

now, in order to know to what the end product of this debate involving the \$15 billion is going to lead. For example, suppose that the \$10 billion in loan guarantees is allocated in a way that favors a few large carriers, which is something that is being sought by some in the industry. The end result could be consolidation to just a couple of airlines, precisely the result the Government was trying to avoid when it blocked the proposed United-US Airways merger. Or suppose carriers use loan guarantees to strengthen their operations in "fortress hubs" while pulling back elsewhere. The end result for many consumers would be a monopolistic environment with little competition and few choices.

Of course, there is the risk that taxpayer dollars will be wasted on airlines that may not survive in any case or on airlines that really do not need the help. Care has to be taken to ensure that these dollars are used to get the maximum for the American public.

Responsibility for avoiding these pitfalls lies, in the first instance, with the Air Transportation Stabilization Board. The Board has the authority to decide who will receive loan guarantee assistance and subject to what terms and conditions. The Congress, unfortunately, has not provided this Board with a lot of guidance. The legislation provides only general criteria, such as the requirement that the loan in question be prudently incurred. Congress has not told the Board where to place its priorities or what the goals should be. Therefore, I believe some guiding principles are needed with respect to how that \$15 billion is allocated. I propose the following principles this morning:

First, Government assistance must be allocated in ways that are going to promote and not hinder competition between the airlines. This must be a primary goal because without competition the entire premise of the deregulated industry relying on market forces makes no sense. The Government cannot afford to focus narrowly on each individual loan guarantee application while ignoring the big picture issue of how the overall assistance package affects the balance of competition in the industry.

Second, companies receiving assistance need to be monitored closely to make sure they are using the money responsibly. Are the taxpayer funds being used to subsidize dividends to the shareholders, lucrative compensation for top executives, or increased lobbying? The legislation does contain some provisions with respect to executive compensation, but the additional issues I am raising could send a message, at a time when America is hurting, that some of the powerful may be profiting.

Third, companies receiving assistance and their major stakeholders should be required to demonstrate that they are doing everything in their power to improve the situation. Com-

panies would have to show that they have a plan for returning to profitability and that the plan is actually being followed. Top managers should take salary reductions and debtholders and employees should make sacrifices as well. Taxpayers who are funding that \$15 billion legislative package should know that all of the company's stakeholders are helping to shoulder the burden.

Fourth, there needs to be an upside for the taxpayer. In the Chrysler bailout legislation, the Treasury Department received stock options that eventually led to a substantial profit for the taxpayers. Similarly, this effort should be coupled with a mechanism for the public to recoup its investment when airlines return to profitability.

Fifth, service to small markets must not be a casualty of this crisis. As airlines cut flights or routes in response to the current predicament, their first instinct may be to eliminate small market service and turn small communities in Nebraska and Oregon and other rural States into sacrifice zones. Americans need an airline system that connects the entire country and not just the large hubs. Any program of Government assistance to the airlines must seek to encourage the airlines to maintain and indeed improve service in the small markets.

Sixth, companies should be rewarded for treating employees in a responsible manner. Approximately 100,000 airline workers have already been laid off—but there are significant differences from airline to airline in the type of severance arrangements offered, and also in the efforts the airlines make to rehire workers when conditions begin to improve again. When it comes to public assistance, companies with more responsible labor policies should have a significant leg up in those loans and loan guarantees.

Seventh, and finally, the current focus on the interests of the airlines should not come at the expense of efforts to protect the interests of consumers. The fact is, this is a concentrated industry in which consumers often face limited choices. There is a real risk that, if some air carriers fail, the competition situation may get worse before it gets better.

That makes consumer protection all the more important in a number of basic areas—areas where the Department of Transportation Inspector General has already said there is a serious problem, and that Members of this body have tried to address in passenger rights legislation.

There may be a need as this new effort goes forward for proconsumer rules in order to protect consumers.

Adhering to these seven core principles that I have laid out this morning is not going to be easy. There is no simple rule or formula that Congress should impose, or that the board could follow that would automatically achieve all of the objectives that I have laid out today.

It is critical, in my view, in order to make sure this job is done responsibly, for Congress to obtain on a weekly basis the information necessary to exercise responsible oversight over the airline industry. This information must be real-time data, including load factors, yields per mile, fares, type of aircraft, dividend payments, service to small markets, cancellations, workforce statistics and route information.

In the coming weeks, the Air Transportation Stabilization Board begins to implement the loan guarantee program. I am certain the Senate Commerce Committee under the leadership of Chairman HOLLINGS will be actively engaged. I am anxious to work with my colleagues to put in place the principles that I have outlined today, as well, I am sure, as other Members of the Senate who will propose what they believe should govern how this \$15 billion is allocated.

The airline industry has been heard from. Now the public has a right to ask the airline industry to support policies and to work with the U.S. Congress to ensure that this is true competition, affordable prices, and decent service.

In closing, I am of the strong view that the work of the Congress on that \$15 billion legislation began when the bill passed. I hope and trust that my colleagues will join with me in doing everything we can to ensure that at the end of the bailout process the American people are left with a more competitive airline industry, one that offers high-quality service to every area of the country and gives the public what they have a right to expect will be the end process of that unprecedented legislation that the Congress passed a little less than 2 weeks ago.

Madam President, I yield the floor.

#### MEMORIAL TRIBUTE TO D.

#### MICHAEL HARVEY

Mr. BINGAMAN. Madam President, it is both with a sense of sorrow and with great admiration that I rise today to pay tribute to an exemplary public servant and a good friend, D. Michael Harvey, who died on August 31, 2001. Mike served the United States Senate and the Committee on Energy and Natural Resources with distinction for some 22 years. He often said that there was no higher calling than public service. Mike worked for and counseled some of the giants of the committee: Clifford Hansen of Wyoming; Lee Metcalf of Montana; Henry M. (Scoop) Jackson of Washington; Mark Hatfield of Oregon; Dale Bumpers of Arkansas; and J. Bennett Johnston of Louisiana. He served at the direction of the committee's leaders, but all the committee's members—Democrats and Republicans alike—had access to and benefit of his counsel.

Mike was born in Winnipeg, Manitoba, and raised in Rochester, NY. He received his B.A. from the University of Rochester in 1955. He joined Eastman Kodak Co., for 4 years, before moving to Washington.

Mike began his public service career in 1960 with the Bureau of Land Management in the Interior Department, spending his last 4 years there as chief of the Division of Legislation and Regulatory Management. He received a J.D. from Georgetown University in 1963, while working at BLM. In the mid-1960s he served with the Public Land Law Review Commission and the Federal Water Pollution Control Administration.

In 1973 Mike accepted an invitation from Senator Henry M. Jackson to become special counsel to the Senate Committee on Interior and Insular Affairs. In February 1977, when the Senate reorganized its committee structure and created the Senate Committee on Energy and Natural Resources, Mike was appointed its first chief counsel. Until his retirement in 1995, he served as majority chief counsel during the years that the Democrats controlled the Senate and as chief counsel and staff director for the minority when Republicans held the majority.

During his tenure with the committee, Mike played a key role in developing landmark legislation involving Alaska lands, the regulation of surface coal mining, and Federal energy policy and land management. His knowledge of the law regarding natural resources was encyclopedic and his judgment was well-respected. Mike was dedicated to achieving good public policy and his counsel was always given with that paramount objective in mind. In addition to providing a sounding board on a huge range of issues, Mike was a role model, a teacher and a mentor for his colleagues. He established a high standard of professionalism among the committee staff and instilled it, by his example more than by precept, in the generation of young staff members that he trained.

Mike was known by all who worked with him for his dedicated professionalism and the breadth and depth of his substantive expertise. But he was perhaps known best for the extremely high standard of ethics he brought to public service. You could always get a legal opinion from Mike of the highest caliber, and you could be absolutely confident that the opinion was free of any special interest or personal prejudice. He was a talented professional and a fine human being.

Mike was actively involved in American Bar Association activities. He served on the council of the ABA Section of Natural Resources Law. He was past chairman of the Fairfax County Park Authority. He served as a congressional adviser to the U.S. delegation to the third U.N. Conference on the Law of the Sea and served on the board of governors of the Henry M. Jackson Foundation and the board of directors of the Public Land Foundation. Mike often attended the theater, loved poetry, and was known to quote Shakespeare at length.

The Senate was fortunate to have the benefit of Mike Harvey's considerable

talents for many years. I was privileged to have worked with him and to have known him. Our deepest sympathies go out to Mike's family: his wife, Pat; his four children, Michelle, Jeffrey, David, and Leslie; and his 10 grandchildren. We share in their loss.

In eulogizing the great Scoop Jackson, Mike relied on a quotation from Shakespeare. I believe that Shakespeare's eloquent words apply as well to the late Mike Harvey:

His life was noble, and the elements so mixed in him that Nature might stand up and say to all the world: "This was a man."

I yield the floor.

#### CAPITOL HILL POLICE

Mr. WELLSTONE. Madam President, regarding the Capitol Hill police, I will try to write a resolution and have it passed by the Senate, I hope they will do the same on the House side. I want to thank the Capitol Hill police for what they have been doing for us. I think my colleagues are aware, but sometimes in the rush of war it is easy to forget. Many of the Capitol Police are putting in 17- and 18-hour days. You can see the exhaustion on their faces.

I have been thanking the officers individually when I walk by, and they are very gracious, but it is almost as if they are saying: Well, it is hard, but we want to do this.

We owe a real debt of gratitude to them. I will try to bring a resolution to the floor tomorrow and have that passed. It would mean a lot. I think all Senators are very grateful. Those are long days and weeks. They are doing the extra work for the security for all of us.

#### LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred March 6, 2001 in Middleburg, PA. Two brothers, Todd Justin Clinger, 20, and Troy Lee Clinger, 18, were charged with attempted homicide after severely beating a neighbor, Michael Aucker, 41. Police allege that one of the brothers, Troy, said that Aucker tried to make a pass at them while the trio drank beer in their trailer. Police said the three men walked out on the deck, where the brothers allegedly punched and stomped on Aucker with heavy work boots several times before taking the bleeding Aucker to his nearby trailer. Aucker was discovered a day and a half later by a neighbor and co-worker. When they found him, he was in a coma and every bone in his face and nose were broken.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

#### THE NEED FOR RURAL AIR TRANSPORTATION

Mrs. LINCOLN. Madam President, I rise today to express my deep concern with the state of the airline industry in the United States.

On Friday, September 21, Congress passed the "Air Transportation Safety and System Stabilization Act." This bill provided the commercial airline industry with \$15 billion in emergency aid and loans. The intention of the bill was to ensure that our system of commercial air transportation remained viable nationwide, both in less populous rural areas and in larger metropolitan areas.

When this bill came before the Senate, I had reservations about how effective it would be. I was not convinced that it would do enough to help the tens of thousands of workers who were being laid off by the airline companies; I was not convinced that it provided adequate incentives to assist the airlines in correcting the management problems that had forced them into a corner to begin with; I was not convinced that it would do enough to encourage passenger confidence in the wake of the horrible hijackings of September 11; and I was not convinced that we were taking adequate time to consider the ramifications of the package. I expressed my reservations to several of my colleagues, and I was assured that we would deal with those concerns soon after.

It would appear my reservations were well-founded. One important provision of the stabilization bill was that the airlines would honor their service commitments so that small communities would not lose scheduled air service. This week, United Airlines announced that they are discontinuing service to Little Rock, AR. The cutback at Little Rock was one component of a sweeping reduction in capacity which will reduce United's service from 2,300 daily flights worldwide to 1,900 daily flights. According to the airline, the cutback is a result of the reduced demand for travel nationwide. Similar cuts were made in Virginia, Washington, and Alabama. The airline claims that service will resume if demand for air travel picks up.

The day after the United announcement, other airlines followed suit. American Eagle, USAirways Express, Continental Express, TWA, Delta, and Northwest all curtailed their service to Arkansas as well. Most of these airlines only reduced their schedules, but it is still enough to limit the options for transportation in and out of Arkansas. These cuts are a blow to the economic well-being of rural States. How