers traveling on our railways each year, making sure that railroad police officers have available to them the highest level of training is in the national interest. The officers that protect railroad passengers deserve the same opportunity to receive training at Quantico that their counterparts employed by State and local governments enjoy. Railroad police officers who attend the FBI National Academy in Quantico for training would be required to pay their own room, board and transportation.

This legislation is supported by the FBI, the International Association of Chiefs of Police and the National Railroad Passenger Corporation.

I urge prompt consideration of this legislation to provide railroad police officers with the opportunity to receive training from the FBI that would increase the safety of the American people. I ask unanimous consent that a copy of the bill and letters from the National Railroad Passenger Corporation's Chief of Police, Ernest R. Frazier, and Amtrak's President and CEO, George Warrington, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1235

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCLUSION OF RAILROAD POLICE OFFICERS IN FBI LAW ENFORCEMENT TRAINING.

(a) IN GENERAL.—Section 701(a) of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771(a)) is amended—

(1) in paragraph (1)—

(A) by striking "State or unit of local government" and inserting "State, unit of local government, or rail carrier"; and

(B) by inserting ", including railroad police officers" before the semicolon; and (2) in paragraph (3)—

(A) by striking "State or unit of local government" inserting "State, unit of local government, or rail carrier";

(B) by inserting "railroad police officer," after "deputies,";

(C) by striking "State or such unit" and inserting "State, unit of local government, or rail carrier"; and

(D) by striking "State or unit." and inserting "State, unit of local government, or rail carrier.".

(b) RAIL CARRIER COSTS.—Section 701 of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771) is amended by adding at the end the following:

"(d) RAIL CARRIER COSTS.—No Federal funds may be used for any travel, transportation, or subsistence expenses incurred in connection with the participation of a railroad police officer in a training program conducted under subsection (a)."

(c) DEFINITIONS.—Section 701 of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771) is amended by adding at the end the following:

"(e) DEFINITIONS.—In this section—

"(1) the terms 'rail carrier' and 'railroad' have the meanings given such terms in section 20102 of title 49, United States Code; and

"(2) the term 'railroad police officer' means a peace officer who is commissioned in his or her State of legal residence or State of primary employment and employed by a rail carrier to enforce State laws for the protection of railroad property, personnel, passengers, or cargo."

NATIONAL RAILROAD PASSENGER CORP., POLICE DEPARTMENT, Philadelphia, PA, March 29, 1999.

Senator PATRICK LEAHY,
Russell Senate Office Building,
U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: I am very grateful that you have agreed to support legislation which will allow railroad police officers to attend the FBI Training Academy. Your recognition of the importance of this bill speaks highly of your respect for law enforcement.

The FBI Training Academy offers training for upper and middle-level law enforcement officers. The curriculum focuses on leadership and management training. The completion of this training allows the law enforcement professional to play a significant role in developing a higher level of competency, cooperation, and integrity within the law enforcement community.

Railroad police officers are sworn officers charged with the responsibility of enforcing state and local laws in any jurisdiction in which the rail carrier owns property. In their efforts to provide quality law enforcement services to our transportation systems, railroad police officers should have access to the premier training that is currently offered to other police agencies.

Thank you again for your support of the legislation that will provide FBI Training to railroad police officers. Please do not hesitate to contact me on this issue, or any matter of mutual concern.

Sincerely,

ERNEST R. FRAZIER, Sr., Esq.

NATIONAL RAILROAD PASSENGER CORP.,
Washington, DC, April 6, 1999.

Hon. PATRICK LEAHY,
U.S. Senate,
Washington, DC.

DEAR SENATOR LEAHY: I want to take this opportunity to express my thanks for your

support of the Amtrak Police by introducing legislation that would allow railroad police officers to attend the Federal Bureau of Investigation Training Academy.

Amtrak relies on its well-trained officers to serve and protect its customers, employees, trains and stations. It is critical that they are afforded quality training opportunities, such as what the FBI Academy offers, to effectively carry out their duties. I am proud that Amtrak has the privilege of working with this fine group of men and women, and I wholeheartedly support any measure that would enhance their job performance.

Again, thank you for your support of passenger rail and the dedicated law enforcement officers who help make safe travel possible.

Sincerely,

GEORGE D. WARINGTON,
President and CEO.

By Mr. GRAHAM (for himself, Mr. MACK, Mr. BINGAMAN, Mr. INOUE, Mr. INHOFE, Mr. BURNS, Mr. BAUCUS, Mr. CRAPO, Mr. CRAIG, and Mrs. FEINSTEIN):

S. 1239. A bill to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules; to the Committee on Finance.

SPACEPORT INVESTMENT ACT

Mr. GRAHAM. Mr. President, today I rise with my colleagues, Senators MACK, BINGAMAN, INOUE, INHOFE, BURNS, BAUCUS, CRAPO, CRAIG, and FEINSTEIN, to introduce legislation entitled the Spaceport Investment Act.

On May 25th, the Cox Commission Report revealed alarming and longstanding instances of Chinese espionage that have damaged our national security. In addition to the theft of nuclear secrets at our National Laboratories, the Cox Report highlighted assistance provided by U.S. satellite manufacturers to Chinese military and civilian launch vehicles. Mr. President, we have helped to create the conditions leading to this sorry state of affairs. To borrow from Pogo, we have met the enemy, and it is us.

U.S. satellite manufacturers have faced increasing pressure to consider the use of foreign launch vehicles, due to a lack of a sufficient domestic launch capability.

The Cox Report recognized these facts specifically at recommendation number 24. I quote from the Report: "In light of the impact on U.S. national security of insufficient domestic, commercial space-launch capacity and competition, the Select Committee recommends that appropriate congressional committees report legislation to encourage and stimulate further the expansion of such capacity and competition."

Mr. President, we must address this problem.

Last year, along with Senator MACK, I proposed, Congress passed, and the President signed into law the Commercial Space Act. Congressman DAVE WELDON provided crucial leadership in the House on this issue.

The Commercial Space Act helped break the federal government's monop-

oly on space travel by establishing a licensing framework for private sector reusable launch vehicles. The Act also provided for the conversion of excess ballistic missiles into space transportation vehicles, helping to reduce the cost of access to space.

Mr. President, to follow-up on the Commercial Space Act this year, I plan to introduce a number of initiatives to further help the commercial space industry in this country. The first of these initiatives is my proposal to stimulate infrastructure development by attracting private sector investment capital to our nation's launch facilities. My proposal achieves this purpose by addressing an issue of great importance to our country's commercial space transportation industry—tax exempt status for spaceport facility bonds. The legislation clarifies that spaceports are eligible for tax exempt financing to the same extent as publicly-owned airports and seaports. This bill will stimulate the growth of spaceports in this country by attracting private sector investment capital for infrastructure improvement, leading directly to the expansion of U.S. launch capacity and competition.

Spaceports are subdivisions of state government. They attract and promote the U.S. commercial space transportation industry by providing launch infrastructure in addition to that available at federal facilities. Spaceport authorities operate much like airport authorities by providing economic and transportation incentives to industry and surrounding communities.

The Spaceport Florida Authority was the first such entity, created as a subdivision of state government by Florida's Governor and State Legislature in 1989. Its purpose is to attract space related businesses by providing a supportive and coordinated environment for space related economic growth and educational development. Since its creation, Spaceport Florida estimates that it has been involved in space-related construction and investment projects worth more than \$100 million. These efforts include the modification and conversion of Launch Complex 46 from a military to commercial facility. NASA's Lunar Prospector was launched from this site on January 6, 1998, the first launch conducted from a spaceport.

There are presently four spaceports throughout the country in Florida, California, Virginia, and Alaska, and more than ten others are under consideration. States considering the development of spaceports include Mississippi, Texas, New Mexico, Oklahoma, Montana, Nevada, North Carolina, Louisiana, Utah, and Idaho.

Our Nation's commercial space transportation industry includes not only spaceports themselves and providers of launch services, but also companies which develop needed infrastructure for testing and servicing launch vehicles and their components. This industry faces increasing pressure from gov-

ernment sponsored or subsidized competition from Europe, China, Japan, India, Australia, and Russia. The French Government, for example, indirectly provides Arianespace with most of its infrastructure, including real and personal property. In countries with non-market economies, such as China, the government provides all real and personal property as well as labor necessary to build satellites and launch vehicles.

Mr. President, my proposal does not provide direct federal spending for our commercial space transportation industry. Instead, it creates the conditions necessary to stimulate private sector capital investment in infrastructure. This is an efficient means of achieving our ends.

Mr. President, to be state of the art in space requires state of the art financing on the ground.

I urge my colleagues in the Senate to join us in this important effort by co-sponsoring this bill.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1239

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 "Spaceport Investment Act".

SEC. 2. SPACEPORTS TREATED LIKE AIRPORTS UNDER EXEMPT FACILITY BOND RULES.

(a) IN GENERAL.—Paragraph (1) of section 142(a) of the Internal Revenue Code of 1986 (relating to exempt facility bond) is amended to read as follows:

"(1) airports and spaceports."

(b) TREATMENT OF GROUND LEASES.—Paragraph (1) of section 142(b) of the Internal Revenue Code of 1986 (relating to certain facilities must be governmentally owned) is amended by adding at the end the following new subparagraph:

"(C) SPECIAL RULE FOR SPACEPORT GROUND LEASES.—For purposes of subparagraph (A), spaceport property which is located on land owned by the United States and which is used by a governmental unit pursuant to a lease (as defined in section 168(h)(7)) from the United States shall be treated as owned by such unit if—

"(i) the lease term (within the meaning of section 168(i)(3)) is at least 15 years, and

"(ii) such unit would be treated as owning such property if such lease term were equal to the useful life of such property."

(c) BOND MAY BE FEDERALLY GUARANTEED.—Paragraph (3) of section 149(b) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by adding at the end the following new subparagraph:

"(E) EXCEPTION FOR SPACEPORTS.—Paragraph (1) shall not apply to any exempt facility bond issued as part of an issue described in paragraph (1) of section 142(a) to provide a spaceport in situations where—

"(i) the guarantee of the United States (or an agency or instrumentality thereof) is the result of payment of rent, user fees, or other charges by the United States (or any agency or instrumentality thereof), and

"(ii) the payment of the rent, user fees, or other charges is for, and conditioned upon,

the use of the spaceport by the United States (or any agency or instrumentality thereof)."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

By Mr. MURKOWSKI (for himself, Mr. BREAUX, Mr. GORTON, Mr. COCHRAN, Mr. HUTCHINSON, Ms. COLLINS, Mrs. LINCOLN, Mr. SHELBY, Ms. SNOWE, Mrs. MURRAY, Mr. SESSIONS, Mr. SMITH of Oregon, Mrs. HUTCHISON, Mr. GRAMS, and Ms. LANDRIEU):

S. 1240. a bill to amend the Internal Revenue Code of 1986 to provide a partial inflation adjustment for capital gains from the sale or exchange of timber; to the Committee on Finance.

REFORESTATION TAX ACT OF 1999

Mr. MURKOWSKI. Mr. President, I rise to offer bipartisan legislation that would help ensure that our Nation maintains its position as a world leader in the forest products industry. I am pleased to be joined by Senators BREAUX, GORTON, COCHRAN, TIM HUTCHINSON, COLLINS, LINCOLN, SHELBY, SNOWE, MURRAY, SESSIONS, GORDON SMITH, KAY BAILEY HUTCHISON, ROD GRAMS, and MARY LANDRIEU.

This industry is vital to the United States' economy. It ranks in the top ten of the country's manufacturing industries, representing 7.8 of the manufacturing work force. It employs 1.5 million workers, with a payroll of \$40.8 billion. I ask my colleagues to attempt to imagine a single minute of their day that does involve the utilization of a forest product—from the paper this speech is written on, to the desk and chair in my office, to the lumber in my house, to the box my computer arrives in. Clearly, the health of the world economy is dependent on a vibrant forest products industry.

At the same time, the industry is facing serious international competitive threats. New capacity growth is now taking place in other countries, where forestry, labor and environmental practices may not be as responsible as those in the U.S. Additionally, a recent study using the Joint Committee on Taxation's estimating model shows that the U.S. forest products industry has the second highest tax burdens in the world—55 percent.

The Reforestation Tax Act recognizes the unique nature of timber and the overwhelming risks that accompany investment in this essential natural asset, and attempts to place the industry on a more competitive footing with our competitors. In short, it would reduce the capital gains paid on timber for both individuals and corporations and expand the current reforestation credit. Because it often takes decades for a tree to grow to a marketable size, it is important that we look carefully at the long-term return on investment and the treatment of the costs associated with owning and planting of timber.

The first part of the Reforestation Tax Act would provide a sliding scale

reduction in the amount of taxable gain based on the number of years the asset is held (3% per year). The maximum reduction allowed would be 50 percent. Thus, if the taxpayer held the timber for 17 years, the effective tax rate for corporate holdings would be 17.5% and the rate for most individuals would be 10%.

The second part of the bill would encourage replanting by lifting the existing cap on the reforestation tax credit and amortization provisions of the tax code. Currently, the first \$10,000 of reforestation expenses are eligible for a 10 percent tax credit and can be amortized over 7 years. No additional expenses are eligible for either the credit or the deduction, meaning that most reforestation expenses are not recoverable until the timber is harvested. The legislation removes the \$10,000 cap and allows all reforestation expenses to qualify for the tax credit and to be amortized over a 5-year period. This change in the law will provide a strong incentive for increased reforestation by eliminating the arbitrary cap on such expenses.

These tax changes will provide a strong incentive for landowners of all sizes to not only plant and grow trees, but also to reforest their land after harvest. This is key to maintaining a long-term sustainable supply of fiber and to keeping land in a forested state.

Besides ensuring fairness, the Reforestation Tax Act will encourage sound forestry practices that keep our environment healthy for the future. Timberlands held by corporations help reduce the demand for timber from public lands. Moreover, by sequestering carbon, managed forests help to offset emissions that contribute to the "greenhouse effect." Unfortunately, the current high tax burden on forest assets runs counter to our nation's commitment to preserve and invest in the environment. This bill would encourage reforestation—or reinvestment in the environment—by extending tax credits for all reforestation expenses and shortening the amortization period for reforestation costs and by making investment in timber viable. As we consider policies to counteract global warming and improve water quality, we need to ensure that our tax policy is aligned with and encourages sound forestry practices.

Mr. President, this legislation is supported by labor and business—large and small. I ask unanimous consent that a copy of the bill and a letter signed by over 75 CEOs from the forest products industry and a letter from the United Brotherhood of Carpenters and Joiners of America be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PARTIAL INFLATION ADJUSTMENT FOR TIMBER.

(a) IN GENERAL.—Part I of subchapter P of chapter 1 of the Internal Revenue Code of

1986 (relating to treatment of capital gains) is amended by adding at the end the following new section:

"SEC. 1203. PARTIAL INFLATION ADJUSTMENT FOR TIMBER.

"(a) IN GENERAL.—At the election of any taxpayer who has qualified timber gain for any taxable year, there shall be allowed as a deduction from gross income an amount equal to the qualified percentage of such gain.

"(b) QUALIFIED TIMBER GAIN.—For purposes of this section, the term 'qualified timber gain' means gain from the disposition of timber which the taxpayer has owned for more than 1 year.

"(c) QUALIFIED PERCENTAGE.—For purposes of this section, the term 'qualified percentage' means the percentage (not exceeding 50 percent) determined by multiplying—

"(1) 3 percent, by

"(2) the number of years in the holding period of the taxpayer with respect to the timber.

"(d) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under subsection (a) shall be computed by excluding the portion of (if any) the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets."

(b) COORDINATION WITH MAXIMUM RATES OF TAX ON NET CAPITAL GAINS.—

(1) Section 1(h) of such Code (relating to maximum capital gains rate) is amended by adding at the end the following new paragraph:

"(14) QUALIFIED TIMBER GAIN.—For purposes of this section, net capital gain shall be determined without regard to qualified timber gain (as defined in section 1203) with respect to which an election is in effect under section 1203."

(2) Subsection (a) of section 1201 of such Code (relating to the alternative tax for corporations) is amended by inserting at the end the following new sentence:

"For purposes of this section, net capital gain shall be determined without regard to qualified timber gain (as defined in section 1203) with respect to which an election is in effect under section 1203."

(c) ALLOWANCE OF DEDUCTION IN COMPUTING ADJUSTED GROSS INCOME.—Subsection (a) of section 62 of such Code (relating to definition of adjusted gross income) is amended by inserting after paragraph (17) the following new paragraph:

"(18) PARTIAL INFLATION ADJUSTMENT FOR TIMBER.—The deduction allowed by section 1203."

(d) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 172(d)(2) of such Code is amended to read as follows:

"(B) the exclusion under section 1202 and the deduction under section 1203 shall not be allowed."

(2) The last sentence of section 453A(c)(3) of such Code is amended by striking "(whichever is appropriate)" and inserting "or the deduction under section 1203 (whichever is appropriate)".

(3) Section 641(c)(2)(C) of such Code is amended by inserting after clause (iii) the following new clause:

"(iv) The deduction under section 1203."

(4) The first sentence of section 642(c)(4) of such Code is amended to read as follows: "To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain described in section 1202(a) or qualified timber gain (as defined in section 1203(b)), proper adjustment shall be made for any exclusion allowable under section 1202, and any deduction allowable under section 1203, to the estate or trust."

(5) The last sentence of section 643(a)(3) of such Code is amended to read as follows: "The exclusion under section 1202 and the deduction under section 1203 shall not be taken into account."

(6) The last sentence of section 643(a)(6)(C) of such Code is amended by inserting "(i)" before "there shall" and by inserting before the period "; and (ii) the deduction under section 1203 (relating to partial inflation adjustment for timber) shall not be taken into account".

(7) Paragraph (4) of section 691(c) of such Code is amended by inserting "1203," after "1202,".

(8) The second sentence of paragraph (2) of section 871(a) of such Code is amended by striking "section 1202" and inserting "sections 1202 and 1203".

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 of such Code is amended by adding at the end the following new item:

"Sec. 1203. Partial inflation adjustment for timber."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 1998.

UNITED BROTHERHOOD OF
CARPENTERS AND JOINERS OF
AMERICA,

Portland, OR, May 27, 1999.

Hon. BILL ARCHER,
Chairman, U.S. House Ways and Means Com-
mittee, Washington, DC.

Hon. CHARLES RANGEL,
Ranking Minority Member, U.S. House Ways
and Means Committee, Washington, DC.

DEAR CHAIRMAN ARCHER AND REPRESENTATIVE RANGEL: On behalf of the United Brotherhood of Carpenters and Joiners of America (UBC), I am asking you to support HR 1083, "The Reforestation Tax Act," introduced by Representative Jennifer Dunn (R-WA).

The UBC represents 500,000 members across the country, including 30,000 sawmill, pulp and paper workers in the forest products industry. Our members manufacture the wood and paper products used around the globe every day and are concerned with the industry's ability to compete in the future.

The forest products industry has changed dramatically over the last decade, and today we find ourselves at a competitive disadvantage in the global market. Foreign companies, whose wages are far below American standards, have easy access to the American market. At the same time they are keeping American products out of their own markets through tariff and other barriers to trade. U.S. negotiators and the U.S. forest products industry are working to lessen this trade threat, but there is obviously no guarantee our foreign competitors will agree to eliminate what is a significant benefit for them. Progress could take additional years our industry may not have.

The U.S. tax code, however, is one area where the U.S. government can help to mitigate these factors. And that is why we ask for your support of the Reforestation Tax Act. HR 1083 eliminates current inequities between our tax code and the tax treatment given to our competitor industries overseas. It levels the playing field for the U.S. forest products industry, ensuring the long-term viability of high-paying, high skilled jobs. The bill also provides incentives for reforestation activities critical to the future of our industry, our workers and our forests.

Please support this legislation that is important to the working men and women in the forest products industry. Thank you for your consideration.

Sincerely,

MICHAEL DRAPER

AMERICAN FOREST &
PAPER ASSOCIATION,
Washington, DC, May 26, 1999.

Hon. BILL ARCHER,
Chairman, Committee on Ways and Means, U.S.
House of Representatives, Washington, DC.

Hon. CHARLES RANGEL,
Ranking Member, Committee on Ways and
Means, U.S. House of Representatives,
Washington, DC.

DEAR MR. CHAIRMAN AND REP. RANGEL: As the committee begins its work on tax legislation to be considered by Congress later this year, the American Forest & Paper Association (AF&PA), including the undersigned chief executives within the forest products industry, strongly urge you to include in the committee's bill the provisions of H.R. 1083, the Reforestation Tax Act of 1999. Our industry is united in the conviction that this legislation is critically needed to help American companies and workers compete in a global economy, restore equity to the tax code, and encourage future investments in sound, sustainable forestry.

The planting, growing, harvesting and sustained management of timberlands is a vital component of the U.S. economy. The forest products industry employs more than 1.5 million workers, and in 46 states, our industry ranks as one of the top ten manufacturing industries. More than 9.3 million private owners hold and manage more than 390 million acres of timberlands in the U.S.

While our products and businesses may vary, all of us are affected by policies that make it increasingly difficult for U.S. companies and workers to compete in international markets. Just last year, the respected firm of Price Waterhouse Coopers—using the same economic model used by the Joint Committee on Taxation—found that the effective tax rate for U.S. forest products companies was 55%—the second highest among major competitors (Brazil, Canada, Finland, Indonesia, and Japan).

The competitive factors we now face have changed dramatically over the past 10 years. We are not competing on a level playing field with our major international competitors, and this inequity is very obvious in the area of tax.

H.R. 1083 would address some of the government-imposed obstacles to U.S. competitiveness. The legislation would assure that all taxpayers that own timber and manage it sustainably over many years are treated equitably, and it would restore the historical balance in tax rates among various forms of timberland ownership. Additionally, the bill offers incentives to landowners of all sizes to plant and grow trees and to reforest their land after harvest. Thus, H.R. 1083 offers environmentally sound, pro-growth policies to promote sustainable forestry, encourage reforestation and help U.S. workers and companies compete.

The Reforestation Tax Act represents a balanced, bipartisan approach to structural problems that affect an important American industry, and we urge your support for this legislation.

Sincerely,

W. Henson Moore, President & CEO, American Forest & Paper Association.

John Luke, Chairman, President & CEO, Westvaco Corporation.

George W. Mead, Chairman, Consolidated Papers, Inc.

Rick Holley, Chairman, AF&PA, President & CEO, PlumCreek Timber Company.

Kenneth Jastrow, President & COO, Temple-Inland Inc.

David B. Ferraro, President & COO, Buckley Technologies Inc.

Colin Moseley, Chairman, Simpson Timber Co.

Mark A. Suwyn, President, Chairman & CEO, Louisiana-Pacific Corporation.

Richard E. Olsen, Chairman & CEO, Champion International Corporation.

Jerome F. Tatar, Chairman, President & CEO, Mead Corporation.

Joe Gonyea, II, President & CEO, Timber Products Company.

Thomas M. Hahn, President & CEO, Garden State Paper Company.

Duane C. McDougall, President & CEO, Willamette Industries, Inc.

Alex Kwader, President & CEO, Fibermark, Inc.

R.P. Wollenberg, Chairman, President & CEO, Longview Fibre Company.

William C. Blanker, Chairman & CEO, Esleeck Manufacturing Co., Inc.

Paul T. Stecko, Chairman & CEO, Packaging Corporation of America.

Robert A. Olah, President & CEO, Crown Vantage.

B. Bond Starker, President, Starker Forest Inc.

Leroy J. Barry, President & CEO, Madison Paper Industries.

Raymond M. Curan, President & CEO, Smurfit-Stone Container Corp.

Steven R. Rogel, Chairman, President & CEO, Weyerhaeuser Company.

John T. Dillon, Chairman & CEO, International Paper Company.

Richard G. Verney, Chairman & Chairman, Monadnock Paper Mills, Inc.

Arnold M. Nemirow, Chairman & CEO, Bowater Inc.,

Marvin Pomerantz, Chairman & CEO, Gaylord Container Corporation.

Edward P. Foote, Jr., President & CEO, Cellu Tissue Corporation.

J.M. Richards, President & CEO, Potlatch Corporation

Bradley Currey, Jr., Chairman & CEO, Rock-Tenn Company.

David C. Hendrickson, President & CEO, FSC Paper Company.

W. L. Nutter, Chairman, President & CEO, Rayonier Inc.

Dan M. Dutton, President & CEO, Stimson Lumber Company.

Wayne J. Gullstad, President, CityForest Corporation.

James H. Stoehr, III, President, Robbins, Inc.

Gerald J. Fitzpatrick, President, Fitzpatrick & Weller, Inc.

J. Edward French, President, French Paper Company.

Jack Rajala, President, Rajala Companies.

Robert D. Bero, President & CEO, Mensaha Corporation.

Gorton M. Evans, President & CEO, Consolidated Papers, Inc.

Gerard J. Griffin, Jr., Chairman, Merrimac Paper Company.

Paul D. Webster, President, Webster Industries.

Edward A. Leinss, Chairman, Ahlstron Filtration Inc.

James L. Burke, President & CEO, Southwest Paper Manufacturing Co.

L. N. Thompson, III, President, T & S Hardwoods Inc.

James E. Warjone., Chairman & CEO, Port Blakely Tree Farms, L.P.

Richard Connor, Jr., President Pine River Lumber Company, LTD.

Pierre Monahan, President & CEO, Alliance Forest Products, Inc.

L.T. Murray, II, Vice President, Murrery Pacific Corporation.

Stephen W. Schley, President, Pingree Associates, Inc.

Galen Weaver, President, Weaver, Inc.

George Jones, III, President, Seaman Paper Company.

Bartow S. Shaw, Jr., Chairman, Shaw McLeod, Belsler, and Hurlbutt

Richard J. Carota, Chairman, President & CEO, Finch, Pruyne & Company, Inc.

William G. Hopkins, CEO, Paper-Pak Products.

A. W. Kelly, President, The Crystal Tissue Company.

Jay J. Gurandiano, President & CEO, St. Laurent Paperboard Inc.

William H. Davis, Chairman, President & CEO, Gilman Paper Company.

Terry Freeman, President, Bibler Brothers Lumber Company.

James F. Kress, Chairman, Green Bay Packaging Inc.

Joseph H. Torras, Chairman, & CEO, East-ern Pulp & Paper Company, Inc.

Charles R. Chandler, Vice Chairman, Greif Brothers Corporation.

D.A. Schirmer, President, Newsprint Sales, Abitibi Consolidated.

J. Edward Woods, President & CEO, Gulf States Paper Corporation.

William B. Johnson, President, Johnson Timber Corporation.

W.T. Richards, Chairman & CEO, Idaho Forest Industries, Inc.

William New, President & CEO, Plainwell Inc.

J.K. Lyden, President & CEO, Blandin Paper Company.

John Begley, President & CEO, Port Townsend Paper Corporation.

Harold C. Stowe, CEO, Canal Industries, Inc.

Thomas D. O'Connor, Sr., Chairman & CEO, Mohawk Paper Mills, Inc.

L.M. Giustina, Partner, Giustina.

Glen H. Duysen, Corporate Secretary, Sierra Forest Products.

Norman S. Hansen, Jr., President, Monadnock Forest Products.

D. Kent Tippy, President & CEO, Little Rapids Corporation.

Bert Martin, President, Frasier Papers, Inc.

Edwin Nagel, President, Nagel Lumber Company, Inc.

William B. Hull, President, Hull Forest Products Inc.

Charles E. Carpenter, President, North Pacific Paper Company.

Edward J. Dwyer, Vice President, Operations, Lyons Falls Pulp & Paper.

Thomas E. Gallagher, Senior Vice President, Coastal Paper Company.

Chris A. Robbins, President, EHV Weidmann Industries, Inc.

Robert Collez, General Manager, Augusta Newsprint Company.

William D. Quigg, President, Grays Harbor Paper, L.P.

Todd W. Nystrom, Vice President & General, Hull-Oakes Lumber Company.

Julius W. Nagy, Vice President, Sales and Marketing, Menominee Paper Company, Inc.

A.D. Correll, Chairman & CEO, Georgia-Pacific Corporation.

John Roadman, President, Banner Fibreboard Company.

Charles S. Nothstine, Vice President, Straubel Paper Company.

NATIONAL ASSOCIATION
OF STATE FORESTERS,
Washington, DC, May 12, 1999.

Hon. BILL ARCHER,
Chairman, House Ways and Means Committee,
U.S. House of Representatives, Washington,
DC.

DEAR MR. CHAIRMAN: We are writing to you today in strong support of several important tax proposals that are going to come before your committee in the near future. As you know, the tax code has a major impact on the management of private forest lands, lands which are coming under increasing pressure from a number of directions. As land prices and timber demand escalate, forest landowners are faced with tough decisions about the management of their lands.

The current tax code can provide a major disincentive to them to properly manage their lands for long-term forestry benefits including sustainable timber production, soil erosion control, wildlife habitat, and carbon sequestration. Several changes to the tax code can help provide incentives to landowners to reforest their lands and keep them in forest cover for the foreseeable future.

First, we'd strongly encourage you to support the Reforestation Tax Act (H.R. 1083), introduced by Rep. Jennifer Dunn and Rep. John Tanner. This bill provides a lower capital gains rate for timber investments, which recognizes the inherent risks and long-term nature of forest management. It also allows landowners to claim tax credits for all of their reforestation expenses, which are currently limited to \$10,000. This will provide a major incentive to landowners to make the investment to reforest, a risky commitment of capital over the long-term which provides numerous societal benefits beyond the landowner's property lines.

Representatives Dunn and Tanner have also introduced the Death Tax Elimination Act (HR 8), which we believe would have a positive impact on forest conservation as well. We encourage you to work with them to ensure that Federal estate taxes do not provide yet another incentive to forest land fragmentation.

In addition, we understand that Representative Rob Portman will introduce the Conservation Tax Incentives Act. This bill will provide a level playing field to rural landowners who want to see their lands protected from development over the long-term, but who cannot afford to simply donate their lands for conservation purposes. This is an extremely low-cost approach that will help public agencies and private land trusts protect working lands and acquire sensitive lands for future generations.

We hope you will also consider providing targeted tax incentives for landowners to manage their lands in ways that benefit species of wildfire that are listed or are candidates for listing under the Endangered Species Act.

The National Association of State Foresters is a national non-profit organization made up of the directors of the State Forestry agencies from all 50 States, several U.S. territories, and the District of Columbia. Our membership supports legislation that helps provide incentives to landowners to engage in long-term, sustainable forest management. We hope you will give the proposals discussed above your strongest consideration.

Sincerely,

GARY L. HERGENRADER,
President.

By Mr. ASHCROFT (for himself,
Mrs. HUTCHISON, Mr. ABRAHAM,
Mr. ALLARD, Mr. BOND, Mr.
BROWNBACK, Mr. BUNNING, Mr.
BURNS, Mr. CHAFFEE, Mr. COCH-
RAN, Ms. COLLINS, Mr. COVER-
DELL, Mr. CRAIG, Mr. DEWINE,
Mr. DOMENICI, Mr. ENZI, Mr.
FRIST, Mr. GRAMM, Mr. GRASS-
LEY, Mr. GREGG, Mr. HAGEL, Mr.
HATCH, Mr. HELMS, Mr. HUTCH-
INSON, Mr. JEFFORDS, Mr. KYL,
Mr. LOTT, Mr. MCCAIN, Mr.
MCCONNELL, Mr. NICKLES, Mr.
ROBERTS, Mr. SESSIONS, Mr.
SMITH of Oregon, Mr. SMITH of
New Hampshire, Mr. THOMAS,
Mr. THURMOND, and Mr. SHEL-
BY):

S. 1241. A bill to amend the Fair Labor Standards Act of 1938 to provide

private sector employees the same opportunities for time-and-a-half compensatory time off and biweekly work programs as Federal employees currently enjoy to help balance the demands and needs of work and family, to clarify the provisions relating to exemptions of certain professionals from minimum wage and overtime requirements of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

FAMILY FRIENDLY WORKPLACE ACT

Mr. ASHCROFT. Mr. President, on behalf of the Senator from Texas, Senator HUTCHISON, and myself, I am pleased to reintroduce the Family Friendly Workplace Act. I also am pleased to include a list of 34 colleagues as original cosponsors. It is an opportunity to address a very important need for American families—spending more time together.

Over the past four years, we have been talking about the difficulty that parents have balancing work and family obligations. I do not think there are two values that are more highly or intensely admired in America than these. The first one is the value we place on our families. We understand that more than anything else the family is an institution where important things are learned, not just knowledge imparted but wisdom is obtained and understood in a family which teaches us not just how to do something but teaches us how to live.

The second value which is a strong value in America and reflects our heritage is the value of work. Americans admire and respect work. We are a culture that says if you work well, you should be paid well. If you have merit, you should be rewarded. If you take risks and succeed—you represent the engine that drives America forward.

The difficult issue that faces us as a nation, is how are we going to resolve these tensions? I think that is one of the jobs, that we have to try and make sure we build a framework where people can resolve those tensions and where Government somehow does not have rules or interference that keeps people from resolving those tensions.

For example, there are a lot of times when an individual would say on Friday afternoon to his boss or her boss, "My daughter is getting an award at the high school assembly today. Can I have an extended lunch hour, maybe just 1 hour so that I can see my daughter get the award? I would like to reinforce, I would like to give her an 'atta girl,' I would like to hug her and say, 'You did a great job, this is the way you ought to work and conduct yourself, it is going to mean a lot to yourself and our family and our country if you keep it up.'"

Right now, it is illegal for the boss to say, "I will let you take an hour on Friday and you can make it up on Monday," because it is in a different 40-hour week. You cannot trade 1 hour for 1 hour from one week to the next. That

will make one week a 41-hour week and will go into overtime calculation. Since most bosses do not want to be involved in overtime, it just does not happen.

This tension between the workplace and the home place, juxtaposed or set in a framework of laws created in the 1930's that does not allow us flexibility, is a problem. For example, you might be asked to do overtime over and over and over again, and you do overtime, and then you are paid time and a half for your overtime. But at some point, you would rather have the time than the money. If the employer agreed to it voluntarily—both parties—we ought to let that happen. It is against the law.

Some employers even want to go so far as to help their families by saying instead of doing 1 week for 40 hours, we would be willing, if you wanted to and on a voluntary basis, let the worker average 40 hours over a 2-week period regularly, so you would only work 9 days in the 2 weeks, but you would work 45 hours the first week and 35 hours the second week and have every other Friday off so you could take the kids to the dentist or drop by the department of motor vehicles and get the car licensed or visit the governmental offices that are not open on Saturday. It is against the law to do that now.

What I have described are two ways to tackle these time problems. First, is the option—when you work overtime, to get in time rather than money—if that is what you want to do. Second, you could schedule a work schedule to fill your needs by spreading 80 hours over two weeks to better accommodate your needs and the needs of your families.

Both of these things are available in the Federal Government and for governmental entities. Since 1978, the Federal Government has said it is OK to swap comp time off instead of overtime pay. The Federal Government also said if you want to have some flexible scheduling so that every other Friday or every other Monday is off, that is something we can work with you on.

It is totally voluntary—voluntary for the worker, it is voluntary for the Federal Government employer or administrator. Neither can force the other because we do not want to force people to work overtime or take comp time, but we want to allow Americans to make choices which will help them resolve the tensions between the home place and the workplace, these two values that are in competition.

These potentials, which exist for Federal workers, it occurs to me, ought to be able to be available to workers in the private sector as well, were we not to be locked into the hard and fast rules of the 1930's. That was a time when Henry Ford said, "You can have your Ford any color you want so long as it is black." Things were not quite as flexible then as they are now, and families did not need the flexibility then as they do now. With 70 to 80 percent of all mothers of school-age chil-

dren now working and two parents working in all those settings, and the tension between work and home, I think we ought to have more flexibility at the option of both the employer and the worker, only when it is agreed to.

That is really the subject of the Family Friendly Workplace Act which we reintroduce today. It is a way of saying we need to allow families to work out the conflict that exists between these important values that are crucial and so fundamental to the success of this culture in the next century, not just fundamental to the success of our culture, but fundamental to the success of our own families.

ADDITIONAL COSPONSORS

S. 56

At the request of Mr. KYL, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 56, a bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers.

S. 195

At the request of Mrs. BOXER, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 195, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit.

S. 222

At the request of Mr. LAUTENBERG, the names of the Senator from Minnesota (Mr. WELLSTONE) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. 222, a bill to amend title 23, United States Code, to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals.

S. 242

At the request of Mr. JOHNSON, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 242, a bill to amend the Federal Meat Inspection Act to require the labeling of imported meat and meat food products.

S. 326

At the request of Mr. GREGG, his name was added as a cosponsor of S. 326, a bill to improve the access and choice of patients to quality, affordable health care.

S. 329

At the request of Mr. ROBB, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of S. 329, a bill to amend title 38, United States Code, to extend eligibility for hospital care and medical services under chapter 17 of that title to veterans who have been awarded the Purple Heart, and for other purposes.

S. 343

At the request of Mr. BOND, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 343, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

S. 386

At the request of Mr. GORTON, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 386, a bill to amend the Internal Revenue Code of 1986 to provide for tax-exempt bond financing of certain electric facilities.

S. 400

At the request of Mr. CAMPBELL, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 400, a bill to provide technical corrections to the Native American Housing Assistance and Self-Determination Act of 1996, to improve the delivery of housing assistance to Indian tribes in a manner that recognizes the right of tribal self-governance, and for other purposes.

S. 401

At the request of Mr. CAMPBELL, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 401, a bill to provide for business development and trade promotion for native Americans, and for other purposes.

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 434

At the request of Mr. BREAUX, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 434, a bill to amend the Internal Revenue Code of 1986 to simplify the method of payment of taxes on distilled spirits.

S. 510

At the request of Mr. CAMPBELL, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 510, a bill to preserve the sovereignty of the United States over public lands and acquired lands owned by the United States, and to preserve State sovereignty and private property rights in non-Federal lands surrounding those public lands and acquired lands.

S. 514

At the request of Mr. COCHRAN, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 514, a bill to improve the National Writing Project.

S. 541

At the request of Ms. COLLINS, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 541, a bill to amend title XVIII of the Social Security Act to make certain changes related to payments for graduate medical education under the medicare program.

S. 607

At the request of Mr. CRAIG, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 607, a bill reauthorize and amend

the National Geologic Mapping Act of 1992.

S. 613

At the request of Mr. CAMPBELL, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 613, a bill to encourage Indian economic development, to provide for the disclosure of Indian tribal sovereign immunity in contracts involving Indian tribes, and for other purposes.

S. 614

At the request of Mr. CAMPBELL, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 614, a bill to provide for regulatory reform in order to encourage investment, business, and economic development with respect to activities conducted on Indian lands.

S. 659

At the request of Mr. MOYNIHAN, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 659, a bill to amend the Internal Revenue Code of 1986 to require pension plans to provide adequate notice to individuals whose future benefit accruals are being significantly reduced, and for other purposes.

S. 674

At the request of Mr. FITZGERALD, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Wyoming (Mr. ENZI) were added as cosponsors of S. 674, a bill to require truth-in-budgeting with respect to the on-budget trust funds.

S. 680

At the request of Mr. HATCH, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 680, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes.

S. 707

At the request of Mr. GRASSLEY, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 707, a bill to amend the Older Americans Act of 1965 to establish a national family caregiver support program, and for other purposes.

S. 708

At the request of Mr. DEWINE, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 708, a bill to improve the administrative efficiency and effectiveness of the Nation's abuse and neglect courts and the quality and availability of training for judges, attorneys, and volunteers working in such courts, and for other purposes consistent with the Adoption and Safe Families Act of 1997.

S. 751

At the request of Mr. LEAHY, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 751, a bill to combat nursing home fraud and abuse, increase protections for victims of telemarketing fraud, enhance safeguards for pension plans and health care benefit programs, and enhance penalties for crimes against seniors, and for other purposes.

S. 796

At the request of Mr. WELLSTONE, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 796, a bill to provide for full parity with respect to health insurance coverage for certain severe biologically-based mental illnesses and to prohibit limits on the number of mental illness-related hospital days and outpatient visits that are covered for all mental illnesses.

S. 821

At the request of Mr. LAUTENBERG, the names of the Senator from Minnesota (Mr. WELLSTONE) and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. 821, a bill to provide for the collection of data on traffic stops.

S. 832

At the request of Mr. MCCAIN, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 832, a bill to extend the commercial space launch damage indemnification provisions of section 70113 of title 49, United States Code.

S. 880

At the request of Mr. INHOFE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 880, a bill to amend the Clean Air Act to remove flammable fuels from the list of substances with respect to which reporting and other activities are required under the risk management plan program.

S. 944

At the request of Mr. CAMPBELL, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 944, a bill to amend Public Law 105-188 to provide for the mineral leasing of certain Indian lands in Oklahoma.

S. 978

At the request of Mr. WARNER, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 978, a bill to specify that the legal public holiday known as Washington's Birthday be called by that name.

S. 1006

At the request of Mr. TORRICELLI, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1006, a bill to end the use of conventional steel-jawed leghold traps on animals in the United States.

S. 1020

At the request of Mr. GRASSLEY, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1023

At the request of Mr. FRIST, his name was added as a cosponsor of S. 1023, a bill to amend title XVIII of the Social Security Act to stabilize indirect graduate medical education payments.

At the request of Mr. MOYNIHAN, the name of the Senator from Nevada (Mr.

REID) was added as a cosponsor of S. 1023, supra.

S. 1024

At the request of Mr. FRIST, his name was added as a cosponsor of S. 1024, a bill to amend title XVIII of the Social Security Act to carve out from payments to Medicare+Choice organizations amounts attributable to disproportionate share hospital payments and pay such amounts directly to those disproportionate share hospitals in which their enrollees receive care.

S. 1025

At the request of Mr. FRIST, his name was added as a cosponsor of S. 1025, a bill to amend title XVIII of the Social Security Act to ensure the proper payment of approved nursing and allied health education programs under the medicare program.

S. 1128

At the request of Mr. KYL, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 1128, a bill to amend the Internal Revenue Code of 1986 to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers, to provide for a carryover basis at death, and to establish a partial capital gains exclusion for inherited assets.

S. 1150

At the request of Mr. HATCH, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1150, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment.

S. 1203

At the request of Ms. MIKULSKI, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1203, a bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for programs under the Act through fiscal year 2004, to establish a National Family Caregiver Support Program, to modernize aging programs and services, to address the need to engage in life course planning, and for other purposes.

S. 1215

At the request of Mr. DODD, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 1215, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to furnish headstones or markers for marked graves of, or to otherwise commemorate, certain individuals.

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. SPECTER, the names of the Senator from New Hampshire (Mr. SMITH), the Senator from North Dakota (Mr. CONRAD), and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of Senate Concurrent Resolution 34, a concurrent resolution relating to the observance of "In Memory" Day.

SENATE RESOLUTION 59

At the request of Mr. LAUTENBERG, the names of the Senator from Iowa

(Mr. GRASSLEY), the Senator from California (Mrs. BOXER), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of Senate Resolution 59, a resolution designating both July 2, 1999, and July 2, 2000, as "National Literacy Day."

SENATE RESOLUTION 99

At the request of Mr. REID, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of Senate Resolution 99, a resolution designating November 20, 1999, as "National Survivors for Prevention of Suicide Day."

SENATE CONCURRENT RESOLUTION 40—COMMENDING THE PRESIDENT AND THE ARMED FORCES FOR THE SUCCESS OF OPERATION ALLIED FORCE

Mr. LOTT (for himself, Mr. DASCHLE, Mr. NICKLES, Mr. REID, Mr. AKAKA, Mr. BROWNBACK, Mr. BAUCUS, Mr. COVERDELL, Mr. BAYH, Mr. DOMENICI, Mr. BIDEN, Mr. GRASSLEY, Mr. BINGAMAN, Mr. HUTCHINSON, Mrs. BOXER, Mr. JEFFORDS, Mr. BREAUX, Ms. SNOWE, Mr. BRYAN, Mr. SPECTER, Mr. BYRD, Mr. STEVENS, Mr. CLELAND, Mr. CONRAD, Mr. DODD, Mr. DORGAN, Mr. DURBIN, Mr. EDWARDS, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. GRAHAM, Mr. HARKIN, Mr. HOLLINGS, Mr. INOUE, Mr. JOHNSON, Mr. KENNEDY, Mr. KERREY, Mr. KERRY, Mr. KOHL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Ms. MIKULSKI, Mr. MOYNIHAN, Mrs. MURRAY, Mr. REED, Mr. ROBB, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SCHUMER, Mr. TORRICELLI, Mr. WELLSTONE, and Mr. WYDEN) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 40

Whereas United States and North Atlantic Treaty Organization (NATO) military forces succeeded in forcing the Federal Republic of Yugoslavia to accept NATO's conditions to halt the air campaign;

Whereas this accomplishment has been achieved at a minimal loss of life and number of casualties among American and NATO forces;

Whereas to date two Americans have been killed in the line of duty;

Whereas hundreds of thousands of Kosovar civilians have been ethnically cleansed, deported, detained, or killed by Serb security forces; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That:

(1) The Congress expresses the appreciation of the Nation to:

(A) The United States Armed Forces who participated in Operation Allied Force and served and succeeded in the highest traditions of the Armed Forces of the United States.

(B) The families of American service men and women participating in Operation Allied Force, who have bravely borne the burden of separation from their loved ones, and staunchly supported them during the conflict.

(C) President Clinton, Commander in Chief of U.S. Armed Forces, for his leadership during Operation Allied Force.

(D) Secretary of Defense William Cohen, Chairman of the Joint Chiefs of Staff Gen-

eral Henry Shelton and Supreme Allied Commander-Europe General Wesley Clark, for their planning and implementation of Operation Allied Force.

(E) Secretary Albright and other Administration officials engaged in diplomatic efforts to resolve the Kosovo conflict.

(F) All of the forces from our NATO allies, who served with distinction and success.

[(G) The front line states, Albania, Macedonia, Bulgaria and Romania, who experience firsthand the instability produced by the Federal Republic of Yugoslavia's policy of ethnic cleansing.]

(2) The Congress notes with deep sadness the loss of life on all sides in Operation Allied Force.

(3) The Congress demands from Slobodan Milosevic:

(A) The withdrawal of all Yugoslav and Serb forces from Kosovo according to relevant provisions of the Military-Technical Agreement between NATO and the Federal Republic of Yugoslavia.

(B) A permanent end to the hostilities in Kosovo by Yugoslav and Serb forces.

(C) The unconditional return to their homes of all Kosovar citizens displaced by Serb aggression.

(D) Unimpeded access for humanitarian relief operations in Kosovo.

(4) The Congress urges the leadership of the Kosovo Liberation Army (KLA) to ensure KLA compliance with the ceasefire and demilitarization obligations.

(5) The Congress urges and expects all nations to cooperate fully with the International Criminal Tribunal for the Former Yugoslavia and to assist in bringing indicted war criminals, including Slobodan Milosevic and other Serb military and political leaders, to justice.

SENATE RESOLUTION—ESTABLISHING A SPECIAL COMMITTEE OF THE SENATE TO ADDRESS THE CULTURAL CRISIS FACING AMERICA

Mr. BROWNBACK (for himself, Mr. LOTT, Mr. ALLARD, Mr. ABRAHAM, and Mr. COVERDELL) submitted the following resolution; which was referred to the Committee on Rules and Administration.

S. RES. 124

Resolved,

SECTION 1. ESTABLISHMENT OF THE SPECIAL COMMITTEE.

(a) ESTABLISHMENT.—There is established a special committee of the Senate to be known as the Special Committee on Culture (hereafter in this resolution referred to as the "special committee").

(b) PURPOSE.—The purpose of the special committee is—

(1) to study the causes and reasons for the substantial social and cultural regression;

(2) to make such findings of fact as are warranted and appropriate, including the impact that such negative cultural trends and developments have had on our broader society, particularly in regards to child well-being; and

(3) to explore a means of cultural renewal and make recommendations, including such recommendations for new legislation and amendments to existing laws and any administrative or other actions, as the special committee may determine to be necessary or desirable.

No proposed legislation shall be referred to the special committee, and the committee shall not have power to report by bill, or otherwise have legislative jurisdiction.

(c) TREATMENT AS STANDING COMMITTEE.—For purposes of paragraphs 1, 2, 7(a) (1) and (2), and 10(a) of rule XXVI and rule XXVII of the Standing Rules of the Senate, and section 202 (i) and (j) of the Legislative Reorganization Act of 1946, the special committee shall be treated as a standing committee of the Senate.

SEC. 2. MEMBERSHIP AND ORGANIZATION OF THE SPECIAL COMMITTEE.

(a) MEMBERSHIP.—

(1) IN GENERAL.—The special committee shall consist of 7 members of the Senate—

(A) 4 of whom shall be appointed by the President pro tempore of the Senate from the majority party of the Senate upon the recommendation of the Majority Leader of the Senate; and

(B) 3 of whom shall be appointed by the President pro tempore of the Senate from the minority party of the Senate upon the recommendation of the Minority Leader of the Senate.

(2) VACANCIES.—Vacancies in the membership of the special committee shall not affect the authority of the remaining members to execute the functions of the special committee and shall be filled in the same manner as original appointments to it are made.

(3) SERVICE.—For the purpose of paragraph 4 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member, chairman, or vice chairman of the special committee shall not be taken into account.

(b) CHAIRMAN.—The chairman of the special committee shall be selected by the Majority Leader of the Senate and the vice chairman of the special committee shall be selected by the Minority Leader of the Senate. The vice chairman shall discharge such responsibilities as the special committee or the chairman may assign.

SEC. 3. AUTHORITY OF SPECIAL COMMITTEE.

(a) IN GENERAL.—For the purposes of this resolution, the special committee is authorized, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel;

(3) to hold hearings;

(4) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate;

(5) to require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents;

(6) to take depositions and other testimony;

(7) to procure the services of individual consultations or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946; and

(8) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a nonreimbursable basis the services of personnel of any such department or agency.

(b) OATHS FOR WITNESSES.—The chairman of the special committee or any member thereof may administer oaths to witnesses.

(c) SUBPOENAS.—Subpoenas authorized by the special committee may be—

(1) issued over the signature of the chairman after consultation with the vice chairman, or any member of the special committee designated by the chairman after consultation with the vice chairman; and

(2) served by any person designated by the chairman or the member signing the subpoena.

(d) OTHER COMMITTEE STAFF.—The special committee may use, with the prior consent of the chairman of any other Senate committee or the chairman of any subcommittee

of any committee of the Senate and on a nonreimburseable basis, the facilities or services of any members of the staff of such other Senate committee whenever the special committee or its chairman, following consultation with the vice chairman, considers that such action is necessary or appropriate to enable the special committee to make the investigation and study provided for in this resolution.

(e) USE OF OFFICE SPACE.—The staff of the special committee may be located in the personal office of a Member of the special committee.

SEC. 4. REPORT AND TERMINATION.

The special committee shall report its findings, together with such recommendations as it deems advisable, to the Senate prior to December 31, 2000.

SEC. 5. FUNDING.

(a) IN GENERAL.—From the date this resolution is agreed to through December 31, 2000, the expenses of the special committee incurred under this resolution shall be paid out of the miscellaneous items account of the contingent fund of the Senate and shall not exceed \$250,000 for the period beginning on the date of adoption of this resolution through March 1, 2000, and \$250,000 for the period of March 1, 2000 through December 31, 2000, of which amount not to exceed \$75,000 shall be available for each period for the procurement of the services of individual consultants, or organizations thereof, as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)).

(b) PAYMENT OF BENEFITS.—The retirement and health benefits of employees of the special committee shall be paid out of the miscellaneous items account of the contingent fund of the Senate.

AMENDMENTS SUBMITTED

EMERGENCY SUPPLEMENTAL,
KOSOVO, SOUTHWEST ASIA, 1999

MCCAIN AMENDMENT NO. 685

Mr. MCCAIN proposed an amendment to the bill (H.R. 1664) making emergency supplemental appropriations for military operations, refugee relief, and humanitarian assistance relating to the conflict in Kosovo, and for military operations in Southwest Asia for the fiscal year ending September 30, 1999, and for other purposes; as follows:

On page 48, between lines 17 and 18, insert the following:

(c) Notwithstanding any other provision of this Act, no amount appropriated or made available under this Act to carry out chapter 1 or chapter 2 of this Act shall be available unless it has been authorized explicitly by a provision of an Act (enacted after the date of enactment of this Act) that was contained in a bill reported by the Committee or Committees of the Senate with jurisdiction over proposed legislation relating primarily to the programs described in section 101(c)(2) and 201(c)(2), respectively, under Rule XXV of the Standing Rules of the Senate or the equivalent Committee of the House of Representatives.

MURKOWSKI AMENDMENT NO. 686

Mr. MURKOWSKI proposed an amendment to the bill, H.R. 1664, supra; as follows.

At the appropriate place in the bill, insert the following:

“SEC. . GLACIER BAY STUDY.—The Secretary of the Interior shall, in cooperation with the Governor of Alaska, conduct a study to identify environmental impacts, if any, of subsistence fishing and gathering and of commercial fishing in the marine waters of Glacier Bay National Park, and shall provide a report to Congress on the results of such study no later than 18 months after the date of enactment of this section. During the pendency of the study, and in the absence of a positive finding that a resource emergency exists which requires the immediate closure of fishing or gathering, no funds shall be expended by the Secretary to implement closures or other restrictions of subsistence fishing, subsistence gathering, or commercial fishing in the non-wilderness waters of Glacier Bay National Park, except the closure of Dungeness crab fisheries under Section 123(b) of the Department of the Interior and Related Agencies Appropriations Act, 1999, (section 101(e) of division A of Public Law 105-277).”

STEVENS (AND OTHERS)
AMENDMENT NO. 687

Mr. STEVENS (for himself, Mr. DOMENICI, Mr. BYRD, Mr. GRAMM, Mr. NICKLES, and Mr. FITZGERALD) proposed an amendment to the bill, H.R. 1664, supra; as follows:

On page 7, beginning on line 3, strike all through line 7.

On page 10, beginning on line 23, strike all through page 11, line 2.

On page 34, beginning on line 14, strike all through 16.

On page 9, after line 17, insert the following new paragraph:

(4) GUARANTEE LEVEL.—No loan guarantee may be provided under this section if the guarantee exceeds 85 percent of the amount of principal of the loan.

On page 36, after line 23, insert the following new paragraph:

(4) GUARANTEE LEVEL.—No loan guarantee may be provided under this section if the guarantee exceeds 85 percent of the amount of principal of the loan.

On page 48, beginning on line 9, strike all through line 17.

On page 6, line 7, strike all through line 13, and insert the following:

(e) LOAN GUARANTEE BOARD MEMBERSHIP.—(1) IN GENERAL.—There is established a Loan Guarantee Board, which shall be composed of—

- (A) the Secretary of Commerce;
- (B) the Chairman of the Board of Governors of the Federal Reserve System who shall serve as Chairman of the Board; and
- (C) the Chairman of the Securities and Exchange Commission.

On page 33, line 17, strike all through line 23, and insert the following:

(2) LOAN GUARANTEE BOARD.—There is established to administer the Program a Loan Guarantee Board, to be composed of—

- (A) the Secretary of Commerce;
- (B) the Chairman of the Board of Governors of the Federal Reserve System who shall serve as Chairman of the Board; and
- (C) the Chairman of the Securities and Exchange Commission.

On page 32, strike lines 10 and 11, and redesignate the remaining subparagraphs and cross references thereto accordingly.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Com-

mittee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, June 17, 1999, to conduct a hearing on “Export Administration Act Reauthorization: Emerging Technologies.”

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, June 17, 1999, at 9:30 a.m. on the following nominations: Johnnie E. Shavers—Inspector General/DOC, Cheryl Shavers—Under Secretary of Commerce for Technology, Kelly H. Carnes—Assistant Secretary of Commerce for Technology Policy, Albert S. Jacquez—Administrator/St. Lawrence Seaway Development Corporation, Mary Sheila Gall—Commissioner/CPSC, Ann Brown—Chairman/CPSC and various noncontroversial Coast Guard promotions.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be granted permission to conduct a hearing on Thursday, June 17, 9:30 a.m., Hearing Room (SD-406), to receive testimony on S. 533, the Interstate Transportation of Municipal Solid Waste Control Act of 1999; and S. 872, the Municipal Solid Waste Interstate Transportation and Local Authority Act of 1999.

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

COMMITTEE ON FINANCE

Mr. DOMENICI. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Thursday, June 17, 1999 beginning at 10:00 a.m. in room 216 Hart.

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

COMMITTEE ON FINANCE

Mr. DOMENICI. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Thursday, June 17, 1999 beginning at 2:00 p.m. in room 215 Dirksen.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 17, 1999 at 10:00 a.m. to hold a hearing.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for

a hearing on "ESEA: Research and Evaluation" during the session of the Senate on Thursday, June 17, 1999, at 10:00 a.m.

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

COMMITTEE ON THE JUDICIARY

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for an executive business meeting, during the session of the Senate on Thursday, June 17, 1999, at 10:00 a.m. in Senate Dirksen, Room 226.

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

SPECIAL COMMITTEE ON AGING

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Special Committee on Aging be permitted to meet on June 17, 1999 from 2-5 p.m. in Dirksen 106 for the purpose of conducting a hearing.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, June 17, 1999 at 2 p.m. to hold a closed hearing on intelligence matters.

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

ADDITIONAL STATEMENTS

BREAD FOR THE WORLD 25TH ANNIVERSARY

• Ms. SNOWE. Mr. President, I rise today to speak about Bread for the World, an organization which has dedicated itself to helping end hunger in the U.S. and throughout the world, and is celebrating its 25th Anniversary this year. I would like to take this opportunity to commend the members of Bread for the World on their 25 years of dedication to helping those less fortunate.

Bread for the World began in 1974 with a small group of Protestants and Catholics who were concerned about hunger. This group of individuals has now become a national movement with 44,000 members representing 40 denominations. In its informational campaigns around the world, and here on Capitol Hill, Bread for the World is a non-partisan organization whose legislative initiatives serve the purpose of providing assistance to those in need and, no less important, a means to provide for oneself.

Children and child nutrition programs have been a principal focus for Bread for the World. In addition, Bread for the World has advocated programs designed to help individuals in need to receive assistance and, ultimately, find a job. During my tenure here in the Senate, and earlier as a member of the House of Representatives, I have worked with Bread for the World on a

number of initiatives related to these issues. Last year, the Congress passed and the President signed into law legislation backed by Break for the World, the Africa: Seeds of Hope Act, of which I was an original cosponsor. This law will redirect U.S. resources to small-scale farmers and struggling rural communities in Africa. It also established a revolving loan fund to provide food aid in response to emergency food crises throughout the world.

As a member of the board, I am pleased to commend the people of this fine organization for 25 years of dedicated efforts on behalf of Americans and people around the world who suffer from hunger.●

60TH ANNIVERSARY OF PEOPLE COORDINATED SERVICES

• Mrs. BOXER. Mr. President, I am pleased to offer my enthusiastic congratulations to the People Coordinated Services of Southern California, Inc., which celebrates its 60th anniversary on June 15, 1999.

The People Coordinated Services of Southern California was founded in 1939 as the Church Welfare Bureau of the Church Federation of Los Angeles. During the past 60 years, the People Coordinated Services have provided youth and family services, substance abuse, counseling senior services, and Licensed adult day care. The Agency has grown to serve more than 20,000 clients annually with a budget of more than \$4,000,000.

I congratulate the People Coordinated Services of Southern California, Inc. for achieving sixty years of achievement through good deeds and service to the community. I salute them.●

TRIBUTE TO KINGSWOOD REGIONAL HIGH SCHOOL ON BEING NAMED TOP SECONDARY SCHOOL OF THE YEAR

• Mr. SMITH of New Hampshire. Mr. President, I rise today to honor my hometown high school—Kingswood Regional High School for being selected as the 1999 Top Secondary School of the Year by the Excellence in Education Committee. The "Excellence in Education" award is an annual program designed to identify one elementary, middle, and secondary school that is representative of the many outstanding schools in New Hampshire.

Kingswood Regional High School was chosen for this honor because of the dedication and commitment to education by its teachers, parents, and students. Its exemplary community involvement in support curriculum has created an environment conducive to the development of young minds.

I admire Kingswood's commitment to excellence. In recent years Kingswood Regional High School has taken on challenging initiatives with outstanding results. Its achievement of academic excellence based on New

Hampshire's 10th grade and SAT testing results, and ensuing Writing Across The Curriculum Project, is to be commended. Technology education is integrated throughout Kingswood Regional's curriculum and it's newly established electronics course will lead to student certification in the electronics field.

The teachers, parents, and students of this school hold a special place in my heart. My wife Mary Jo and I live in nearby Tuftonboro, and I taught history at Kingswood Regional High School. I have had the wonderful opportunity of meeting with both the students and faculty and have established strong and lasting friendships. This close relationship with the Kingswood has allowed me to witness the quality of education that is provided at this school.

As a former Kingswood Regional High School teacher and school board member. I know first hand that this school is truly deserving of this honor. Kingswood Regional High School is a testament to the tradition of molding students into successful adults. I wish to offer my most sincere congratulations and best wishes to Kingswood Regional High School. The school's achievements are truly remarkable. I am honored to represent Kingswood in the United States Senate. Go Knights!●

IN SUPPORT OF GENERAL ERIC K. SHINSEKI'S APPOINTMENT TO THE JOINT CHIEFS OF STAFF

• Ms. MIKULSKI. Mr. President, I rise today in support of General Eric K. Shinseki's appointment as the Army's thirty-fourth Chief of Staff. As a highly decorated officer and a dedicated member of our nation's Armed Forces, I know that General Shinseki will prove to be a valuable member of the Joint Chiefs of Staff.

In his thirty-three years of service, General Shinseki has served the Armed Forces in both the continental United States and overseas. He served in the United States Army Hawaii, as well as at Fort Shafter with Headquarters, United States Army-Pacific. From March 1994 to July 1995, General Shinseki was the Executive Officer of the 1st Squadron of the 3rd Armored Cavalry Regiment at Fort Bliss, Texas.

From August 1997 until November 1998, Shinseki was the Commanding General of the United States Army-Europe and 7th army. He concurrently led NATO soldiers as the Commander of the Allied Land Forces Central Europe in Germany. Additionally, General Shinseki has served as Commander of the Stabilization Force in Bosnia-Herzegovina, and as the Army's Vice Chief of Staff.

As my colleagues know, I am a strong supporter of our men and women in uniform. I understand the difficult sacrifices they make every day in defense of our country—and our ideals. I honor the hard work and commitment that sacrifice demands. Just

as they fight for us, I fight for them and federal policies that support them.

As a result of General Shinseki's military service, he has earned the Defense Distinguished Service Medal, a Legion of Merit with oak leaf cluster, a Bronze Star Medal with "V" Device and two oak leaf clusters, a Purple Heart Award with oak leaf cluster, and a Meritorious Service Medal with two oak leaf clusters.

Mr. President, I know that General Eric K. Shinseki will be an instrumental contributor to the Joint Chiefs of Staff. Throughout his career he has shown his capability as a leader. His leadership and his military successes will help him to succeed as the new Army Chief of Staff. I look forward to working with him on the restructuring of TECOM to ensure that Aberdeen remains the home of Army testing. I am happy to know that General Shinseki shares the Maryland delegation's view of how important Aberdeen Proving Ground is to the Army, Maryland, and the United States. I wish General Shinseki the best in his new position.●

PRESIDENT'S FOREIGN INTEL-
LIGENCE ADVISORY BOARD
"SCIENCE AT ITS BEST, SECUR-
ITY AT ITS WORST"

● Mr. DOMENICI. Mr. President, earlier this week the President's Foreign Intelligence Advisory Board released its report on security and counterintelligence operations at the nuclear weapons laboratories of the Department of Energy.

The report's title—Science at its Best, Security at its Worst—neatly encapsulates the Board's findings. This report reiterates and clearly delineates problems within our nuclear laboratories that other reports have also detailed. No one should be surprised.

Let me simply list a few of this newest report's more compelling conclusions:

At the birth of DOE, the brilliant scientific breakthroughs of the nuclear weapons laboratories came with a troubling record of security administration. Twenty years later, virtually every one of its original problems persists.

The nuclear weapons and research functions of DOE need more autonomy, a clearer mission, a streamlined bureaucracy, and increased accountability.

More than 25 years worth of reports, studies and formal inquiries . . . have identified a multitude of chronic security and counterintelligence problems at all of the weapons labs.

Organizational disarray, managerial neglect, and a culture of arrogance—both at DOE headquarters and the labs themselves—conspired to create an espionage scandal waiting to happen.

The Department of Energy is a dysfunctional bureaucracy that has proven incapable of reforming itself.

Lastly, the report states: Reorganization is clearly warranted to resolve the many specific problems with security and counterintelligence in the weapons laboratories, but also to address the lack of accountability that has become endemic throughout the entire Department.

These findings are nothing new.

When Senators KYL, MURKOWSKI, and I introduced our amendment to the Defense Authorization calling for reorganization and streamlining within the Department of Energy, one of the charges leveled against us was that no hearings had been held on this issue. That old, tired claim that "we need more hearings" is used every time Congress tries to act on an urgent matter.

Sometimes that may be true. In this instance, we have undoubtedly destroyed a major forest with all the paper documenting DOE mismanagement in just the past 15 years. We have done studies; we have held hearings; the House has held hearings; we have asked for a review by the GAO, by the CRS, by outside groups, and we must have 25 pounds of recommendations gathering dust right now.

Today, my friend Secretary Richardson is implementing a new round of reforms at DOE. Mr. President, you should know that, while I have been critical of some past Secretaries for failing to give sufficient attention to these matters, Secretary Richardson is clearly indicating a willingness to tackle these issues.

However, Secretaries come and go. Reforms introduced during any specific tenure of a Secretary often do not endure after their departure. The Rudman report states, and I quote, "the Department of Energy is incapable of reforming itself—bureaucratically and culturally—in a lasting way, even under an activist Secretary."

I can tell you from my own experience that it is sometimes hard to figure out just who is responsible in any given situation at DOE. Under the current structure the programs within one office, comply with policies set by a second office, in accordance with procedures set by a third office, verified by a fourth office. When I look at something like that, I have to wonder, "Who is in charge?"

The experts involved in producing the Rudman Report asked a number of DOE officials to whom they report, who whom they were responsible. The most common response was "it depends."

This myriad of oversight and review does not improve performance. To the contrary, in some cases it diminishes performance. It is my view that it is frequently easier to be an overseer than the responsible party. As overseers have multiplied, the line between oversight and responsibility has been blurred and sometimes disappears. The frequent result is that, when mistakes are made, everyone thinks they were an overseer, and nobody takes responsibility.

Mr. President, the national laboratories, especially the ones in my state, literally saved millions of lives through their work in World War II and during the cold war. They abound with dedicated, patriotic, and truly gifted men and women, working for this nation's security as their top priority. We

should not make the labs a scapegoat for an ineffective bureaucracy. We need a fundamental re-emphasis on the nuclear weapons work at DOE, recognizing that the rules and regimes that govern the rest of the DOE cannot be entirely used in the nuclear weapons complex.

I would like to show you an organizational chart of DOE's current structure as it pertains to our nuclear weapons program. This chart is found on page 17 of the new report. As one can readily discern, it's a toss up who or what office might have oversight in a given situation in a maze such as this. Just one glance at this chart makes the point.

The PFIAB Report demands legislative changes. Again, I quote, "The Department of Energy is a dysfunctional bureaucracy that has proven incapable of reforming itself." The PFIAB Report makes some very specific recommendations as to what changes are necessary. The authors recommend that Congress pass and the President sign legislation that:

Creates a new, semi-autonomous Agency for Nuclear Stewardship.

Streamlines the Nuclear Stewardship management structure.

Ensures effective administration of safeguards, security, and counterintelligence at all the weapons labs and plants by creating a coherent security/CI structure within the new agency.

The organizational chart outlining this new organization looks something like this. This can be found on page 50 of their report.

Creation of a semi-autonomous agency for our nuclear weapons work is precisely what I have been pushing over the last several weeks. Indeed, what I and my colleagues Senator KYL and Senator MURKOWSKI have proposed boils down to a true "Chain of Command" approach, with all the discipline this entails. I truly believe, and today's report confirms, that this approach, if it had been used in the past, may have avoided some of the security problems and will help us avoid them in the future.

The Rudman Report is a significant, timely contribution to the accumulating evidence that we must act to ensure that brilliant science and tight security are compatible within our nuclear weapons infrastructure.

I would like to congratulate Chairman Rudman and the members of the PFIAB for the tremendous contribution their findings will make to the dialog on how to best preserve our nuclear secrets and still maintain the greatest scientific research centers in the world.

The recommendations made in this report parallel what I and my colleagues tried to do several weeks ago. Perhaps this additional evidence will persuade others that it is long past time for Congress to take decisive action. I encourage my colleagues to read the report and draw their own conclusions about the need for organizational reform at DOE.●

HAMILTON HIGH SCHOOL

• Mrs. BOXER. Mr. President, I rise to congratulate the Hamilton High School Academy of Music for receiving a GRAMMY Signature Schools Gold award. The GRAMMY Signature School Awards are presented by the Naras Foundation, Inc., in consultation with a panel of judges composed of music educators and professionals. The Hamilton High School Academy is one of just 250 schools selected for this award nationwide.

The Hamilton High School Academy is a magnet school of the Los Angeles Unified School District, attracting students from throughout Los Angeles for its specialized music programs. Opening its doors in September 1987, the Hamilton High School Academy has provided a comprehensive music program to an ethnically and culturally diverse student body. The program includes coverage of instrumental, vocal, piano, and electronic music. In addition the school features intensive instruction in both the theory and history of music. The Academy also provides a full spectrum of academic classes, which are designed to meet the needs of all students.

The Hamilton High School Academy has received local, regional, and now national recognition. The GRAMMY Signature School Award is a testament to the academic and musical excellence of the Hamilton High School Academy of Music. •

BISHOP NICHOLAS HONORED BY COMMUNITY

• Mr. ABRAHAM. Mr. President, I rise today to acknowledge His Grace Nicholas, Sovereign Bishop of the Diocese of Detroit, who was elected to the Episcopate by the Holy and Sacred Synod of Constantinople.

Bishop Nicholas was born in Glen Falls, NY, in 1953 to Emmanuel and Caliope Pissare. He attended Colgate University and was awarded the prestigious Colgate War Memorial Scholarship. He then attended the Holy Cross Greek Orthodox School of Theology, graduating as the Valedictorian of the senior class in 1978 with a Master's Degree in Divinity.

Bishop Nicholas was ordained as Deacon on July 6, 1991. Then he was ordained to the Priesthood by Bishop Maximos where he was elevated to the rank of Archmandrite on the same day, based on his years of service to the church. He served as Diocese Chancellor of Pittsburgh from 1991 until 1995 and then Chancellor of the Diocese of Detroit from 1996 to 1997.

His Grace Bishop Nicholas of Detroit was elected to the Episcopate by the Holy and Sacred Synod of Constantinople and has been ordained in the Holy Cross Church of Brooklyn, New York. As of April 18, 1999 Bishop Nicholas began his Apostolic work in the Diocese.

Bishop Nicholas continued dedication to our community has had an immeas-

urable effect on the young and old alike. He truly is a role model of determination and spiritual leadership. I extend Bishop Nicholas the best of luck for his future. •

TRIBUTE TO ARTHUR NELSON

• Mr. SMITH of New Hampshire. Mr. President I rise today to honor Arthur Nelson, of Goshen, New Hampshire, for his dedicated service to his town and the nation.

Arthur has been an important figure in the town of Goshen. His commitment to the community has not gone unnoticed. It is for this reason that he was chosen Honorary Parade Marshall in celebration of the founding of the Goshen Volunteer Fire Department.

In 1939, Arthur helped establish the Goshen Volunteer Fire Department. This was the beginning of Arthur's long and fulfilling career as a public servant to the town of Goshen. Since then he has served as fire warden for fifty years. During those years he had been known to strap on a backpack pump and search reported puffs of smoke. This intense devotion led him to successfully find, and extinguish, many wildfires.

In addition to service to the town of Goshen, Arthur has been an active participant in fire fighting in Sunapee, Croyden, Marlow and Grantham. His concern for the safety of his own community, and those of his neighbors, has brought Arthur a tremendous amount of respect from all who know him. All of these towns join Goshen in recognizing Arthur as a true hero.

Arthur's presence in the Goshen Volunteer Fire Department is not his only contribution to his community. He has been elected and served as a selectman, been a part of the Historical Society and served on the Conservation Commission. Arthur has also been an active member of the Goshen Community Church. Among all of his commitments, Arthur was also able to write a book in his spare time. Foundations of Old Goshen, published in 1980, in a history of the town he loves.

At age 91, Arthur can look back on a fulfilling life in the town of Goshen. His dedication to community service should be used as an example for others. I want to commend Arthur for his commitment to serving his town and country. It is an honor to represent him in the United States Senate. •

PROTECTING THE EARTH'S SOIL FERTILITY JUNE 17—WORLD DAY TO COMBAT DESERTIFICATION

• Mr. JEFFORDS. Mr. President, the gradual but accelerating loss of soil fertility and productive agricultural land worldwide may not be headline-grabbing news. But it is the kind of threat that, if not addressed, will exacerbate global problems of hunger, poverty, migration and conflict over local scarce land and water resources in the 21st century.

The process of soil erosion and severe land degradation, often referred to as "desertification," results from over-cultivation, deforestation, improper irrigation and drought. Most Americans are aware of the phenomenon from our own "dust bowl" in the 1930's when hundreds of thousands of farmers were forced to abandon their exhausted land. Today, dust bowls are occurring in more than 90 countries with an alarming annual loss of 10 million acres of productive agricultural land worldwide. Because of our own successful soil and water conservation programs, U.S. businesses, universities and non-governmental organizations have a crucial role to play in providing technical expertise and support to communities around the world that are fighting land degradation.

Today is World Day to Combat Desertification, which marks the fifth anniversary of a coordinated international initiative to address the land degradation problem. In recognition of this observance, I would like to share a recent Christian Science Monitor op-ed piece on the seriousness of land degradation in Africa written by His Excellency Mamadou Mansour Seck, Senegal's Ambassador to the United States.

I ask that the article be printed in the RECORD.

The article follows:

SHRINKING FORESTS—WILL U.S. AID IN THE GREENING OF WORLD'S "DUST BOWLS"?

(By Mamadou Mansour Seck)

As a young pilot 40 years ago, flying over my country of Senegal and across Africa's Sahel region, I remember looking down on vast stretches of green fields and forests. Today the view is of a yellowish brown landscape that's growing barren.

Like many African countries, Senegal is losing precious agricultural land to a process of soil erosion and degradation known as "desertification." It occurs when land that receives little or irregular rainfall is over-cultivated, overgrazed, deforested, or otherwise stripped of its soil-fixing vegetative cover.

Worldwide, with more than 10 million acres of farm land becoming unproductive each year, "dust bowls" are multiplying and raising legitimate concern about our planet's capacity to feed its rapidly growing population.

In Africa and elsewhere, desertification fuels a downward cycle of poverty and hunger, which leads to migration from rural areas to overcrowded urban centers including those in North America and Europe. Desertification can lead to conflict over scarce resources, threatening to undermine the progress Africa is making toward democracy and economic reform.

But desertification is not inevitable. The U.S. can play a larger role in stemming the tide by ratifying the Convention to Combat Desertification, already ratified by 150 other countries.

The 1994 Convention focuses on food security and poverty reduction. It also promotes African self-reliance, a shift from aid to trade, the sustainable use of natural resources, and the benefits of democratic participation.

The U.S. signed the treaty in 1994, and President Clinton, during his trip last year to Africa, reaffirmed U.S. support for it. But

U.S. interests in an economically healthy and politically stable Africa would be well served by ratification by the Senate.

The desertification convention provides a coordinated international framework to channel technical and financial resources to communities where the fight against the interrelated problems of desertification and poverty must be waged.

Under the treaty, developing countries must engage local communities and organizations of farmers, herders, women, and youth in a "bottom up" process to devise national action programs.

Senegal and other desertified countries around the world are now active in this joint public-private planning process. Senegal's capital, Dakar, recently hosted the Second Conference of Parties to the Convention, attended by more than 140 countries.

Much more progress could be made with the help of the U.S., which has successful community-based soil and water conservation programs and is recognized as one of the world's leaders on fighting desertification. The technical resources of American universities, research institutions, and businesses are urgently needed in the Convention-generated partnerships with communities around the world.

Unchecked, desertification will continue to foster food crises, poverty, conflict, migration, floods and other environmental disasters. No nation is immune from the consequences.

Africa's 750 million people look to the U.S. for leadership on many issues, and desertification is one of the closest to our hearts. We look forward to welcoming the U.S. as a full partner to the convention.●

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2000

On June 16, 1999, the Senate passed S. 1186, the Energy and Water Development Appropriations Act, 2000. The text of the bill follows:

S. 1186

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, 2000, for energy and water development, and for other purposes, namely:

TITLE I DEPARTMENT OF DEFENSE—CIVIL DEPARTMENT OF THE ARMY CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and, when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, \$125,459,000, to remain available until expended, of which funds are provided for the following projects in the amounts specified:

Yellowstone River at Glendive, Montana Study, \$150,000;

Great Egg Harbor Inlet to Townsend's Inlet, New Jersey, \$226,000; and

Project for flood control, Park River, Graf-ton, North Dakota, general reevaluation report, using current data, to determine whether the project is technically sound, environmentally acceptable, and economically justified, \$50,000:

Provided, That the Secretary of the Army is directed to use \$328,000 of the funds appropriated herein to implement section 211(f)(7) of Public Law 104-303 (110 Stat. 3684) and to reimburse the non-Federal sponsor a portion of the Federal share of project costs for the Hunting Bayou element of the project for flood control, Buffalo Bayou and tributaries, Texas.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), \$1,086,586,000, to remain available until expended, of which such sums as are necessary for the Federal share of construction costs for facilities under the Dredged Material Disposal Facilities program shall be derived from the Harbor Maintenance Trust Fund, as authorized by Public Law 104-303; and of which such sums as are necessary pursuant to Public Law 99-662 shall be derived from the Inland Waterways Trust Fund, for one-half of the costs of construction and rehabilitation of inland waterways projects, including rehabilitation costs for the Lock and Dam 25, Mississippi River, Illinois and Missouri; Lock and Dam 14, Mississippi River, Iowa; Lock and Dam 24, Part 1 and Part 2, Mississippi River, Illinois and Missouri; and Lock and Dam 3, Mississippi River, Minnesota, London Lock and Dam, Kanawha River, West Virginia; and Lock and Dam 12, Mississippi River, Iowa, projects, and of which funds are provided for the following projects in the amounts specified:

Norco Bluffs, California, \$2,200,000;
Brevard County, Florida (Shore Protection), \$1,000,000;

Everglades and South Florida Ecosystem Restoration, Florida, \$14,100,000;

St. John's County, Florida (Shore Protection), \$1,000,000;

Indianapolis Central Waterfront, Indiana, \$3,000,000;

Ohio River Flood Protection, Indiana, \$1,000,000;

Jackson County, Mississippi, \$800,000;

Minnish Waterfront Park project, Passaic River, New Jersey, \$1,500,000

Virginia Beach, Virginia (Hurricane Protection), \$17,000,000;

Upper Mingo County (including Mingo County Tributaries), Lower Mingo County (Kermit), Wayne County, and McDowell County, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project in West Virginia, \$4,400,000; and

Lake St. Clair, Metro Beach, Michigan, section 206 project, \$100,000:

Provided, That the Secretary of the Army is directed to use \$9,000,000 of the funds appropriated herein to implement section 211(f)(6) of Public Law 104-303 (110 Stat. 3683) and to reimburse the non-Federal sponsor a portion of the Federal share of project construction costs for the flood control components comprising the Brays Bayou element of the project for flood control, Buffalo Bayou and tributaries, Texas: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to use

\$2,000,000 provided herein to construct bluff stabilization measures at authorized locations for Natchez Bluff, Mississippi: *Provided further,* That no part of any appropriation contained in this Act shall be expended or obligated to begin Phase II on the John Day Drawdown study or to initiate a study of the drawdown of McNary Dam unless authorized by law: *Provided further,* That using \$200,000 of the funds provided herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate a Detailed Project Report for the Dickenson County, Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River, West Virginia, Virginia and Kentucky, project: *Provided further,* That \$100,000 of the funding appropriated herein for section 107 navigation projects may be used by the Corps of Engineers to produce a decision document, and, if favorable, signing a project cost sharing agreement with a non-Federal project sponsor for the Rochester Harbor, New York (CSX Swing Bridge), project: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, may use \$1,500,000 of funding appropriated herein to initiate construction of shoreline protection measures at Assateague Island, Maryland: *Provided further,* That the Secretary of the Army, acting through the Chief of Engineers, may use Construction, General funding as directed in Public Law 105-62 and Public Law 105-245 to initiate construction of an emergency outlet from Devils Lake, North Dakota, to the Sheyenne River, except that the funds shall not become available unless the Secretary of the Army determines that an emergency (as defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) exists with respect to the emergency need for the outlet and reports to Congress that the construction is technically sound, economically justified, and environmentally acceptable and in compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.): *Provided further,* That the economic justification for the emergency outlet shall be prepared in accordance with the principles and guidelines for economic evaluation as required by regulations and procedures of the Army Corps of Engineers for all flood control projects, and that the economic justification be fully described, including the analysis of the benefits and costs, in the project plan documents: *Provided further,* That the plans for the emergency outlet shall be reviewed and, to be effective, shall contain assurances provided by the Secretary of State, after consultation with the International Joint Commission, that the project will not violate the requirements or intent of the Treaty Between the United States and Great Britain Relating to Boundary Waters Between the United States and Canada, signed at Washington January 11, 1909 (36 Stat. 2448; TS 548) (commonly known as the "Boundary Waters Treaty of 1909"): *Provided further,* That the Secretary of the Army shall submit the final plans and other documents for the emergency outlet to Congress: *Provided further,* That no funds made available under this Act or any other Act for any fiscal year may be used by the Secretary of the Army to carry out the portion of the feasibility study of the Devils Lake Basin, North Dakota, authorized under the Energy and Water Development Appropriations Act, 1993 (Public Law 102-377), that addresses the needs of the area for stabilized lake levels through inlet controls, or to otherwise study any facility or carry out any activity that would permit the transfer of water from the Missouri River Basin into Devils Lake.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), \$315,630,000, to remain available until expended.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, \$1,790,043,000, to remain available until expended, of which such sums as become available from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601), may be derived from that account for construction, operation, and maintenance of outdoor recreation facilities, and of which \$1,500,000 shall be available for development of technologies for control of zebra mussels and other aquatic nuisance species in and around public facilities: *Provided*, That no funds, whether appropriated, contributed, or otherwise provided, shall be available to the United States Army Corps of Engineers for the purpose of acquiring land in Jasper County, South Carolina, in connection with the Savannah Harbor navigation project: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall use \$100,000 of available funds to study the economic justification and environmental acceptability, in accordance with section 509(a) of Public Law 104-303, of maintaining the Matagorda Ship Channel, Point Comfort Turning Basin, Texas, project, and to use available funds to perform any required maintenance in fiscal year 2000 once the Secretary determines such maintenance is justified and acceptable as required by Public Law 104-303: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, may use not to exceed \$300,000 for expenses associated with the commemoration of the Lewis and Clark Bicentennial.

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters and wetlands, \$115,000,000, to remain available until expended: *Provided*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use \$5,000,000 of funds appropriated herein to fully implement an administrative appeals process for the Corps of Engineers Regulatory Program, which administrative appeals process shall provide for a single-level appeal of jurisdictional determinations.

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to clean up contamination from sites throughout the United States resulting from work performed as part of the Nation's early atomic energy program, \$150,000,000, to remain available until expended: *Provided*, That the United States Army Corps of Engineers under this program shall undertake the following functions and activities to be performed at eligible sites where remediation has not been completed:

sampling and assessment of contaminated areas, characterization of site conditions, determination of the nature and extent of contamination, selection of the necessary and appropriate response actions as the lead Federal agency, cleanup and closeout of sites, and any other functions and activities determined by the Chief of Engineers as necessary for carrying out this program, including the acquisition of real estate interests where necessary, which may be transferred upon completion of remediation to the administrative jurisdiction of the Department of Energy: *Provided further*, That response actions by the United States Army Corps of Engineers under this program shall be subject to the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9601 et seq.), and the National Oil and Hazardous Substances Pollution Contingency Plan, 40 CFR, Chapter 1, Part 300: *Provided further*, That these provisions do not alter, curtail or limit the authorities, functions or responsibilities of other agencies under CERCLA or, except as stated herein, under the Atomic Energy Act (42 U.S.C. 2011 et seq.): *Provided further*, That any sums recovered under CERCLA or other authority from a liable party, contractor, insurer, surety, or other person for any expenditures by the Army Corps of Engineers or the Department of Energy for response actions under the Formerly Utilized Sites Remedial Action Program shall be credited to this account and will be available until expended for response action costs for any eligible site: *Provided further*, That the Secretary of Energy may exercise the authority of 42 U.S.C. 2208 to make payments in lieu of taxes for federally-owned property where Formerly Utilized Sites Remedial Action Program activities are conducted, regardless of which Federal agency has administrative jurisdiction over the property and notwithstanding references to "the activities of the Commission" in 42 U.S.C. 2208.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers; activities of the Coastal Engineering Research Board, the Humphreys Engineer Center Support Activity, the Water Resources Support Center, and headquarters support functions at the USACE Finance Center; \$151,000,000, to remain available until expended: *Provided*, That no part of any other appropriation provided in title I of this Act shall be available to fund the activities of the Office of the Chief of Engineers or the executive direction and management activities of the division offices.

REVOLVING FUND

Using amounts available in the Revolving Fund, the Secretary of the Army is authorized to renovate office space in the General Accounting Office (GAO) headquarters building in Washington, D.C., for use by the Corps and GAO. The Secretary shall ensure that the Revolving Fund is appropriately reimbursed from appropriations of the Corps' benefitting programs by collection each year of amounts sufficient to repay the capitalized cost of such renovation and through rent reductions or rebates from GAO.

ADMINISTRATIVE PROVISION

Appropriations in this title shall be available for official reception and representation expenses (not to exceed \$5,000); and during the current fiscal year the Revolving Fund, Corps of Engineers, shall be available for purchase (not to exceed 100 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS

CORPS OF ENGINEERS—CIVIL

SEC. 101. Notwithstanding any other provisions of law, no fully allocated funding pol-

icy shall be applied to projects for which funds are identified in the Committee reports accompanying this Act under the Construction, General; Operation and Maintenance, General; and Flood Control, Mississippi River and Tributaries, appropriation accounts: *Provided*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake these projects using continuing contracts, as authorized in section 10 of the Rivers and Harbors Act of September 22, 1922 (33 U.S.C. 621).

SEC. 102. Agreements proposed for execution by the Assistant Secretary of the Army for Civil Works or the U.S. Army Corps of Engineers after the date of enactment of this Act pursuant to section 4 of the Rivers and Harbor Act of 1915, Public Law 64-291; section 11 of the River and Harbor Act of 1925, Public Law 68-585; the Civil Functions Appropriations Act, 1936, Public Law 75-208; section 215 of the Flood Control Act of 1968, as amended, Public Law 90-483; sections 104, 203, and 204 of the Water Resources Development Act of 1986, as amended (Public Law 99-662); section 206 of the Water Resources Development Act of 1992, as amended, Public Law 102-580; and section 211 of the Water Resources Development Act of 1996, Public Law 104-303, shall be limited to a single agreement per project, credits and reimbursements per project not to exceed \$10,000,000 in each fiscal year, and total credits and reimbursements for all applicable projects not to exceed \$50,000,000 in each fiscal year.

SEC. 103. None of the funds made available in this Act may be used to revise the Missouri River Master Water Control Manual when it is made known to the Federal entity or official to which the funds are made available that such revision provides for an increase in the springtime water release program during the spring heavy rainfall and snow melt period in States that have rivers draining into the Missouri River below the Gavins Point Dam.

SEC. 104. CHEYENNE RIVER SIOUX TRIBE, LOWER BRULE SIOUX TRIBE, AND STATE OF SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION. (a) IN GENERAL.—The Secretary of the Army shall continue to fund wildlife habitat mitigation work for the Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and State of South Dakota at levels previously funded through the Pick-Sloan operations and maintenance account.

(b) CONTRACTS.—With \$3,000,000 made available under the heading "CONSTRUCTION, GENERAL", the Secretary of the Army shall fund activities authorized under title VI of division C of Public Law 105-277 (112 Stat. 2681-660 through contracts with the Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and State of South Dakota.

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

For carrying out activities authorized by the Central Utah Project Completion Act, and for activities related to the Uintah and Upalco Units authorized by 43 U.S.C. 620, \$38,049,000, to remain available until expended, of which \$17,047,000 shall be deposited into the Utah Reclamation Mitigation and Conservation Account: *Provided*, That of the amounts deposited into that account, \$5,000,000 shall be considered the Federal contribution authorized by paragraph 402(b)(2) of the Central Utah Project Completion Act and \$12,047,000 shall be available to the Utah Reclamation Mitigation and Conservation Commission to carry out activities authorized under that Act.

In addition, for necessary expenses incurred in carrying out related responsibilities of the Secretary of the Interior,

\$1,321,000, to remain available until expended.

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

WATER AND RELATED RESOURCES (INCLUDING TRANSFER OF FUNDS)

For management, development, and restoration of water and related natural resources and for related activities, including the operation, maintenance and rehabilitation of reclamation and other facilities, participation in fulfilling related Federal responsibilities to Native Americans, and related grants to, and cooperative and other agreements with, State and local governments, Indian Tribes, and others, \$612,451,000, to remain available until expended, of which \$150,000 shall be available for the Lake Andes-Wagner/Marty II demonstration program authorized by the Lake Andes-Wagner/Marty II Act of 1992 (106 Stat. 4677), of which \$2,247,000 shall be available for transfer to the Upper Colorado River Basin Fund and \$24,326,000 shall be available for transfer to the Lower Colorado River Basin Development Fund, and of which such amounts as may be necessary may be advanced to the Colorado River Dam Fund: *Provided*, That such transfers may be increased or decreased within the overall appropriation under this heading: *Provided further*, That of the total appropriated, the amount for program activities that can be financed by the Reclamation Fund or the Bureau of Reclamation special fee account established by 16 U.S.C. 4601-6a(i) shall be derived from that Fund or account: *Provided further*, That funds contributed under 43 U.S.C. 395 are available until expended for the purposes for which contributed: *Provided further*, That funds advanced under 43 U.S.C. 397a shall be credited to this account and are available until expended for the same purposes as the sums appropriated under this heading: *Provided further*, That funds available for expenditure for the Departmental Irrigation Drainage Program may be expended by the Bureau of Reclamation for site remediation on a non-reimbursable basis: *Provided further*, That section 301 of Public Law 102-250, Reclamation States Emergency Drought Relief Act of 1991, as amended by Public Law 104-206, is amended further by inserting "1999, and 2000" in lieu of "and 1997": *Provided further*, That the amount authorized for Indian municipal, rural, and industrial water features by section 10 of Public Law 89-108, as amended by section 8 of Public Law 99-294, section 1701(b) of Public Law 102-575, and Public Law 105-245, is increased by \$2,000,000 (October 1998 prices): *Provided further*, That \$500,000 of the funding appropriated herein is provided for the Walker River Basin, Nevada project, including not to exceed \$200,000 for the Federal assessment team for the purpose of conducting a comprehensive study of Walker River Basin issues: *Provided further*, That the Secretary of the Interior may provide \$2,865,000 from funds appropriated herein for environmental restoration at Fort Kearny, Nebraska.

BUREAU OF RECLAMATION LOAN PROGRAM ACCOUNT

For the cost of direct loans and/or grants, \$12,000,000, to remain available until expended, as authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a-422i): *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, as

amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$43,000,000.

In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, \$425,000, to remain available until expended: *Provided*, That of the total sums appropriated, the amount of program activities that can be financed by the Reclamation Fund shall be derived from that Fund.

CENTRAL VALLEY PROJECT RESTORATION FUND

For carrying out the programs, projects, plans, and habitat restoration, improvement, and acquisition provisions of the Central Valley Project Improvement Act, \$37,346,000, to be derived from such sums as may be collected in the Central Valley Project Restoration Fund pursuant to sections 3407(d), 3404(c)(3), 3405(f), and 3406(c)(1) of Public Law 102-575, to remain available until expended: *Provided*, That the Bureau of Reclamation is directed to assess and collect the full amount of the additional mitigation and restoration payments authorized by section 3407(d) of Public Law 102-575.

CALIFORNIA BAY-DELTA RESTORATION (INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Department of the Interior and other participating Federal agencies in carrying out ecosystem restoration activities pursuant to the California Bay-Delta Environmental Enhancement Act and other activities that are in accord with the CALFED Bay-Delta Program, including projects to improve water use efficiency, water quality, groundwater and surface storage, levees, conveyance, and watershed management, consistent with plans to be approved by the Secretary of the Interior, in consultation with such Federal agencies, \$50,000,000, to remain available until expended, of which \$30,000,000 shall be used for ecosystem restoration activities and \$20,000,000 shall be used for such other activities, and of which such amounts as may be necessary to conform with such plans shall be transferred to appropriate accounts of such Federal agencies: *Provided*, That no more than \$2,500,000 of the funds appropriated herein may be used for planning and management activities associated with developing the overall CALFED Bay-Delta Program and coordinating its staged implementation: *Provided further*, That funds for ecosystem restoration activities may be obligated only as non-Federal sources provide their share in accordance with the cost-sharing agreement required under section 1101(d) of such Act, and that funds for such other activities may be obligated only as non-Federal sources provide their share in a manner consistent with such cost-sharing agreement: *Provided further*, That such funds may be obligated prior to the completion of a final programmatic environmental impact statement only if: (1) consistent with 40 CFR 1506.1(c); and (2) used for purposes that the Secretary finds are of sufficiently high priority to warrant such an expenditure.

POLICY AND ADMINISTRATION

For necessary expenses of policy, administration, and related functions in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, to remain available until expended, \$49,000,000, to be derived from the Reclamation Fund and be nonreimbursable as provided in 43 U.S.C. 377: *Provided*, That no part of any other appropriation in this Act shall be available for activities or functions budgeted as policy and administration expenses.

ADMINISTRATIVE PROVISIONS

SEC. 201. Advance payments made under this title to Indian tribes, tribal organiza-

tions, and tribal consortia pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) or the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) may be invested by the Indian tribe, tribal organization, or consortium before such funds are expended for the purposes of the grant, compact, or annual funding agreement so long as such funds are:

(1) invested by the Indian tribe, tribal organization, or consortium only in obligations of the United States, or in obligations or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Securities and Exchange Commission and which only invest in obligations of the United States or securities that are guaranteed or insured by the United States; or

(2) deposited only into accounts that are insured by an agency or instrumentality of the United States, or are fully collateralized to ensure protection of the Funds, even in the event of a bank failure.

SEC. 202. Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed seven passenger motor vehicles for replacement only.

SEC. 203. Funds under this title for Drought Emergency Assistance shall only be made available for the leasing of water for specified drought related purposes from willing lessors, in compliance with existing State laws and administered under State water priority allocation. Such leases may be entered into with an option to purchase: *Provided*, That such purchase is approved by the State in which the purchase takes place and the purchase does not cause economic harm within the State in which the purchase is made.

TITLE III DEPARTMENT OF ENERGY ENERGY PROGRAMS ENERGY SUPPLY (INCLUDING TRANSFER OF FUNDS)

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for energy supply, and uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of not to exceed 1 passenger motor vehicle for replacement only, \$721,233,000, of which \$821,000 shall be derived by transfer from the Geothermal Resources Development Fund, and \$5,000,000 shall be derived by transfer from the United States Enrichment Corporation Fund: *Provided*, That, \$15,000,000, of which \$10,000,000 shall be derived from reductions in contractor travel balances, shall be available for civilian research and development.

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for non-defense environmental management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction or expansion, \$327,922,000, to remain available until expended.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

For necessary expenses in carrying out uranium enrichment facility decontamination and decommissioning, remedial actions

and other activities of title II of the Atomic Energy Act of 1954 and title X, subtitle A of the Energy Policy Act of 1992, \$200,000,000, to be derived from the Fund, to remain available until expended: *Provided*, That \$25,000,000 of amounts derived from the Fund for such expenses shall be available in accordance with title X, subtitle A, of the Energy Policy Act of 1992.

SCIENCE

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for science activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion, and purchase of not to exceed 6 passenger motor vehicles for replacement only, \$2,725,069,000, to remain available until expended, of which \$3,000,000 shall be used for Boston College research in high temperature superconductivity and of which \$5,000,000 shall be used for the University of Missouri research reactor project: *Provided*, That of the amount provided, \$2,000,000 may be available to the Natural Energy Laboratory of Hawaii, for the purpose of monitoring ocean climate change indicators.

NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, \$242,500,000 to be derived from the Nuclear Waste Fund: *Provided*, That not to exceed \$4,727,000 may be provided to the State of Nevada solely for expenditures, other than salaries and expenses of State employees, to conduct scientific oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, (Public Law 97-425) as amended: *Provided further*, That not to exceed \$5,432,000 may be provided to affected units of local governments, as defined in Public Law 97-425, to conduct appropriate activities pursuant to the Act: *Provided further*, That the distribution of the funds as determined by the units of local government shall be approved by the Department of Energy: *Provided further*, That the funds shall be made available to the State and units of local government by direct payment: *Provided further*, That within 90 days of the completion of each Federal fiscal year, the State and each local entity shall provide certification to the Department of Energy, that all funds expended from such payments have been expended for activities as defined in Public Law 97-425. Failure to provide such certification shall cause such entity to be prohibited from any further funding provided for similar activities: *Provided further*, That none of the funds herein appropriated may be: (1) used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for lobbying activity as provided in 18 U.S.C. 1913; (2) used for litigation expenses; or (3) used to support multi-state efforts or other coalition building activities inconsistent with the restrictions contained in this Act.

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for departmental administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed \$35,000), \$219,415,000, to remain available until expended, plus such additional amounts as necessary to cover increases in

the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): *Provided*, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: *Provided further*, That moneys received by the Department for miscellaneous revenues estimated to total \$116,887,000 in fiscal year 2000 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of 31 U.S.C. 3302: *Provided further*, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 2000 so as to result in a final fiscal year 2000 appropriation from the General Fund estimated at not more than \$102,528,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$29,000,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 3 for replacement only), \$4,609,832,000, to remain available until expended: *Provided*, That funding for any ballistic missile defense program undertaken by the Department of Energy for the Department of Defense shall be provided by the Department of Defense according to procedures established for Work for Others by the Department of Energy: *Provided further*, That, \$10,000,000 of the amount provided for stockpile stewardship shall be available to provide laboratory and facility capabilities in partnership with small businesses for either direct benefit to Weapons Activities or regional economic development.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 35 for replacement only), \$4,551,676,000, to remain available until expended: *Provided*, That of the amount provided for site completion, \$1,306,000 shall be for project 00-D-400, CFA Site Operations Center, Idaho National Engineering and Environmental Laboratory, Idaho.

DEFENSE FACILITIES CLOSURE PROJECTS

For expenses of the Department of Energy to accelerate the closure of defense environmental management sites, including the purchase, construction and acquisition of plant and capital equipment and other necessary expenses, \$1,069,492,000, to remain available until expended.

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

For Department of Energy expenses for privatization projects necessary for atomic energy defense environmental management activities authorized by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), \$228,000,000, to remain available until expended.

OTHER DEFENSE ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense, other defense activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, \$1,872,000,000, to remain available until expended: *Provided*, That not to exceed \$3,000 may be used for official reception and representation expenses for transparency activities and not to exceed \$2,000 for the same purpose for national security and non-proliferation activities.

DEFENSE NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, as amended, including the acquisition of real property or facility construction or expansion, \$112,500,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, are approved for the Northeast Oregon Hatchery Master Plan, and for official reception and representation expenses in an amount not to exceed \$3,000.

During fiscal year 2000, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, including transmission wheeling and ancillary services, pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, \$11,594,000; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed \$28,000,000 in reimbursements for transmission wheeling and ancillary services and for power purchases, to remain available until expended.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed \$1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, \$28,000,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed \$4,200,000 in reimbursements, to remain available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 U.S.C. 7152), and other related activities including conservation and

renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed \$1,500, \$223,555,000, to remain available until expended, of which \$160,286,000 shall be derived from the Department of the Interior Reclamation Fund: *Provided*, That of the amount herein appropriated, \$5,036,000 is for deposit into the Utah Reclamation Mitigation and Conservation Account pursuant to title IV of the Reclamation Projects Authorization and Adjustment Act of 1992.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

For operation, maintenance, and emergency costs for the hydroelectric facilities at the Falcon and Amistad Dams, \$1,309,000, to remain available until expended, and to be derived from the Falcon and Amistad Operating and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

FEDERAL ENERGY REGULATORY COMMISSION SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including services as authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, and official reception and representation expenses (not to exceed \$3,000), \$170,000,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, not to exceed \$170,000,000 of revenues from fees and annual charges, and other services and collections in fiscal year 2000 shall be retained and used for necessary expenses in this account, and shall remain available until expended: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced as revenues are received during fiscal year 2000 so as to result in a final fiscal year 2000 appropriation from the General Fund estimated at not more than \$0.

GENERAL PROVISIONS
DEPARTMENT OF ENERGY

SEC. 301. (a) None of the funds appropriated by this Act or any prior appropriations Act may be used to award a management and operating contract unless such contract is awarded using competitive procedures or the Secretary of Energy grants, on a case-by-case basis, a waiver to allow for such a deviation. The Secretary may not delegate the authority to grant such a waiver.

(b) At least 60 days before a contract award, amendment, or modification for which the Secretary intends to grant such a waiver, the Secretary shall submit to the Subcommittees on Energy and Water Development of the Committees on Appropriations of the House of Representatives and the Senate a report notifying the subcommittees of the waiver and setting forth the reasons for the waiver.

SEC. 302. Of the funds appropriated by this title to the Department of Energy, not more than \$200,000,000 shall be available for reimbursement of contractor travel expenses, and no funds shall be available for reimbursement of contractor travel expenses that exceed 80 percent of the amount incurred by any individual contractor in fiscal year 1998.

SEC. 303. None of the funds appropriated by this Act or any prior appropriations Act may be used to—

(1) develop or implement a workforce restructuring plan that covers employees of the Department of Energy; or

(2) provide enhanced severance payments or other benefits for employees of the Department of Energy; under section 3161 of the National Defense Authorization Act for Fis-

cal Year 1993 (Public Law 102-484; 106 Stat. 2644; 42 U.S.C. 7274h).

SEC. 304. None of the funds appropriated by this Act or any prior appropriations Act may be used to augment the \$30,000,000 made available for obligation by this Act for severance payments and other benefits and community assistance grants under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2644; 42 U.S.C. 7274h).

SEC. 305. None of the funds appropriated by this Act or any prior appropriations Act may be used to prepare or initiate Requests For Proposals (RFPs) for a program if the program has not been funded by Congress.

(TRANSFERS OF UNEXPENDED BALANCES)

SEC. 306. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

SEC. 307. None of the funds in this Act may be used to dispose of transuranic waste in the Waste Isolation Pilot Plant which contains concentrations of plutonium in excess of 20 percent by weight for the aggregate of any material category on the date of enactment of this Act, or is generated after such date.

SEC. 308. LIMITING THE INCLUSION OF COSTS OF PROTECTION OF, MITIGATION OF DAMAGE TO, AND ENHANCEMENT OF FISH, WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION, TO THE RATE PERIOD IN WHICH THE COSTS ARE INCURRED.—Section 7 of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839e) is amended by adding at the end the following:

“(n) LIMITING THE INCLUSION OF COSTS OF PROTECTION OF, MITIGATION OF DAMAGE TO, AND ENHANCEMENT OF FISH, WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION, TO THE RATE PERIOD IN WHICH THE COSTS ARE INCURRED.—Notwithstanding any other provision of this section, rates established by the Administrator, in accordance with established fish funding principles, under this section shall recover costs for protection, mitigation and enhancement of fish, whether under the Pacific Northwest Electric Power Planning and Conservation Act or any other Act, not to exceed such amounts the Administrator forecasts will be expended during the period for which such rates are established.”.

TITLE IV
INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, for necessary expenses for the Federal Co-Chairman and the alternate on the Appalachian Regional Commission, for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, \$71,400,000, to remain available until expended.

DENALI COMMISSION

For expenses of the Denali Commission including the purchase, construction and acquisition of plant and capital equipment as necessary and other expenses, \$25,000,000, to remain available until expended.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy

Act of 1954, as amended by Public Law 100-456, section 1441, \$17,500,000, to remain available until expended.

NUCLEAR REGULATORY COMMISSION
SALARIES AND EXPENSES

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended, including official representation expenses (not to exceed \$15,000), \$465,400,000, to remain available until expended: *Provided*, That of the amount appropriated herein, \$19,150,000 shall be derived from the Nuclear Waste Fund: *Provided further*, That revenues from licensing fees, inspection services, and other services and collections estimated at \$442,400,000 in fiscal year 2000 shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: *Provided further*, That \$3,850,000 of the funds herein appropriated for regulatory reviews and other assistance provided to the Department of Energy and other Federal agencies shall be excluded from license fee revenues, notwithstanding 42 U.S.C. 2214: *Provided further*, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 2000 so as to result in a final fiscal year 2000 appropriation estimated at not more than \$23,000,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$5,000,000, to remain available until expended: *Provided*, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 2000 so as to result in a final fiscal year 2000 appropriation estimated at not more than \$0.

NUCLEAR WASTE TECHNICAL REVIEW BOARD
SALARIES AND EXPENSES

For necessary expenses of the Nuclear Waste Technical Review Board, as authorized by Public Law 100-203, section 5051, \$3,150,000, to be derived from the Nuclear Waste Fund, and to remain available until expended.

TENNESSEE VALLEY AUTHORITY FUND

For the purposes of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), \$7,000,000, to remain available until expended for operation, maintenance, surveillance, and improvement of Land Between The Lakes.

TITLE V—RESCISSIONS
DEPARTMENT OF DEFENSE—CIVIL
DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

GENERAL INVESTIGATIONS

(RESCISSIONS)

Of the funds made available under this heading in Public Law 105-245 and prior Energy and Water Development Acts, the following amounts are hereby rescinded in the amounts specified:

Calleguas, Creek, California, \$271,100;
San Joaquin, Caliente Creek, California, \$155,400;

Red River Waterway, Shreveport, Louisiana, to Dangerfield, Texas \$582,600;

Buffalo, Small Boat Harbor, New York, \$15,100;

City of Buffalo, New York, \$4,000;
Geneva State Park, Ohio Shoreline Protection, \$91,000;

Clinton River Spillway, Michigan, \$50,000;
Lackawanna River Basin Greenway Corridor, Pennsylvania, \$217,900; and

Red River Waterway, Index Arkansas, to Denison Dam, Texas, \$125,000.

CONSTRUCTION, GENERAL
(RESCISSIONS)

Of the funds made available under this heading in Public Law 105-245, and prior Energy and Water Development Acts, the following amounts are hereby rescinded in the amounts specified:

Sacramento River Flood Control Project, California (Deficiency Correction), \$1,500,000;
Melaleuca Quarantine Facility, Florida, \$295,000;
Lake George, Hobart, Indiana, \$3,484,000;
Southern and Eastern Kentucky, Kentucky, \$2,623,000;
Anacostia River (Section 1135), Maryland, \$1,534,000;
Sowashee Creek, Meridian, Mississippi, \$2,537,000;
Platte River Flood and Streambank Erosion Control, Nebraska, \$1,409,000;
Rochester Harbor, New York, \$1,842,000;
Columbia River, Seafarers Museum, Hammond, Oregon, \$98,000;
South Central Pennsylvania, Environmental Improvements Program, Pennsylvania, \$20,000,000; and
Quonset Point, Davisville, Rhode Island, \$120,000.

DEPARTMENT OF ENERGY
OPERATION AND MAINTENANCE, SOUTHEASTERN
POWER ADMINISTRATION
(RESCISSION)

Of the funds made available under this heading in Public Law 105-245 and prior Energy and Water Development Acts, \$5,500,000, are rescinded.

TITLE VI—GENERAL PROVISIONS

SEC. 601. None of the funds appropriated by this Act may be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in section 1913 of title 18, United States Code.

SEC. 602. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 603. (a) None of the funds appropriated or otherwise made available by this Act may be used to determine the final point of discharge for the interceptor drain for the San Luis Unit until development by the Secretary of the Interior and the State of California of a plan, which shall conform to the water quality standards of the State of California as approved by the Administrator of

the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters.

(b) The costs of the Kesterson Reservoir Cleanup Program and the costs of the San Joaquin Valley Drainage Program shall be classified by the Secretary of the Interior as reimbursable or nonreimbursable and collected until fully repaid pursuant to the "Cleanup Program—Alternative Repayment Plan" and the "SJVDP—Alternative Repayment Plan" described in the report entitled "Repayment Report, Kesterson Reservoir Cleanup Program and San Joaquin Valley Drainage Program, February 1995", prepared by the Department of the Interior, Bureau of Reclamation. Any future obligations of funds by the United States relating to, or providing for, drainage service or drainage studies for the San Luis Unit shall be fully reimbursable by San Luis Unit beneficiaries of such service or studies pursuant to Federal Reclamation law.

SEC. 604. None of the funds made available in this or any other Act may be used to re-start the High Flux Beam Reactor.

SEC. 605. Section 6101(a)(3) of the Omnibus Budget Reconciliation Act of 1990, as amended, (42 U.S.C. 2214(a)(3)) is amended by striking "September 30, 1999" and inserting "September 30, 2000".

SEC. 606. UNITED STATES ENRICHMENT CORPORATION FUND. (a) WITHDRAWALS.—Subsections (b) and (c) of section 1 of Public Law 105-204 (112 Stat. 681) are amended by striking "fiscal year 2000" and inserting "fiscal year 2002".

(b) INVESTMENT OF AMOUNTS IN THE USEC FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the United States Enrichment Corporation Fund as is not, in the judgment of the Secretary, required to meet current withdrawals. Investments may be made only in interest-bearing obligations of the United States.

(2) ACQUISITION OF OBLIGATIONS.—For the purpose of investments under paragraph (1), obligations may be acquired—

(A) on original issue at the issue price; or
(B) by purchase of outstanding obligations at the market price.

(3) SALE OF OBLIGATIONS.—Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

(4) CREDITS TO FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

SEC. 607. LAKE CASCADE. (a) DESIGNATION.—The reservoir commonly known as the "Cascade Reservoir", created as a result of the building of the Cascade Dam authorized by the matter under the heading "BUREAU OF RECLAMATION" of the fifth section of the Interior Department Appropriation Act, 1942 (55 Stat. 334, chapter 259) for the Boise Project, Idaho, Payette division, is redesignated as "Lake Cascade".

(b) REFERENCES.—Any reference in any law, regulation, document, record, map, or other paper of the United States to "Cascade Reservoir" shall be considered to be a reference to "Lake Cascade".

SEC. 608. Section 4(h)(10)(D) of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839b(h)(10)(D)) is amended by striking clauses (vii) and (viii) and inserting the following:

"(vii) COST LIMITATION.—The annual cost of this provision shall not exceed \$500,000 in 1997 dollars."

This Act may be cited as the "Energy and Water Development Appropriations Act, 2000".

ORDER OF PROCEDURE

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. I have a number of matters before we close up for the evening.

TRIBUTE TO JOHN EDWARDS

Mr. SESSIONS. Mr. President, I just left a marvelous event in which Mr. John Edwards of my hometown of Mobile, AL, was recognized nationally for his selfless service to youth. He had been trained as a boxer and has done some professional boxing.

Mr. Edwards has two children. He trains now 18 to 36 young people in a gym. He works two jobs and trains them on the side. He does more than just teach them boxing; he teaches them how to work, how to save, how to manage money, and the important characteristics that are necessary for life.

He told me, when they come there, the first thing he asks them to produce is a report card. If it is not good enough, he puts them on sort of his own probation, and he works with them to see their grades improve.

I just believe there are more people than we realize in America today who are giving of themselves for other people.

Mr. Edwards shared that. It is important to me because I chair the Youth Violence Committee. Young people are in trouble today, and they need adults who care about them and who will spend time with them. There are people like Mr. Edwards who have done that to an extraordinary degree, and we salute all of them.

I particularly congratulate Mr. Edwards on his commitment to his community and my hometown of Mobile, AL.

COMMENDING THE PRESIDENT
AND THE ARMED FORCES

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Con. Res. 40, introduced earlier today by Senators LOTT, DASCHLE, and others.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 40) commending the President and the Armed Forces for the success of Operation Allied Force.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. SESSIONS. I ask unanimous consent that the concurrent resolution and preamble be agreed to, en bloc; that the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 40) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. CON. RES. 40

Whereas United States and North Atlantic Treaty Organization (NATO) military forces succeeded in forcing the Federal Republic of Yugoslavia to accept NATO's conditions to halt the air campaign;

Whereas this accomplishment has been achieved at a minimal loss of life and number of casualties among American and NATO forces;

Whereas to date two Americans have been killed in the line of duty;

Whereas hundreds of thousands of Kosovar civilians have been ethnically cleansed, deported, detained, or killed by Serb security forces: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That:

(1) The Congress expresses the appreciation of the Nation to:

(A) The United States Armed Forces who participated in Operation Allied Force and served and succeeded in the highest traditions of the Armed Forces of the United States.

(B) The families of American service men and women participating in Operation Allied Force, who have bravely borne the burden of separation from their loved ones, and staunchly supported them during the conflict.

(C) President Clinton, Commander in Chief of U.S. Armed Forces, for his leadership during Operation Allied Force.

(D) Secretary of Defense William Cohen, Chairman of the Joint Chiefs of Staff General Henry Shelton and Supreme Allied Commander-Europe General Wesley Clark, for their planning and implementation of Operation Allied Force.

(E) Secretary Albright and other Administration officials engaged in diplomatic efforts to resolve the Kosovo conflict.

(F) All of the forces from our NATO allies, who served with distinction and success.

[(G) The front line states, Albania, Macedonia, Bulgaria and Romania, who experience firsthand the instability produced by the Federal Republic of Yugoslavia's policy of ethnic cleansing.]

(2) The Congress notes with deep sadness the loss of life on all sides in Operation Allied Force.

(3) The Congress demands from Slobodan Milosevic:

(A) The withdrawal of all Yugoslav and Serb forces from Kosovo according to relevant provisions of the Military-Technical Agreement between NATO and the Federal Republic of Yugoslavia.

(B) A permanent end to the hostilities in Kosovo by Yugoslav and Serb forces.

(C) The unconditional return to their homes of all Kosovar citizens displaced by Serb aggression.

(D) Unimpeded access for humanitarian relief operations in Kosovo.

(4) The Congress urges the leadership of the Kosovo Liberation Army (KLA) to ensure

KLA compliance with the ceasefire and demilitarization obligations.

(5) The Congress urges and expects all nations to cooperate fully with the International Criminal Tribunal for the Former Yugoslavia and to assist in bringing indicted war criminals, including Slobodan Milosevic and other Serb military and political leaders, to justice.

EXECUTIVE SESSION

NOMINATION OF RICHARD L. MORNINGSTAR, OF MASSACHUSETTS, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE EUROPEAN UNION

Mr. SESSIONS. In executive session, I ask unanimous consent, on behalf of the majority leader, that the nomination of Richard Morningstar be discharged from the Foreign Relations Committee, and that the Senate proceed to its consideration. I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nomination be printed at the appropriate place 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

Richard L. Morningstar, of Massachusetts, to be the Representative of the United States of America to the European Union, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

PRIVILEGE OF THE FLOOR—H.R. 1664

Mr. SESSIONS. Mr. President, on behalf of Senator STROM THURMOND, I ask unanimous consent that the privilege of the floor be granted to Ernie Coggins, a legislative fellow, during the pendency of the emergency steel loan guarantee program and emergency steel, oil and gas loan guarantee program, H.R. 1664.

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

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 96-388, as amended by Public Law 97-84, appoints the following Senators to the United States Holocaust Memorial Council:

The Senator from Utah (Mr. HATCH);
The Senator from Alaska (Mr. MURKOWSKI); and

The Senator from Michigan (Mr. ABRAHAM).

ORDERS FOR FRIDAY, JUNE 18, 1999

Mr. SESSIONS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. on Friday, June 18. I further ask that on Friday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate proceed to a final passage vote relative to the oil, gas, steel loan program.

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

Mr. SESSIONS. I further ask that following that vote, the Senate proceed to the State Department authorization bill under a previous consent agreement.

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

PROGRAM

Mr. SESSIONS. Mr. President, for the information of all Senators, tomorrow the Senate will convene at 9:30 a.m. and proceed immediately to a roll-call vote on passage of H.R. 1664. Following that vote, the Senate will begin the State Department authorization bill. Several amendments are expected to be offered. Therefore, additional votes could occur until the hour of 11:45 a.m.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. SESSIONS. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment, under the previous order.

There being no objection, the Senate, at 7:17 p.m., adjourned until Friday, June 18, 1999, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 17, 1999:

IN THE AIR FORCE

F. WHITTEN PETERS, OF THE DISTRICT OF COLUMBIA, TO BE SECRETARY OF THE AIR FORCE, VICE SHEILA E. WIDNALL, RESIGNED.

DEPARTMENT OF THE TREASURY

STUART E. EIZENSTAT, OF MARYLAND, TO BE DEPUTY SECRETARY OF THE TREASURY, VICE LAWRENCE H. SUMMERS.

DEPARTMENT OF STATE

MICHAEL A. SHEEHAN, OF NEW JERSEY, TO BE COORDINATOR FOR COUNTERTERRORISM, WITH THE RANK AND STATUS OF AMBASSADOR AT LARGE. (NEW POSITION)

THE JUDICIARY

MARYANNE TRUMP BARRY, OF NEW JERSEY, TO BE UNITED STATES CIRCUIT JUDGE FOR THE THIRD CIRCUIT, VICE H. LEE SAROKIN, RETIRED.

JAMES E. DUFFY, JR., OF HAWAII, TO BE UNITED STATES CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE CYNTHIA HOLCOMB HALL, RETIRED.

ELENA KAGAN, OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT, VICE JAMES L. BUCKLEY, RETIRED.

CONFIRMATION

Executive nomination confirmed by the Senate June 17, 1999:

DEPARTMENT OF STATE

RICHARD L. MORNINGSTAR, OF MASSACHUSETTS, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF

AMERICA TO THE EUROPEAN UNION, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

WITHDRAWAL

Executive message transmitted by the President to the Senate on June 17, 1999, withdrawing from further Senate consideration the following nomination:

DEPARTMENT OF THE TREASURY

JAMES W. WETZLER, OF NEW YORK, TO BE A MEMBER OF THE INTERNAL REVENUE OVERSIGHT BOARD FOR A TERM OF THREE YEARS (NEW POSITION), WHICH WAS SENT TO THE SENATE ON MAY 27, 1999.