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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. MILLER of Florida).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 16, 1998.

I hereby designate the Honorable DAN MILLER to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

Rev. Pierce Klemmt, Rector, Christ Church, Alexandria, Virginia, offered the following prayer:

Let us pray.

Almighty God, who has given us this good land for our heritage: We humbly beseech Thee that we may always prove ourselves to be a people mindful of Thy favor and glad to do Thy will. Bless our land with honorable industry and sound learning. Save us from violence, discord, and confusion; from pride and arrogance, and from every evil way. Defend our liberties, and fashion into one united people the multitudes brought hither out of many kindreds.

We beseech Thee to guide and bless these Representatives in Congress assembled, that there may be justice and peace at home, and that, through obedience to Thy law, we may show forth Thy praise among the nations and the peoples of the Earth.

All of this we ask in God's name, Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from Michigan (Ms. KILPATRICK) come forward and lead the House in the Pledge of Allegiance.

Ms. KILPATRICK led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate passed a bill of the following title, in which concurrence of the House is requested:

S. 1283. An act to award congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred collectively as the ''Little Rock Nine'' on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 318) ''An Act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes'' with amendments.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair wishes to advise Members there will be 10 one-minutes per side this morning.

WELCOME TO THE REVEREND PIERCE W. KLEMMT

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

Mr. RIGGS. Mr. Speaker, I want to take just a moment to welcome a very special person, the Reverend Pierce Klemmt, who is our guest chaplain today and just gave our opening prayer.

Rev. Pierce Wittfield Klemmt was born in 1949 in Cincinnati. He received his undergraduate degree from Wabash College and his Master in Divinity from Yale University.

Following his ordination, Pierce served as the Associate Rector of St. Mark's Church in Evanston, Illinois, and then as Rector of Trinity Church in Troy, Ohio, and Christ Church in Springfield, Missouri. He has been the rector of Christ Church in Alexandria since 1994.

This is a very special and historic church. Throughout its history, Christ Church has played a significant role as a parish attended by General George Washington and later by General Robert E. Lee. It remains today one of the largest Episcopalian Churches in the United States, with over 3,000 parishioners, many of whom are active leaders in the government, military, and corporate world.

The church's mission is centered in serving the poor, voiceless, and those in trouble. Outreach programs and missions overseas in Russia, Africa, and Central America are amply served by this committed and talented congregation.

Again, we are delighted to welcome Reverend Klemmt today. He is married to the former Mary Tuke Gates of Louisville, Kentucky, my birthplace, and

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they have two daughters, one of whom, Leah, joins us here in this House of Representatives today.

REJECT QUOTA INCREASE FOR INTERNATIONAL MONETARY FUND

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

Mr. ARMEY. Mr. Speaker, yesterday the Committee on Appropriations Subcommittee on Foreign Operations rejected an attempt to give the International Monetary Fund an additional $14.5 billion. I commend the subcommittee for saying ''no'' to this vast increase in IMF funds. In the coming weeks, I expect the House will soon vote or on a floor amendment to add the additional money. It is critical that we reject that amendment.

Events in Russia this week prove that the IMF is a destabilizing force in world economic affairs. The ever-present hope of an IMF bailout, reinforced by the unprecedented bailouts offered Asia last year, completely undermine the Russian Government's incentive to reform its economy. IMF, by undermining Russian discipline and underwriting irresponsible policies, played a key role in causing the Russian crash.

The problem is that the IMF creates moral hazard. When you subsidize financial mistakes, you get more financial mistakes. That is exactly what the IMF does. It causes the very panics and crashes it is intended to prevent.

Mr. Speaker, several years ago another Congress passed a hugely popular bill by enormous margins to bail out the domestic American savings and loan industry. It was a disaster. It led directly to the $150 billion S&L fiasco. I do not want the legacy of the 105th Congress to include a similar disaster on a global scale.

Mr. Speaker, let us break the bailout psychology and strengthen the world economy by rejecting a quota increase for the IMF.

HMO REFORM IS NECESSARY

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

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to testify to the need for HMO reform. By now we have heard the endless list of reasons why HMO reform is necessary, but none are as meaningful as the story I will share with you today.

Chicago residents Barbara and David Smith were vacationing in Hawaii when Barbara noticed that her body was badly bruised. At the hospital she was diagnosed with aplastic anemia and needed an immediate bone marrow transplant. However, her HMO refused to pay for the transplant in Hawaii, insisting instead that she return to Chicago for the operation.

Seeing that she had no other choice, Barbara boarded a flight to Chicago, but suffered a stroke in midair. As a result, Barbara Smith died 9 days later, at the age of 55.

The restrictions of Barbara Smith's HMO cost her her life. Not only did David Smith lose his wife, but he is unable to file a lawsuit against the responsible HMO.

This is a devastating situation, and unfortunately, these situations are all too common. Too many lives have already been lost. Too many families have already been broken. Too many individuals have seen their health decline.

The good news is we can stop this now. We can stop it by passing meaningful HMO reform.

PRO-PATIENT, PRO-SMALL BUSINESS REPUBLICAN HEALTH CARE PLAN

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

Mr. GOSS. Mr. Speaker, I agree with my friends on the other side of the aisle, we do need to ensure that patients in managed care plans are afforded basic rights and remedies, and the Republican plan does just that. But, unlike the Kennedy bill, the Dingell bill or any of the other alternatives out there, our plan also does something about the 41 million Americans who do not have health insurance today.

By providing small businesses with the ability to pool their resources to achieve economies of scale, we can help to insure millions of Americans who simply cannot afford it now, and we do it without resorting to government-run health care.

While the other plans are good news for bureaucrats, and probably for trial lawyers, too, there is only one plan that reaches out across the United States of America to the mom and pop store employees throughout our land, and that is our plan.

I urge my colleagues to support the pro-small business, pro-patient Republican health plan. It is worth taking a good close look at.

PATIENT PROTECTION ACT

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

Ms. KILPATRICK. Mr. Speaker, I am proud to be a Democrat. Today, Democrats in the House and the Senate will join the President and announce our Patient Protection Act.

Health care is something that every American should have. Our bill and our plan, unlike the other side's, protects every American, and it protects the doctor-patient relationships that Americans want to have with their doctor. It says that the professional will determine the length of stay and the type of procedure, and not the insurance company or the accountant.

Today is a glorious day for American citizens. The Democratic Health Protection Act. Watch us as we pass it through this Congress. We are serious. We know you need it, and we will be there for you.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all persons in the gallery that they are here as guests of the House, and that any manifestation of approval or disapproval of proceedings is in violation of the rules of the House.

SESQUICENTENNIAL OF HOLY CROSS LUTHERAN CHURCH IN COLLINSVILLE, IL

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

Mr. SHIMKUS. Mr. Speaker, it is an honor to announce that my home church, Holy Cross Lutheran, in Collinsville, Illinois, is celebrating its sesquicentennial, 150 years of laboring for the Lord. Our theme for the celebration is Celebrate, Reflect, Focus.

Holy Cross Lutheran will celebrate this month with a reunion of former church workers, along with sons and daughters of the congregation who have moved on to be pastors and teachers, of which I am one. We will also celebrate the Church's German heritage, using translations of the original services and a sermon preached in 1873.

In addition, Holy Cross will reflect upon its history. The church and Christian day school were founded in 1848 after Pastor Frederick Lockner began meeting with German Lutherans in Collinsville, Illinois.

Our focus will be on God, thanking Him for all the blessings He has given our Church and the gift of salvation through Jesus Christ.

I extend my deepest congratulations to Holy Cross Lutheran Church as they Celebrate, Reflect and Focus on 150 years of hard work and rich blessings.

AMERICA NEEDS REAL MANAGED HEALTH CARE REFORM

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

Mr. GREEN. Mr. Speaker, you were correct in saying that the people in the gallery cannot express their opinion for or against those of us who speak on the floor. They have to wait until November to give their opinion on it. That is why I am here to say that I am disappointed to see that after 6 months of debating managed health care, we now see a weak version introduced by the Republican leadership.

The proposal falls short of addressing the health care needs of the American people. It is clear that the concerns of the American people are being ignored again.

The proposal that has been introduced is a fake and (it is) a sham. Real managed care should guarantee a fast appeals process, patient access to specialists, coverage for emergency services without having to call in first, patient choice of plans at their own expense, and also make the people who make those irresponsible medical decisions accountable for those decisions.

That is why the American people in November are going to make that decision, and not necessarily in the gallery of the House today. We need real managed care reform. We need to hold insurance companies accountable for their decision-making, just like we held welfare mothers accountable during the welfare reform bill.

PRESIDENT TO SUSPEND HELMS-BURTON

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

Ms. ROS-LEHTINEN. Mr. Speaker, today unfortunately, the President will once again suspend the Helms-Burton law, which passed overwhelmingly in the House and allows U.S. citizens to sue those immoral foreign investors who traffic in American confiscated properties on the island.

This decision is yet another sad example of the administration's slippery slide toward further relaxation of sanctions on the brutal dictatorship of Fidel Castro. And what has Castro done to deserve any weakening of sanctions? Nothing. Absolutely nothing. Human rights violations continue, the harassment of dissidents proceeds, and there are no signs of any democratic openings on the island.

How ironic that the President's weak decision comes as we commemorate the fourth anniversary of the massacre by Castro of 50 Cubans, mostly women and children, who attempted to flee the island on a rickety tugboat.

The President can justify his decisions with the legalisms that have now made the White House spin doctors famous, but these false justifications will not help the suffering people of Cuba rid themselves of the totalitarian regime that oppresses them day in and day out.

DEMOCRAT PATIENT PROTECTION BILL

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

Mr. MILLER of California. Mr. Speaker, today millions of Americans will visit their family physician seeking medical care, and, for thousands and thousands of those Americans, they will be told by their family physician that they will not be able to see the specialist that they need to see, they will not be able to get the medicine that the physician thinks they need, they will not be able to get the medical procedure that their physician believes they should have. They cannot do that because some HMO bureaucrat is saying, we are not going to allow you to do that. We are not going to allow you to do that because we are going to try to save money, as opposed to dealing with your real health care needs.

The Democratic patient protection bill ensures that Americans have access to specialists, that Americans have access to the medicines they need, that Americans have access to the operations that are necessary to preserve their health. It does this in the patient protection bill that the President will be coming to Capitol Hill to support today.

Yesterday the Republicans introduced their HMO protection bill. They decided that rather than protect the Americans for health care, they would protect the HMOs.

□ 1015

While they say they extend protections to Americans, they leave 100 million uninsured Americans out of these protections, 100 million Americans that will not be able to get the medicines, that will not be able to see the specialists, that will not be able to get the medical procedures necessary for their health care.

CONGRESS STANDS BY THE CUBAN PEOPLE AND AGAINST TYRANNY

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

Mr. DIAZ-BALART. Mr. Speaker, one year ago today, July 16, 1997, four of the most distinguished and respected leaders of the pro-democracy movement inside Cuba were picked up in their homes by the political police and thrown into Castro's prisons.

Economist Marta Beatriz Roque, Social Democratic Party President Vladimiro Roca, former university professor Felix Bonne, and attorney Rene Gomez Manzano have languished in Castro's prisons for 1 year without Castro even having decided what to charge them with.

Yesterday, in an open letter to the foreign press and Diplomatic Corps, Vladimiro Roca asked for ''a fair and public trial'' for himself and the three other dissident leaders.

The letter, distributed by his wife, states, ''We wish to draw public attention to our situation, and to demand a fair and public trial in the presence of the foreign press and any diplomats accredited in Cuba who may wish to attend, in proceedings both transparent and above board.''

Mr. Speaker, in what constitutes an embarrassment to mankind, there is a conspiracy of silence regarding the suffering of Cuba, but the Congress of the United States of America will continue to stand on the side of the Cuban people and against the tyranny that oppresses them until Cuba is free.

WE NEED A PATIENT PROTECTION ACT NOW

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

Mr. LEWIS of Georgia. Mr. Speaker, we need a Patient Protection Act. I know because I have heard from the people in my district. I have heard from a mother with a sick baby who had to travel 30 miles to a hospital when there was a hospital nearby. I heard from a doctor who had to fight to get coverage to treat his cancer. Mr. Speaker, too many patients are paying more and getting less. Under the present system, too many patients are getting a raw deal. They need a fair deal, a good deal, a better deal.

If insurance companies want to make decisions about medical care for our children and our families, then they must be held accountable. The Democratic bill will give us those rights. The Republican bill will deny them.

Mr. Speaker, we need a real Patient Protection Act and we need it now; not tomorrow, not next week, not next year, but now.

TAX RELIEF

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

Mr. SAM JOHNSON of Texas. Mr. Speaker, last year Republicans passed the first tax relief bill in 16 years. Did Members know that even after that, the tax burden on American workers is still nearly 40 percent? Americans ought to be enraged over that, and I am.

Just yesterday we find out, after a fourth revision, that we now have a surplus of $580 billion over 5 years. It is only right we return some of that money back to hardworking Americans. After all, it came right out of their back pocket.

Mr. Speaker, the President and some of the Senate are balking at returning this money to its rightful owners, American citizens. As part of our balanced budget and protection of Social Security, the House voted to give $100 billion in tax relief, which equals only one penny on the dollar. Americans want, need, and deserve tax relief, and I think surely we can find one penny on the dollar to give back to hardworking citizens in this country.

BEWARE OF THE REPUBLICANS' INSURANCE BILL OF RIGHTS

(Ms. JACKSON-LEE of Texas asked and was given permission to address

the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think the most important message we can give Americans this morning is buyer beware, beware of the Republicans' Insurance Bill of Rights. The Democratic Congress and caucus, and I am a wishful thinker, would like to offer the Patient Bill of Rights, because we believe that we need to read between the lines and make sure that we read the fine print.

The Republican bill is for the insurance companies. It does not protect the rights of patients and doctors. It does not allow emergency room visits. It does not hold the insurance companies accountable. It does not respect the 77-year-old World War II veteran who walked the Japanese Death March, yet, when he went to pick up his prescription at a local hospital in my district, they turned him away because of some confusion with his HMO plan.

In the hot sun of Texas he had to go back home without the necessary prescription drugs that he needed. Until he called our office to get relief, a World War II veteran was turned away from our standardized HMOs. The reason? The only words they know is no, I cannot serve you.

Vote and support the Democratic Patient Bill of Rights.

THE RIGHT COMBINATION FOR SUCCESS

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

Mr. ROGAN. Mr. Speaker, I cannot help but chuckle as I listen to my friends on the other side talk about their ''Patient's Bill of Rights.'' I chuckle because all this rhetoric is coming from the same party that tried to socialize our health care system 4 years ago when they were in the majority. Pardon my skepticism, but I hope they now are not promoting something that in nothing more than a trial lawyers Bill of Rights.

Just like in health care, we are seeing the same thing from them in education. While some of my colleagues regrettably believe that education is best run by Washington bureaucrats, a story in yesterday's New York Times echoes what Republicans have been working toward all along. We know that when we give to local schools the support and incentive to excel, our students will achieve.

Students at New York's Aviation High are part of a unique partnership between Tower Air, the FAA, and local school officials. They were given hands-on training in the field of aircraft maintenance and other areas. But their education goes beyond earning a diploma. As the Times reported, Tower Air has hired all its student interns upon graduation. What is more, more than three-fourths of them go on to earn a college diploma.

Originally a vocational and trade school, Aviation High has broadened its curriculum, offering students a world class education, while providing a fundamental background in the airline industry. This is the kind of experience no Washington bureaucracy can provide.

Mr. Speaker, to those who disdain public-private cooperation, and love increased control from Washington bureaucracies, I urge them to consider the students and faculty at Aviation High School, and work to give students across the country an opportunity like this.

Mr. Speaker, I include for the RECORD the article in the New York Times of July 15, 1998, which describes this program.

The article referred to is as follows:

[From the New York Times, July 15, 1998]

STUDENTS AT AVIATION HIGH TEND TO 747'S

(By Macarena Hernández)

Oscar Mendez would sit on his porch and admire the small cropdusters. They flew low to the ground fumigating the rice fields near his home in the Dominican Republic.

''One day that will be me flying,'' he would say, pointing at the small planes. He was only 6 years old.

Friends laughed. But two years later, Oscar took his first plane ride, to the United States. And today, at 19, Mr. Mendez has graduated from Aviation High School and is working at Kennedy International Airport as an aviation mechanic for Tower Air.

Mr. Mendez's easy move from school to a job just days after graduation last month is a prime model of one of the nation's most unusual school-to-work programs. While many schools are forging stronger links with businesses, Aviation is still the nation's only high school whose students service commercial aircraft, educators say.

For three years, Tower Air and Aviation High have worked together. About 40 seniors are interns there during a fifth year at the high school, spending 20 hours a week at Kennedy instead of in shop classes. Tower Air has hired all its student interns after graduation either full time or part time.

''It is a unique school,'' said Jim Peters, a spokesman for the Federal Aviation Administration's eastern region. ''It has been doing it for the longest time and has been among the most successful programs in the country.''

Lest the thought of teen-age interns fixing planes generate fear of flying, the airline and the high school both point out that trainees start work with baby steps. They observe for the first five weeks, then they perform more elementary tasks like changing light bulbs in the cabin, fixing seats or lubricating the flap controls on the wings. Eventually, students are allowed to replace faulty circuit breakers and remove and replace aircraft engines, under the supervision of an experienced mechanic.

''It's hard to believe a 19-year-old is working with Tower,'' said Mr. Mendez, who plans to continue working next fall when he enters the College of Aeronautics, in East Elmhurst, Queens. ''It's kind of crazy. Here we are fixing airplanes that actually fly.''

Aviation High School opened in 1925 as the Central Building Trades School, a vocational training program with three instructors teaching woodworking, plumbing and electrical installation. In 1936, the school took aviation technology as its focus and 21 years later, it moved to Long Island City, Queens.

After four years of shop classes, including hydraulics, welding and sheet metal, students qualify for an F.A.A. exam that licenses them to work on either an aircraft frame or engine maintenance. Students who, like Mr. Mendez, stay a fifth year can obtain a second license from the agency and qualify for an internship with Tower Air—and usually, a job offer. Tower gets the chance to evaluate potential workers while the school's students get the chance to work on real aircraft. ''We have the equipment, but it is not the same thing,'' said an assistant principal, Mario Cotumaccio. ''We don't have a 747 in our back yard.''

Mr. Cotumaccio started the program because Aviation graduates faced a familiar teen-age Catch 22: they had trouble finding their first jobs because they lacked airline experience, which they could not get until they had a job. Tower Air, a low-cost airline based in New York, decided to give the internship a try. Morris K. Nachtomi, chairman and chief executive of Tower Air, said the company has been pleased.

Before the internship program, training programs were confided to the small hangar behind the school, which holds about 16 aircraft, 4 from World War II.

The school now faces a series of new academic hurdles as the state tightens its academic requirements. All public school students—including those at vocational schools—are being required to take Regents exams, which test a student's preparation for college work. It comes during a national effort to raise standards for vocational schools.

''We are seeing a need for well-rounded education,'' said John Decaire, president of the National Center for Manufacturing Sciences, a consortium of industrial companies based in Ann Arbor, Mich. ''Companies don't operate sort of autonomously anymore.''

While some Aviation graduates stay in aircraft maintenance, about 77 percent go on to college. Yvonne Franco plans to go to Jacksonville University in Florida after she completes her fifth year in June of 1999, paying for school by working in aviation maintenance. ''It is a backbone for me,'' Yvonne said. ''I know it assures my future.''

Her mother, Marleny Franco, said, ''When the children come out of there, they come out with a career in their hands so that they don't have to go fry potatoes at McDonald's.''

TIME FOR CONGRESS TO ACT ON A PATIENT PROTECTION ACT

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

Mr. WISE. Mr. Speaker, it is time for Congress to act now on a Patient Protection Act for managed care plans. With more people moving into managed care plans like HMOs, doctors and sound health care decisions are being replaced by insurance companies and their economic decisions.

With managed care plans, patients who are giving up some choices need protections. That is why I support a Patient Protection Act, a Patient Protection Act that gives a clear right of appeal, that guarantees access to specialists and OB-GYNs, that provides reimbursement for needed emergency room visits, that holds insurance companies accountable for their bad decisions that they make doctors and other providers carry out.

Mr. Speaker, the horror stories are growing about managed care across the

country. No, West Virginia does not have yet the same penetration of managed care in our population that other States do, but we are getting there. We are growing rapidly. So I want to make sure that we avoid those horror stories.

Managed care plans can bring some benefits, but we must act now to make sure that all patients have a Patient Protection Act.

THE EDUCATION SAVINGS ACCOUNT CONFERENCE REPORT MERITS THE PRESIDENT'S SIGNATURE

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

Mr. JONES. Mr. Speaker, today the Education Savings Account conference report is on the President's desk. I urge him to sign this important legislation that would give parents increased opportunities to provide our children with the tools they need to learn.

For years, out-of-touch bureaucrats have made decisions about our children's education. This abuse has seized control from local officials and stifled parental choice and involvement on decisions that affect our children.

During the 105th Congress the Republican majority has made a commitment to our Nation's children, and is taking steps to return power to those who know best about our children, not the Washington bureaucrats, but the parents, teachers, and communities who, together, hold the key to strengthening our schools.

This year alone we have passed education tax credits and the education savings account bill to increase parental choice and involvement in the education process. These are steps in the right decision.

On behalf of the parents of the Third District of North Carolina, which I serve, I urge the President to sign education savings accounts for our children's future.

FORUM ON THE FUTURE OF MANAGED CARE REFORM

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

Ms. SANCHEZ. Mr. Speaker, I rise today to tell my colleagues about a forum that I am hosting this weekend in my district on the future of managed care reform.

Managed care is the focus of intense public interest. It is also here in Congress, as we have noticed this morning. We have seen the polls, we have heard the horror stories, but do we have all the facts? More than half of the United States population and over 85 percent of employed residents in Orange County receive health care from managed care organizations. The statistics show that any changes to managed health care should dramatically impact the lives of millions of Americans and thousands of Orange County residents.

Pressure for reform is mounting, and we in Congress need to listen to all sides and discuss all the options. By listening to the people of America, we can make the kinds of changes that are needed to make managed health care systems work.

I encourage my colleagues to host similar forums in their districts. It is time to given the people a voice. Let them help Congress decide the future of managed care.

A FEW QUESTIONS FOR THE LIBERALS, BUT NO ANSWERS

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

Mr. PITTS. Mr. Speaker, this morning I have a few questions for the liberals on the other side. As usual, we will receive no answers, but it is our duty to the American people to ask them, just the same.

Please tell us, my liberal defenders of the President's conduct, why was Senator Bob Packwood run out of town for his conduct? Why did liberal Democrat after liberal Democrat, including the current Vice President, denounce Senator John Tower as, and I quote, ''unfit for office'' because of allegations of womanizing?

Will we receive answers to these questions? I doubt it. Why the double standard? Why one standard for Republicans and other for Democrats?

Why was Justice Clarence Thomas absolutely vilified by feminist groups and liberals of every stripe for questionable allegations, while the current leader of the free world is given every possible excuse, justification, and defense for his conduct for a myriad of abuses, for numerous women providing evidence in a vast cover-up orchestration?

Yes, questions for liberals, but no answers.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MILLER of Florida). Members should avoid personal references to the President of the United States.

THE PATIENT'S PROTECTION ACT WILL HOLD HMO'S ACCOUNTABLE FOR PATIENTS' HEALTH CARE DECISIONS

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

Ms. DELAURO. Mr. Speaker, last week I met with a constituent of mine, Barbara Salinger, from New Haven, Connecticut. Barbara's husband passed away from colon cancer shortly after their HMO forced him out of the hospital, only days after his surgery. Barbara fought to get him readmitted when he came down with a fever and started vomiting the next day, but he died shortly thereafter.

Under the Democratic Patient's Protection Act, HMOs will be held accountable when they deny patients like Mr. Salinger the care that they need. Meanwhile, Republicans have created a sham proposal that has no enforcement mechanism. The GOP bill protects the health insurance companies, not the health of average Americans.

There is only one bill that holds the managed care plans responsible for denying care with real, reliable, and enforceable remedies. The Republican leadership should abandon their sham proposal and respond to what the American people are very concerned about. They want to be able to have good health care coverage, to not be denied, to make sure that their medical decisions are being made by themselves and by their doctors, not by insurance company bureaucrats.

PORKER OF THE WEEK AWARD

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

Mr. HEFLEY. Mr. Speaker, even as angry U.S. taxpayers cry out for overhaul of a tax system that many believe is unfair, oppressive, and unworkable, the Federal Government is spending millions of dollars annually exporting the idiotic system to other countries.

That is right, the United States Agency for International Development, USAID, is spending $15.3 million over a period of 3 years to ''help the Russian government in the reformation and reorganization of its tax code.''

As if Russia's government is not in enough disarray already, we have decided to make it even worse. The $15 million grant, which is being administered through Georgia State University, is in addition to the already active $30 million in grants the university has received from USAID for Russia.

□ 1030

I think the money would be better spent on scrapping our own Tax Code. Words of wisdom to the officials in Moscow, and especially to the Russian citizens: Whatever these guys suggest, do the opposite.

The U.S. Agency for International Development gets my porker of the week award.

MANAGED CARE REFORM

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

Mr. PALLONE. Mr. Speaker, Republican leaders in both Chambers are now pushing managed care reform plans that will not provide enforcement of patient protections because they deny

patients the right to sue their HMO when their health suffers because they are denied the care that they need. Federal judges around the country are increasingly frustrated by the current law which prohibits patients from holding their HMOs accountable.

Take the case, for example, in Denver, where Judge John C. Porfillo of the United States Court of Appeals for the Tenth Circuit noted that current law gives the courts no choice in such cases. Judge Porfillo told the New York Times he was deeply moved by the tragic circumstances of a woman who died of leukemia after her HMO denied her care.

The right to sue, Mr. Speaker, is the enforcement mechanism for all the patient protections that we are advocating as Democrats. President Clinton summed it up best when he said a right without a remedy is not a right. The Democrats' Patients' Bill of Rights would hold HMOs accountable and give patients the right to sue when they are denied the care that they need. The Republican leadership should abandon its charade and stop pushing its sham proposal and get behind the Patients' Bill of Rights.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The SPEAKER pro tempore (Mr. COLLINS) laid before the House the following communication from the chairman of the Committee on Transportation and Infrastructure, which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, July 2, 1998.

Hon. NEWT GINGRICH,
Speaker, House of Representatives,
Washington, DC.

DEAR NEWT: Enclosed please find copies of resolutions approved by the Committee on Transportation and Infrastructure on June 25, 1998, in accordance with 40 U.S.C. Sec. 606.

With warm regards, I remain

Sincerely,

BUD SHUSTER,
Chairman.

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 4194, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 501 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 501

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with section 306 of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. The amendment printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. Points of order against provisions in the bill, as amended, for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: page 88, line 16, through page 91, line 3. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. The amendment printed in the Congressional Record and numbered 12 pursuant to clause 6 of rule XXIII may be offered only by Representative Leach of Iowa or his designee, shall be considered as read, shall be debatable for 40 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against that amendment are waived. During consideration of the bill for further amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

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

Mr. Speaker, House Resolution 501 is an open rule providing for consideration of H.R. 4194, the VA, HUD and Independent Agencies Appropriations bill for fiscal year 1999. The rule also includes a customary waiver of section 306 of the Budget Act relating to the prohibition on including matters within the jurisdiction of the Committee on the Budget in a measure not reported by it.

H. Res. 501 provides for one hour of general debate divided equally between the chairman and ranking minority member of the Committee on Appropriations. The rule provides that the amendment printed in the Committee on Rules report accompanying the resolution shall be considered as adopted.

This amendment, offered by the gentleman from Mississippi (Mr. WICKER) will require studies on issues related to flame resistant standards and fire-related deaths.

The rule waives points of order against provisions in the bill for failure to comply with clause 2 and clause 6 of rule XXI, except as specified in the rule.

The rule also makes in order the amendment printed in the CONGRESSIONAL RECORD numbered 12 which may be offered only by the gentleman from Iowa (Mr. LEACH) or a designee, shall be considered as read, shall be debatable for 40 minutes equally divided and controlled by a proponent and an opponent, shall not be subject to amendment and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendment.

The rule also accords priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD and allows the chairman to postpone recorded votes and reduce to 5 minutes the voting time on any postponed question, provided voting time on any first in a series of questions is not less than 15 minutes.

These provisions will facilitate consideration of amendments and guarantee the timely completion of the appropriation bills.

House Resolution 501 also provides for one motion to recommit with or without instructions.

Mr. Speaker, House Resolution 501 is an open rule providing Members with every opportunity to amend this appropriations bill. As I stated earlier, the Committee on Rules has made in order an amendment to be offered by the gentleman from Iowa (Mr. LEACH) consisting of the text of H.R. 2, the United States Housing Act, which passed the House by an overwhelming 293 to 132 vote last year. This bill will reform failing public housing authorities, impose professional management standards on projects receiving Federal money, and impose a rational housing policy reforms.

While this legislation passed the House last year, we have allowed it to be offered on this bill because it is necessary to advance this important housing reform legislation before the end of the legislative session.

H.R. 4194 appropriates a total of $70.89 billion for fiscal 1999. I want to

mention a number of important provisions in this bill.

First, as I mentioned, the House will have the opportunity to consider a comprehensive housing reform amendment. However, in addition to these critical reforms, the appropriations bill amply funds housing programs for the Nation's elderly and the disabled, homeless assistance grants, Native American housing, the HOME program, and increases funding for severely distressed housing.

Regarding appropriations for our veterans, this country has a commitment to our men and women in uniform and we, as Americans, owe these dedicated men and women a debt of gratitude. Under this bill, medical care for our Nation's veterans is funded at $17.1 billion, an increase of $39 million over the President's request, and veterans medical research is funded at $310 million, $10 million over the President's request. Overall, the Department of Veterans Affairs discretionary programs are funded at $19 billion, $168 million above the President's request.

Finally, H.R. 4194 also continues this Congress' efforts to protect America's environmental resources. This bill provides needed funds for Safe Drinking Water State Revolving Funds, Clean Water State Revolving Funds, State Air Grants, and a number of programs that will ensure clean water for our citizens. We do not often get credit for our efforts on environmental protection, but this bill is yet another example of the strong environmental protection efforts we have made.

The Committee on Appropriations has balanced a wide array of interests and has ensured that all funding is spent efficiently and where it is needed most.

I commend the gentleman from California (Mr. LEWIS), chairman, and the ranking minority member, the gentleman from Ohio (Mr. STOKES) for the bipartisan manner in which they constructed this appropriations bill.

H.R. 4194 was favorably reported out of the Committee on Appropriations, as was the open rule by the Committee on Rules.

I urge my colleagues to support the rule so that we may proceed with general debate and consideration of the merits of this important bill.

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

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

I thank the gentleman from Georgia (Mr. LINDER) for yielding me the time.

This rule will allow for consideration of H.R. 4194, which is a bill that makes appropriations in fiscal year 1999 for the Departments of Veterans Affairs, Housing and Urban Development, Environmental Protection Agency and other independent agencies.

As my colleague from Georgia described, this rule provides one hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations.

The rule also makes in order an amendment containing the text of H.R. 2, as passed by the House, May 14, 1997, which makes reforms in Federal public housing programs. Under the rule, no amendments may be offered to H.R. 2. It is inappropriate to consider H.R. 2 in this fashion, and it threatens the progress of the underlying appropriation bill. Therefore, I will oppose this rule.

The VA, HUD appropriations bill is a very important measure. It provides $94.4 billion to fund critical programs such as veterans care and cash benefits, housing assistance for working families, disaster victims, emergency relief, and environmental protection.

This bill is too important to serve merely as the vehicle for moving a public housing bill. Because the administration has threatened a veto of H.R. 2, the appropriations bill containing H.R. 2 would face a veto threat, and it will get bogged down in a hopelessly complex House-Senate conference.

Normal legislative procedure requires that the House and Senate appoint conferees to reconcile the differences between the House and Senate bills. Yet House conferees have never been selected. During the Committee on Rules hearing on the appropriations bill, both the chairman of the subcommittee, the gentleman from California (Mr. LEWIS), and the ranking member, the gentleman from Ohio (Mr. STOKES) indicated they did not want H.R. 2 to be added to their bill. Unfortunately, their wishes were ignored.

Both the gentleman from New York (Mr. LAFALCE), ranking member of the Committee on Banking and Financial Services, and the gentleman from Massachusetts (Mr. KENNEDY), ranking member of the Subcommittee on Housing and Community Opportunity, strongly object to this action.

The rule contains other inconsistencies. While the 364 pages of legislation contained in H.R. 2 will be protected from points of order against legislating on an appropriation bill, other legislative provisions were not protected. A provision to reduce the flammability of children's sleepwear was left unprotected. Also left to be stripped out of the bill was a provision to increase the Federal housing administration single family loan limit. A large bipartisan coalition in the House supports this increase. It is difficult to understand such inconsistency in the rule.

The underlying appropriations bill that we are taking up does a fair job of balancing competing interests, given the constraints of the 302(b) allocation. Still, I do not agree with all the choices that the subcommittee made, such as eliminating AmeriCorps. This program has made valuable contributions to needy Americans, including raising student literacy rates.

Mr. Speaker, this is a bad rule. It circumvents the normal process of the House. It will increase the risk that important veterans, housing and environmental programs will be delayed. It will interfere with the progress that has already been made between the House and Senate on public housing reform.

For these reasons, I would ask my colleagues to vote against this rule.

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

□ 1045

Mr. LINDER. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in opposition to this rule.

As a member of the subcommittee which produced the underlying VA–HUD appropriations bill, I do so with no small amount of frustration. The gentleman from California (Mr. LEWIS) and all members of our subcommittee labored long and hard to produce this bill and, as we produced it, this bill is worthy of support. But this rule is not.

This rule fails to protect an important amendment that I offered, along with the gentleman from Wisconsin (Mr. NEUMANN), that was approved by the full Committee on Appropriations. Specifically, our amendment would raise the FHA loan limit to increase opportunities for home ownership as well as increase important science and research programs at the National Science Foundation and for veterans' medical research by $80 million.

By passing this rule, Members need to understand that we take away the opportunity for at least 25,000 Americans every year to purchase their first home. Members also need to understand this rule will reduce funding for the National Science Foundation by $70 million and veterans' medical research by $10 million.

What I find even more egregious is at the same time this rule circumvents the work of the Committee on Appropriations, it fully protects the rights of the authorizing committee, namely the Committee on Banking and Financial Services, to add the entire text, some 365 pages, of their housing authorization bill to this appropriations bill. Something is terribly wrong with this picture.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

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

Mr. LEWIS of California. Mr. Speaker, I very much appreciate my colleague yielding to me, and I must say that I do so only to say that I very much appreciate the remarks of my colleague and I want the House to note my grave reservations about this rule.

Mr. FRELINGHUYSEN. Reclaiming my time, Mr. Speaker, I thank the gentleman for his comments.

In summary, Mr. Speaker, the work of the Committee on Appropriations is badly undermined by the rule and,

most important, it shortchanges important national priorities of home ownership and investment in science and research. This rule deserves to be defeated.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY), the ranking minority member on the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, first of all, I wish to congratulate the previous speaker, the gentleman from New Jersey (Mr. FRELINGHUYSEN), who has done a lot of very hard good work on this and a number of other appropriation bills. I appreciate his excellent statement here this morning.

Let me simply say that this rule should be defeated for a number of reasons. First of all because it adds, against the opposition of the committee that is supposed to handle the bill, it adds a 300-page nongermane housing authorization bill, which is highly controversial, to legislation which had been fairly well worked out with respect to other issues.

Secondly, it does not protect from being stricken on a point of order a very important provision that was added by the committee which would strengthen people's ability to buy homes in this country. Because of the strange nature of this rule, there will be cuts in the amounts that homeowners can borrow from FHA to finance a home purchase from $109,000 to $86,000. That will have the effect of knocking 30,000 families out of the ability to buy a home with FHA help this year. And we simply should not be doing that.

There are lobby groups around town who might think that is a good thing to do. I do not think homeowners will agree with them. I do not think that realtors, who have to work to put people in homes, will agree with them. I do not think home builders will agree with them either.

I would also say that at the same time that the committee provided this huge nongermane attachment to the bill, it prevented us from offering a bill which would correct the fact that this bill cuts $276 million below last year in terms of actual delivered health care to veterans in this country. They prevented us from offering an amendment that would have allowed us to increase funding for veterans' health care by an additional $1.7 billion. As far as I am concerned, those are all the reasons that we need to oppose this rule.

I would simply say that I do not understand why on appropriation bill after appropriation bill the Committee on Rules seems to intervene to make those bills more partisan and more controversial than they were when they emerged from the committee. It just seems to me that is not a way to build a constructive relationship which is going to be needed to conduct the rest of this session. It is not a way to defend the public interest of people in this country. And I would urge a vote against the rule.

Mr. LINDER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. LAZIO).

Mr. LAZIO of New York. Mr. Speaker, I thank the gentleman for yielding me this time and for bringing this rule to the floor, which I think is a fair rule and speaks to one of the most important issues that this Congress and last Congress, quite frankly, have taken up, and that is reform of our failed public housing system.

This is a bill that we have had fully vetted before. We have been working on this for 3 years. There are no surprises in this bill. We have had this bill marked up in committee. We have had this predecessor bill passed with a vote of about 315 to 107 in the last Congress. In this Congress it passed by a vote of 293 to 132, with over one-third of the Democratic conference voting in support of this bill.

This is a bill that our Members understand, have voted for and believe deeply in. This is a message of empowerment. This is a message of accountability. What we are saying with public housing reform is that it is time to stop wasting money, throwing money at the public housing authorities that have failed year after year.

Mr. Speaker, in one housing authority in New Orleans, which HUD scores itself, they score it from 1 being the lowest to 100 being the highest, do my colleagues know what that housing authority scores year after year? Not 70 or 80, but 25 and 27. Imagine if our children came home year after year with a scorecard of 27. We would do something about it pretty quickly. But in this Congress we have failed to act, to get the job done to stop wasting money and stop forcing people to live in government-subsidized slums.

We want to help people out. We want to give people vouchers. We want to help people get the mobility to move to get better education. We want to give them the choice to have improvement for their families. We want to give people the ability to take a rental voucher and use it to buy a home.

In many areas families have a rental voucher that is worth $800 or $900 or $1,000. And because of the work that we have done on balancing the budget and bringing costs down and bringing interest rates down, home ownership now is within the reach of many folks, by not people who rent; not people who are in public housing. We want to change that. We want to empower them. We want to give them the ability to actually own their own home by using these rental vouchers that do not build up equity, that do not give them hope, that do not give them opportunity, and transform that to a choice-based system that allows poor folks living in public housing to own their own home, to build up equity, to have a sense of hope, and to give their kids a sense of opportunity.

This bill is important for so many different reasons. It is important because we want to devolve control of decision-making from Washington, D.C. to local communities. Now, why is that important? Is that just rhetoric? It is not just rhetoric. It is important because we want to build leadership in local communities, because we know that we cannot possibly know what goes on in every community throughout the country. We cannot possibly know what the housing demands are in every possible area of the country.

What we do say with this statement of public housing reform is that we are going to provide more incentives for local leadership and more resident management. We are going to let residents manage their own building. What a novel idea. Let people run their own building so they have control over their own lives, so they can make choices for themselves, so they can have more peace of mind.

And, increasingly, in cities throughout the country, including the city closest to me in New York City, we are finding leading law enforcement officials that are saying a key strategy and a key building block for safe streets and better law enforcement and better crime control are housing programs; to decentralize decision-making authority, which allows people to live in better conditions. Empower people, give people an investment, a sense of being a part of the community, a sense of place, not just being warehoused in an area, which is, frankly, what has happened in too many places because of the Federal housing programs that we have had for decades.

We are warehousing people where we have super concentrations of poverty. And the result of that is exceptionally high crime rates that children have to live with, no services in the area because no businesses can afford to stay around there, no working class in the area, so there is no role models, and so what we have is hopelessness and despair.

In this chamber, in this building we feel maybe sanitized from that. But if we were to go out to America and go to some of the poorest areas in the country, we would be ashamed of the fact that we have not made the changes that need to be made; ashamed of the fact that we know the solutions are out there. We know what to do. We know we need to get the mixed income. We know we need to give more responsibility to individuals and to communities.

We know what we have to do, but every month and every year that we put off making a decision because of some procedural hodgepodge complaint, we are forcing more kids, more adults, and more families to live in despair, in hopelessness, lacking opportunity.

Now, we can go back to our districts and thump our fists and say, oh, yeah, we stood up for this, we stood up for that procedural principle, but I tell my colleagues right now, our choice now is to get the job done. Get the job done. We know what needs to be done. The House has passed this bill twice. Now,

let us move this vehicle and send it to the Senate and get it properly done and get it signed by the White House. This is not about procedure, this is about people. This is about caring for folks, for making the changes.

Now, I have heard some people say that they do not want this to happen because they do not want to deny an accomplishment to this Congress. And I cannot believe a single person who takes the oath of office in this chamber would actually vote in accordance with that. I know there are 71 Democrats, one-third of the Democratic conference, who stood up and stood tall and took this vote for empowerment and for change and for hope and for opportunity; for helping people to have control over their lives, to build equity, to use vouchers for home ownership, to do all these great things; to stop pouring money down a rat hole, to say that we can use that money to help empower people, to give them a better life, to make sure they can clear out what has formerly been an area where crack dealers hang out, and to plant those fields so that the kids can play outside with playgrounds because we have given tenants the responsibility to control their own back yard, to manage their own development, to use their voucher for home ownership.

This level of choice and empowerment is exactly what the most innovative people, both Republicans and Democrats that are out there in urban areas and poor areas and suburban areas, are doing right now. They need this bill. Do not raise another procedural obstacle just to say that we can be denied this opportunity to try to change lives for the better.

Mr. WISE. Mr. Speaker, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from West Virginia.

Mr. WISE. Just a question of the gentleman, Mr. Speaker. I am one of the one-third of the Democrats that voted for the bill, but it seems to me it is the Republican leadership that is responsible for appointing conferees and moving it to conference. Why has that not happened?

Mr. LAZIO of New York. I would say to the gentleman that this is considered the best possible, most effective vehicle to get it done. The substance the gentleman voted for has not changed one iota. It is the very same bill that the gentleman voted for earlier.

Mr. WISE. If the gentleman will continue to yield, why has it not it gone to conference? The Republican leadership had the ability to appoint the conferees and move it to conference. I voted on that a few months ago.

Mr. LAZIO of New York. Reclaiming my time, Mr. Speaker, as the gentleman knows, it takes two houses, both the other body and this body, to get the job done. And it is the opinion of both bodies that this is the best vehicle to move it along, on the leadership on both sides. So I would ask that my colleagues not put up artificial procedural obstacles in the way of getting the job done, of doing the right thing.

I would also mention, for those people who have said, oh, this is a lot of work that is on an appropriations bill, but in the last appropriations bill that was done there were a lot of folks who stood for the so-called mark-to-market section (8) authorizing language, with over 100 pages of authorizing language on an appropriation vehicle. I see the gentleman from Massachusetts, who supported that, using that appropriations vehicle to authorize. Now, I was not, quite frankly, in support of that, but that was the precedent that was set in the last Congress.

My message now is, let us get the job done. Let us not leave people behind. We know what to do. Let us not play games. Let us get the job done for America.

□ 1100

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the very distinguished gentleman from Ohio (Mr. STOKES).

Mr. STOKES. Mr. Speaker, I rise in strong opposition to this rule. It makes a mockery of the legislative procedures that have governed the debate on appropriations bills for decades.

It used to be the case that the Committee on Appropriations went to the Committee on Rules primarily to get their bills protected from points of order due to lack of authorizing legislation. In this rule, however, we have provisions left unprotected for which waivers were sought by the Committee on Appropriations.

Incredibly, reams of authorizing legislation that have no business in an appropriations measure are being included, over the objections of the Committee on Appropriations. I suppose, looking at the track record of the Committee on Banking and Financial Services during the past two Congresses, it is not surprising that they should adopt this approach.

Virtually every significant housing legislation provision passed during the past 3½ years have been contained in an appropriations bill. They have not been able to do their job. This year, they seem to be admitting defeat earlier than usual. It is one thing to include major legislative provisions in appropriations conference reports near the end of a session when time is running short. To do so at this stage of the process is a major admission of failure.

I agree that there is a real need for enactment of housing authorizations. However, I and a number of other Members of the House and Senate and, perhaps most significantly, the President have a serious disagreement with certain provisions of the House-passed bill that the rules seek to attach to this appropriations bill.

The only way these issues can be resolved and a housing bill signed into law is through negotiation and compromise. I am told by my counterparts on the authorizing committee that such negotiations had been proceeding in a serious and constructive way, at least until this maneuver. Passing essentially the same bill through the House a second time does nothing to advance the process. About all it does is poison the well of good will.

Perhaps the backers of this negotiation think they can use the appropriations process to cram an unacceptable bill down the throats of the President and congressional opponents. In the end, I doubt that they will succeed in doing so. But I fear that they may drag down our appropriations bill in the attempt.

A second major problem is that the rule selectively picks just a couple of provisions in the committee-reported bill to leave unprotected against points of order. One of these is the provision raising the limits on FHA-insured mortgages. I believe that what the Committee on Appropriations did was a constructive step towards expanding home ownership. Some may disagree.

But if the rule had simply provided protection against points of order, anyone who disagreed with that provision would have a chance to offer an amendment to strike it and the House would have a debate and a vote. I suspect our position would prevail, since the majority of the membership of the House has written to the Committee on Appropriations asking that an FHA loan limit provision be included in the bill.

But, in any event, the House should have had a chance to work its will on this issue. This rule denies the House that opportunity by allowing any individual Member to remove the provision from the bill simply by raising a point of order.

In summary, the bill reported by our committee is a reasonable bill, though not without its own flaws. On balance, the appropriations bill is worthy of support. Unfortunately, the rule is basically a mechanism for turning our bill into something less reasonable and less worthy of support.

I urge a no vote on the rule.

Mr. LINDER. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. KNOLLENBERG).

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

Mr. Speaker, I rise in support of the rule for the VA-HUD appropriations bill for fiscal year 1999. Regardless of what we might hear, it is an open and fair rule. This rule does nothing to stop an open debate on a very important issue, and that is the Kyoto Protocol. Let me repeat that. The rule does nothing to stop an open debate on a very important issue, the Kyoto Protocol. I am pleased that the we can have an open debate on this issue as the rule provides.

There are those who want to circumvent the U.S. Constitution by implementing a treaty before it is ratified by the Senate. The VA-HUD appropriations bill limits funding to implement

the Kyoto treaty until the Senate ratification, period.

We need this funding limitation. The Kyoto Protocol would have a devastating impact on this economy of ours. It would kill millions of jobs. And I think everybody realizes that it will kill jobs. Even the administration realizes that. That will result in higher prices and significantly a lower standard of living for Americans.

As a result, there is strong opposition to this agreement in Congress. And the President simply does not have the votes to win ratification in the Senate. Faced with this dilemma, the Clinton administration is attempting to circumvent the will of Congress by implementing the Kyoto treaty bit by bit, piece by piece, through a series of regulatory actions.

Now, it is important to note, what does the Kyoto funding limitation do? It prohibits only certain categories of regulatory activities that have the purpose of implementing the Kyoto Protocol without Senate ratification. It applies only to the development, proposal, and finalization of rules, regulations, orders, and decrees that implement the unratified Protocol or that are designed for such implementation.

What does the Kyoto funding limitation not do? Contrary to some claims, it is important to note that this language does not affect existing programs and ongoing activities to carry out the United States' voluntary commitments under the 1992 Climate Change Convention. It does not hinder legitimate climate science research activities or studies or existing funding for research and development. In fact, all other EPA actions and programs funded by this bill for environmental and other purposes, including climate change, are not affected by this limitation.

So I would urge my colleagues on both sides, please oppose any attempts to strike the Kyoto funding limitation and support the rule for consideration of VA-HUD.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. LAFALCE).

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

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

Mr. Speaker, I wish to commend the chairman and distinguished ranking member of the Subcommittee on VA, HUD and Independent Agencies, the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES), for the excellent job that they have done in reporting out a very good appropriations bill, an appropriations bill that if it were the bill that was reported out of subcommittee, we probably all would be able to support in both a bipartisan and perhaps even a unanimous fashion today. Unfortunately, that is not the bill that has come to the floor of the House of Representatives.

The Committee on Rules has not only blurred the distinction between the appropriations and the authorizing process, they have obliterated it. The fact of the matter is the authorizing committees in both the House and the Senate have acted. The House authorizing committee acted in May of 1997. The Senate authorizing committee acted on a public housing bill in June of 1997, the full Senate and the full House that is; and conferees still have not been appointed.

The gentleman from Georgia (Mr. GINGRICH) and Senate Majority Leader LOTT have not appointed conferees to bills that were passed in the spring of 1997. And now the Committee on Rules, in an obliteration of the authorizing process, is attempting to foist upon us in the appropriations process a very controversial bill, a bill that is controversial not only within this House, a bill that is controversial within the Senate, a bill on which Republicans in the Senate and Republicans in the House have serious disagreement over.

I ask this body to preserve the integrity of the authorizing process. Both bodies, the House and the Senate, have acted. Let the leaders appoint conferees and let the conferees from the authorizing committee resolve our differences and then let us pass an appropriations bill that does what an appropriations bill is supposed to do, appropriate.

I rise today to join the distinguished ranking member of the Rules Committee, Representative MOAKLEY, in opposition to the rule for consideration of H.R. 4194, the fiscal year 1999 Appropriations bill for the Veterans Administration, the Department of Housing and Urban Development and Independent Agencies. While I believe H.R. 4194 is a good bill and could garner strong bipartisan support, I am opposed to the rule's treatment of Chairman LEACH's amendment to include H.R. 2, the draconian reform to our Federal housing programs, in this funding bill.

The Rule before us violates the principles of this House. The House is divided into committees. As I see it, the work of those committees is divided into two categories: Appropriating and authorizing. Authorizers, such as myself, are charged with considering programmatic policy questions, while appropriators are charged with making difficult funding decisions within the constraints of the budget resolution. These are two very distinct roles. In recognition of that fact, the Rules of the House permit Members to strike authorizing provisions included in—or offered as an amendment to—appropriations bills by raising points of order against such provisions.

Nonetheless, it appears that the Rule before us applies that longstanding policy only when it is convenient to the majority party. For instance, the Rule waives points of order against Chairman LEACH's amendment to incorporate H.R. 2, the draconian public and assisted housing reform bill into the HUD–VA bill. Despite the fact that the House and Senate Democrats, along with the Administration, have been negotiating to resolve the contentious policy issues raised in H.R. 2 and its Senate counterpart, S. 462, the Rule facilitates efforts to circumvent negotiations even at the risk of frustrating progress on this important funding bill. Today, we should be focusing our attention on the important bill at hand, H.R. 4194, leaving contentious public housing issues to be debated and resolved separately.

While consideration of H.R. 2 is protected, the rule fails to waive points of order against provisions included in the bill raising the loan limits for the Federal Housing Administration's single family loan program. The FHA amendment, another authorizing provision, was unanimously approved by the Appropriations Committee and pays for an increase of $80 million for veterans research and the National Science Foundation. It is a priority of the Administration and reflects a good compromise between the Administration's request and private sector interests. Nevertheless, the Rule fails to waive points of order against that authorizing provision.

The Rule's treatment of H.R. 2 and the amendment to the FHA loan limit defies logic. Under H.R. 2, 709,000 fewer low-income households would be provided Federal housing assistance in 10 years. Striking the increase in FHA loan limits would put at risk the dream of homeownership for many potential homeowners. As I see it, the real result we will have in proceeding in this manner is to ensure that the rich get richer and the poor get poorer.

Again, I urge my colleagues to join me in firm opposition to this rule on H.R. 4194.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Delaware (Mr. CASTLE).

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

I do rise in support of this rule, particularly that portion of it which provides for the consideration of the amendment by the gentleman from Iowa (Mr. LEACH) and the gentleman from New York (Mr. LAZIO) to replace the 1937, 1937, United States Housing Act with a House-passed, already-passed version of H.R. 2.

H.R. 2 contains many important provisions that would significantly decentralize the public housing system and require greater community involvement from public housing residents.

Under the measure, local housing agencies could give residents a choice of paying either 30 percent of their income in rent or paying a flat rent agreed to by the tenant and the housing officials. This would benefit tenants because the rent would not necessarily increase with their income, as occurs now.

The bill would also require most unemployed residents of public housing or subsidized rental units to perform at least 8 hours of community service.

Additionally, in order to infuse more of the working poor into public housing, the bill would require that no more than 35 percent of new tenants be people who earn 30 percent or less of an area's median income.

I would also urge support for three measures I authored which were included in the final version of H.R. 2.

First, the bill would reward housing authorities, like those in Delaware, that are innovative and efficient.

Secondly, the bill would allow housing authorities to screen out sex offenders who might endanger children living in public housing.

And, finally, it allows high-performing housing authorities like the Dover and Delaware State Housing Authorities to use funds from disposition housing, that is, when housing is torn down, to purchase replacement scattered site dwellings.

As my colleagues may recall, H.R. 2 passed this Chamber overwhelmingly 293–132 on May 14, 1997. So I have every confidence that this bill will not weigh down the VA–HUD appropriations bill.

Furthermore, when Congress has a clear picture of what final reforms will be made to the public housing system, it can make better informed decisions of how much money to appropriate to that program.

For all the Members who share the goal of transforming public housing from a way of life into a better life for low-income children and their families, I urge them to support this amendment.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY of Massachusetts. Mr. Speaker, first of all, I wanted to thank both the chairman, the gentleman from California (Mr. LEWIS), as well as the ranking member, the gentleman from Ohio (Mr. STOKES), for the very hard work that they have done on attempting to bring to the House floor the bill that I had hoped to support, a bill that would have put $100 million into new vouchers under the section 8 program, a bill that would have put $150 million new money into the homelessness, a bill that would have put $500 million into the public housing modernization program, and a bill that would have put $10 million into the Fair Housing Enforcement Program.

Unfortunately, despite the fact that that attempt was made, there was sort of a sneak attack that took place yesterday morning in the Committee on Rules. It was a sneak attack done by the chairman of the Committee on Housing who attempted to circumvent the process, without any pride of his own authorship, of being able to get a bill out of our committee and onto the House floor in proper manner. But instead, because he cannot work out a compromise with the House and Senate and the administration on a bill that he has put forth that is far too radical for people to be able to accept in terms of the number of poor people that are going to be thrown out on the street, the fact that hundreds and hundreds of thousands, our estimate at HUD is over 700,000, very, very poor people will be put out on the street. And that is what is going on here.

We are doing nothing more than saying to the poorest of the poor that they do not count, they do not matter, that what we care about is making sure that the buildings look good.

Well, listen, folks, this is not about whether or not everybody can walk around and go back home and say, gosh, public housing looks terrific because now we have moderate-income people in public housing. We have got to make sure that we do not abandon the poor, and that is what this bill will do.

Do not turn our back on the poor. It is a terrible thing to do. Please reach into our conscience and recognize, yes, we can go back and get all sorts of kudos for cleaning it up, but if the price of cleaning it up is throwing out the people that live there, we have not accomplished anything. They might look good to their constituents, but in their heart, they know what they have done is wrong. Vote against this bill. It is wrong-headed, and it is wrong-hearted.

□ 1115

I would also like to point out, Mr. Speaker, that in another attack on the legislation that had been, I think, evenhanded and worked out by both the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES), there were provisions to raise the loan limits on the FHA program. Those are critically important so that we do not continue to keep the FHA program totally targeted towards very, very poor people and not allow some people that live in more moderate-income neighborhoods to be able to participate.

That provision, which 230 Members of this House, both Democrat and Republican, supported, has now been stripped out of the bill. A point of order is going to be made against it, and we will lose it. As a result of that we are going to see FHA weakened, we are going to see the ability of our country to be able to put forth meaningful housing programs hurt, and I just think that if we are going to do this, we had a process of negotiation that we were all participating in, we were close to an agreement; if we could have allowed that to continue to go forward, we could have avoided the mess that is going to occur on the House floor for the rest of the day today.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, the VA HUD appropriations bill contains bipartisan legislation that I introduced with the gentleman from New Jersey (Mr. ANDREWS) and the gentleman from Pennsylvania (Mr. WELDON), two of this Congress' experts on fire safety. It would direct the Consumer Product Safety Commission to reinstate fire standards which governed children's sleepwear, kept our children, kept our kids, safe for more than 25 years.

A coalition of health and safety groups, including the American Burn Association, the National Fire Protection Association, the Coalition for American Trauma Care, the American College of Surgeons, the American Public Health Association, the Emergency Nurses Association, all of them support the return to the previous fire safety standards because they know how important it is to protect our children from devastating burn injuries.

During the committee consideration of the bill, the chairman of the committee agreed and promised to ensure that this legislation would be protected in this bill, that our kids would be protected. Unfortunately, unfortunately, the Republican leadership in this House broke that agreement made by one of their own committee chairs.

Mr. Speaker, I strongly oppose this rule because it breaks that agreement which has protected an amendment to save children in this country from fire burns and from death. For 25 years children's sleepwear was held to a higher standards of flammability than other kinds of clothing. It made it so that they would self-extinguish after exposure to a small flame. Manufacturers were required to test every part of the garments, the seams, and trim and everything else, in terms of ensuring that high standard for our kids' safety. The National Fire Protection Agency estimates that there would have been 10 times more deaths associated with children's sleepwear without this standard.

And when the Consumer Product Safety Commission eliminated those, a coalition of groups came together. People in the House came together to say let us reinstate those regulations so that our kids are safe.

We had this piece of legislation, we agreed on this piece of legislation, and the Republican leadership in this House says, no, let us leave our kids unprotected and not make sure that this bill cannot be struck down in this effort.

Where are we? Who are we committed to? Are we committed to special interests around this country, or are we committed to kids and to families in this country?

This is a simple piece of legislation. It requires no money. It just says let us have the will to make sure our kids are safe and reinstate those regulations as it has to do with their sleepwear.

Mr. Speaker, I oppose this rule, and my colleagues should vote against it.

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

Mr. Speaker, the gentlewoman from Connecticut points up the flammability language in this bill, and there was a technical error in drafting it, and the money provided for the Consumer Product Safety Commission says $5 billion in the report. It was meant to be $5 million, and I ask unanimous consent that that technical correction be agreed to.

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

Mr. HALL of Ohio. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

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

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. ANDREWS).

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

Mr. ANDREWS. Mr. Speaker, I thank my friend from Ohio for yielding this time to me.

I oppose this rule, Mr. Speaker, because of its outrageous assault on the consumers of this country. For 24 years it was a law of this country that when a shopper went into a store and thought about buying clothing for an infant, if the clothing was not treated in such a way that it would not burn, if it was not treated for flammability, we knew it, because there was a label on it, and we knew enough not to put a 3-month-old or a 4-month-old down for the night in a crib with clothing that might catch on fire and burn the child to death. For 24 years emergency room nurses and arson experts and firefighters across this country said it worked.

In 1996, for reasons that are beyond any of us that have any common sense, the Consumer Product Safety Committee changed that rule. It was a rule change that was opposed by the fire community, by the medical community, by the children's advocates of this country.

This Congress decided to do something to fix it. The gentlewoman from Connecticut (Ms. DELAURO), the gentleman from Pennsylvania (Mr. WELDON) and I introduced legislation to put the old law back to where it was. Thanks to the efforts of the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) and the members of this committee, we are moving forward that law.

We thought today that we would have a chance to talk about it on this floor and vote on it, but for reasons that are mysterious and unbeknownst to me, we are not going to get that chance because later on, Mr. Speaker, here is what is going to happen. We get to the point of this bill where this consumer protection standard is presented. One Member, one, will have the chance to stand up and object to it, and it will be stripped out of the bill with no vote.

Mr. Speaker, if there are Members who disagree with this law, and I understand in good faith that there could be, let them come to this floor, let them take this well, and let them argue their point, and let us put it up for a vote. The fair and reasonable thing to have done would have been to permit an amendment that would have stripped this provision from the bill and put it up for a vote. But the people who oppose this provision do not want their fingerprints on the opposition to this provision because they could not go home, they could not look their constituents in the eye and say, ''I just voted to weaken consumer standards for your children.''

If my colleagues believe that is the right thing to do, then vote on it. My colleagues should have the courage to come to this floor and put their name on it.

Mr. Speaker, this is wrong, and I believe the Republican leadership of this House, failing the defeat of this rule, which I urge, ought to have the courage to bring to the floor this bill on a stand-alone vote so all 435 of us can go on the record and explain to our constituents where we stand.

If my colleagues ever wanted an argument as to why we need campaign finance reform, this is it.

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

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. ROEMER).

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

Mr. ROEMER. Mr. Speaker, I rise to salute my good friends, the gentleman from Ohio (Mr. STOKES) and the gentleman from California (Mr. LEWIS), who I have the utmost respect for, but I also rise to oppose this rule and to plead with my colleagues for a fairer and more just allocation of the resources in this bill.

Now we came to a historic bipartisan balanced budget agreement last year, and that makes many of our decisions in this Congress even more difficult, because while we have a balanced budget, now it is our obligation to fairly and justly spend the money within the budget. And I argue with my colleagues that spending on a space station, not the space program which I strongly support, the $13 billion, but a space station, is not just, right and fair to the rest of America.

The space station started in 1984. It was going to be completed in 1992 with a crew size of eight for a total cost of $8 billion. Today our international space station is going to be completed maybe in 2006 with a crew size of maybe 6 to 8 people for a total cost of $98 billion; from 8 billion to 98 billion plus.

Now at the same time, and we will get into this debate when I offer an amendment, at the same time we look at this bill, AmeriCorps for our working people to go, with responsibility to go earn their money for school, is zero funded; $428 million is gone. The community development block grants for poor inner-city people, 80 million less than 1998. Veterans facility, major construction, cut by 20 percent.

Do we want to fund the space station that is a hundred billion dollars in cost, or are we going to justly and fairly fund programs for the rest of America?

Defeat the rule, and let us get a fair allocation of this bill.

Mr. LINDER. Mr. Speaker, I reluctantly yield 2 minutes to the gentlewoman from Washington (Mrs. SMITH), who is going to speak against the rule.

Mrs. LINDA SMITH of Washington. Mr. Speaker, I do reluctantly speak against the rule, but I found out late last night that an amendment that I think helps us keep our word was ruled out of order, and, had I had enough time and understood what was happening this morning, I certainly would have talked to our leadership about it. I do not like to speak against rules because I know it is so hard to come up with a bill that is good, and there is a lot of good things in this bill.

But a couple of months ago we started a process that was very disturbing, and we started it on the transportation budget. What we decided to do was use an excuse to cut veterans' health care.

Now this was a bipartisan decision. It started with the President, and he decided we take a big cut into veterans' health care benefits and say, if someone ever started smoking when they were in the military, that they would not be covered. Well, that really was not the issue. They just wanted an excuse to cut veterans' health care.

Well, Mr. Speaker, they did such a poor job when they hung it into the transportation bill, see, because they wanted the $10 billion plus to spend on their transportation projects, that it was done so poorly they had to redraft it and hang it on the IRS reform bill to make sure that they got these veterans' health care cuts in.

Now everybody went home on the Fourth and promised if they could fix it, they would fix it, but it was in a bigger bill, and that bigger bill they just needed to vote for; transportation was so important. So, if they had been able to, they certainly would fix it.

Now today we are after another vote, the IRS reform vote. Not only did they not fix it, as many people said they would do as they traveled around the Nation, but they confirmed it in, again, a rider, something put on in a conference that they are not real proud about doing out front, and, yes, this was bipartisan; conferences are bipartisan. Both the Democrats and Republicans went behind closed doors and negotiated and decided that they were going to again confirm a cut in veterans' health care.

Now some say, well, it is just fair. If someone started smoking in the military, they should not get health care later in life. Now that is a different issue, if that were the only issue, but it is not the only issue. The real issue is it went to the bottom line of the veterans budget, and they cut money out.

Now the veterans of the Vietnam war is growing, and Democrats and Republicans alike, and the President, can deny that people that fought in the Vietnam war are aging. Second World War. We can pretend their health care goes away, but it does not, and we made a commitment in this country to those men and women that fought for our country.

Now today we stand here again, and this bill could have fixed it, and this bill does not fix it. So vote against the rule.

□ 1130

Mr. HALL of Ohio. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, it is a travesty when this Congress puts the interests of an industry over the interests of our citizens. I am ashamed that this is what is happening today.

This rule not only subjects fire retardant standards for children's sleepwear to a point of order, but includes a special interest provision by the gentleman from Mississippi (Mr. WICKER) which would delay flammability standards for upholstered furniture.

Mr. Speaker, this provision is not a good faith compromise. This is a provision which was drafted by the special interests, with no input from the Consumer Product Safety Commission or the National Association of State Fire Marshals. Yet, the staff of the gentleman from Mississippi (Mr. Wicker) felt they could tell other staffs that the fire marshals had accepted this compromise.

Untrue. This is a serious problem here, just another example of misrepresenting this issue. We cannot put the upholstered furniture industry's interest above the public interest.

I strongly urge my colleagues to oppose this rule and demand that the Consumer Product Safety Commission be allowed to continue their work on flammability standards and children's sleepwear. Say ''no'' to the $16 billion upholstery furniture industry. Say ''yes'' to saving lives and preventing fires.

Mr. LINDER. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. Mr. Speaker, I had not intended to speak on this rule, although I do support it, but my name was called, and I want to explain what the gentleman from New Jersey (Mr. PASCRELL) was talking about.

Mr. Speaker, there is a provision in this bill not to stop a rule on flammability, but to let scientists decide what the exact effect is, not only on consumers, but also on the people who work around these flame retardants. There can be very harmful effects to the workers and also to the consumers, and we need to let the scientists look at this. This provision provides for outside peer review.

I never authorized my staff to say that the fire marshals supported this provision. What is true is that I have worked as member of the Committee on Appropriations with members of the Committee on Commerce, and they are now satisfied. So if someone said the fire marshals have signed off on it, that is inaccurate. What is true is that the Committee on Commerce does now support the provision.

Mr. HALL of Ohio. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Michigan (Ms. KILPATRICK).

(Ms. KILPATRICK asked and was given permission to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I want to first commend the gentleman from California (Mr. LEWIS), as well as our ranking member, the gentleman from Ohio (Mr. STOKES), for the work they have done in a bipartisan effort on a very good VA-HUD bill that I had intended to vote for.

It is unfortunate that the Committee on Rules now saw fit to put H.R. 2, our housing bill, into the HUD bill. I am a member of Committee on Banking and Financial Services, where H.R. 2 came out of. It is very controversial. The Senate passed it last year, as well as us, in the early part of the year. They have not been able to come to a conclusion, although they have been negotiating. It is a tough bill that should be debated on its own.

The process that the Committee on Rules used to put H.R. 2, the housing bill, into VA-HUD is unfortunate. It is unfortunate because it circumvents the process. There has been a lot of work and effort put into the bill. It is a very important bill and has many things that need to be worked out.

I urge my colleagues to oppose the rule. Let us support the chairman and our ranking member in their efforts. VA-HUD should go on its own merits. H.R. 2 should be debated. Let us oppose this rule.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. NETHERCUTT).

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

Mr. Speaker, I had a chance to listen for a few minutes to the comments of the gentleman from Indiana (Mr. ROEMER) about the space station, and came over to the floor just to address that for a minute.

I was in Huntsville, Alabama, a couple of weeks ago and had a chance to go to Marshall Space Center and look at literally the construction of the space station, the American portion of the space station, that is ongoing there as we speak. It has been a terrific project, and it has great application, I would submit, to medical research.

There is high morale among the space station personnel who are employed by Boeing, the prime contractor, and others, but, more importantly, I see some great benefits in the future that will be derived from the use of this international space station for purposes of medical research.

While I have the highest respect for the judgment of the gentleman from Indiana, I disagree with the gentleman on this one. This Space Station is going to lead the way in medical research, which is going to help cure diseases for those of us on Earth because of the kind of research that deals with microgravity. Microgravity offers a unique opportunity to study medical research and study diseases and cure diseases in our country.

I got a good briefing. I encourage my colleague, the gentleman from Indiana (Mr. ROEMER), to go to Huntsville, if he has not already had a chance to listen to the great presentations that are being made there and the great progress being made there, not just in medical research, but in technology.

So I wanted the remarks of the gentleman from Indiana (Mr. ROEMER) not to go unnoticed, because I see some great value in the space station.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. NETHERCUTT. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Speaker, I thank the gentleman from Washington State for yielding.

While we often agree on some issues, we certainly disagree on this one. We had a press conference yesterday with two very, very eminent and qualified scientists, Dr. Park from Maryland and a Dr. Brown from Johns Hopkins, and both said, and we will talk more about this in the debate on the space station itself, both said that the space station, with its delays and its costs, are cannibalizing other very, very worthwhile science projects.

Mr. NETHERCUTT. Mr. Speaker, reclaiming my time, that is 2 out of the about 10,000 that support this station.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, it is sad to see how this Congress has hardened its heart toward America's veterans. The latest expression of that is contained within this bill and the rule that controls it.

The bill, first of all, makes inadequate provision for a growing problem in America with regard to veterans health care. It may be the result of so few Members of this House having had the opportunity to have the experience of serving their country in uniform.

Whatever the reason, this bill deals inadequately with the problems of veterans health care, it funds veterans health care inadequately, and, furthermore, it makes provisions to transfer inadequate funds inappropriately and discriminately against the interests of veterans.

There are many reasons why this bill should be defeated, but particularly, today, as our veterans from World War II, from Korea, and even Vietnam are aging, and the illnesses, physical and psychological, which they suffered as a result of those conflicts are expressing themselves more deeply, it is time that we pay attention to the needs of America's veterans and fund health care adequately.

Defeat this rule if you care about the veterans of America.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to my friend the gentleman from New York (Mr. SOLOMON), the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, as one who has also worn the uniform of the Armed Forces of this country, I take exception to what the gentleman just said. I suggest the gentleman go to the

White House and meet with the President of the United States, whose budget inadequately funded veterans benefits, not only in veterans benefits, but in the medical care delivery system in this country.

This bill, and I want to commend the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES), who we are going to miss desperately in his retirement because of the job he has done, but Mr. Speaker, what we are doing is we are restoring the cuts that the President had recommended. Not only that, but in the Senate bill there is an additional $200 million added to the veterans medical care delivery system. That is why we need to vote for this rule and we need to vote for this bill today.

Mr. Speaker, a number of years ago I sponsored the legislation which created the Department of Veterans Affairs. Before that it was an agency, and before that we had nobody sitting at the cabinet level negotiating for the veterans of this country.

Back in those days we had, unfortunately, a Subcommittee of Housing and Veterans Administration and other agencies. I had legislation pending in the Congress which would separate out and create a new Subcommittee on Appropriations for the Department of Veterans Affairs, which is the second biggest department in the Federal Government beyond Defense.

That is really what we ought to be doing, because now the veterans of this country have to negotiate with HUD and with all the other agencies, and with the space station and NASA in order for their fair share, and it just is not working out.

But this bill before us today helps the veterans of this Nation, and it helps us get to the Senate where we will have a chance to come in with at least $100 million, if not $200 million, more than what the President had recommended in cutting, for our veterans in this country.

So I urge Members to support the veterans by voting for this bill. Again I commend the gentleman from California (Mr. LEWIS), standing over there in the corner, a great American who does a great job for the veterans, and the gentleman from Ohio (Mr. STOKES) over here.

Vote for the rule and vote for the bill.

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

Mr. Speaker, I have no further requests for time. I would simply say that I will ask for a ''no'' vote on the rule, as many of us over here and many of us on both sides consider this rule unfair in many ways.

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

AMENDMENT OFFERED BY MR. LINDER

Mr. LINDER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LINDER:

Page 2, line 15, strike ''The amendment'' and all that follows through ''line 3.'' on line 21 and insert the following: ''The amendment printed in the report of the Committee on Rules accompanying this resolution, as modified by striking '$5,000,000,000' in the proposed section 425(g) and inserting '$5,000,000', shall be considered as adopted in the House and in the Committee of the Whole. Points of order against provisions in the bill, as amended, for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: page 88, line 16, through page 89, line 22.''

The SPEAKER pro tempore. Under the rule, the gentleman from Georgia is recognized for the remaining 1½ minutes to explain his amendment.

Mr. LINDER. Mr. Speaker, this amendment merely makes a technical correction in the last line of the report from the Committee on Rules that erroneously, by a typo, has put a $5 billion figure in there. It was meant to be $5 million. I tried to move this by unanimous consent, and it was objected to.

The amendment further protects the language in the bill from a point of order that allows the FHA loan ceiling to go up.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. LINDER. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, as the Members know, the language on the FHA increase was protected. We were hoping we were going to be able to have a negotiating position with the Senate where we could get some meaningful reform in the public housing of this country. We now are going to accede to the wishes of some on this side of the aisle and that side of the aisle and further protect that language so it would not be subject to a point of order and be knocked out of the bill.

Mr. LINDER. Mr. Speaker, I move the previous question on the amendment and the resolution.

PARLIAMENTARY INQUIRIES

Mr. BARRETT of Wisconsin. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BARRETT of Wisconsin. Mr. Speaker, if you would be kind enough to explain the procedure, we have an amendment here and we have an underlying rule. Is it permissible under the rules to move the previous question on both the amendment and the underlying rule?

The SPEAKER pro tempore. That is a permissible motion.

Mr. BARRETT of Wisconsin. Mr. Speaker, further parliamentary inquiry. Is the amendment that has just been offered included in the votes? Will we have one vote on both the amendment and the rule?

The SPEAKER pro tempore. The amendment will be subject to a separate vote.

Mr. BARRETT of Wisconsin. And when will that take place?

The SPEAKER pro tempore. Right after the vote on ordering the previous question.

Mr. LAFALCE. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LAFALCE. Mr. Speaker, I believe there is going to be a separate vote on the amendment offered by the gentleman from Georgia (Mr. Linder) which will be separate from the vote on the previous question on the rule, as amended, is that correct?

The SPEAKER pro tempore. The gentleman is correct.

□ 1145

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Georgia (Mr. LINDER).

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

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

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

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

The Sergeant at Arms will notify absent Members.

Without objection, the vote by the yeas and nays on H.R. 3731 will be a 5-minute vote immediately following this vote.

There was no objection.

The vote was taken by electronic device, and there were—yeas 227, nays 195, not voting 12, as follows:

[Roll No. 285]

YEAS—227

Aderholt	Christensen	Gekas
Archer	Coble	Gibbons
Armey	Coburn	Gilchrest
Bachus	Collins	Gillmor
Baker	Combest	Gilman
Ballenger	Cook	Goode
Barr	Cooksey	Goodlatte
Barrett (NE)	Cox	Goodling
Bartlett	Crane	Goss
Barton	Cubin	Graham
Bass	Cunningham	Granger
Bateman	Davis (VA)	Greenwood
Bereuter	Deal	Gutknecht
Bilbray	DeLay	Hansen
Bilirakis	Diaz-Balart	Hastert
Bliley	Dickey	Hastings (WA)
Boehlert	Doolittle	Hayworth
Boehner	Dreier	Hefley
Bonilla	Duncan	Herger
Bono	Dunn	Hilleary
Brady (TX)	Ehlers	Hobson
Bryant	Ehrlich	Hoekstra
Bunning	Emerson	Horn
Burr	English	Hostettler
Burton	Ensign	Houghton
Buyer	Everett	Hulshof
Callahan	Ewing	Hunter
Calvert	Fawell	Hutchinson
Camp	Foley	Hyde
Campbell	Forbes	Inglis
Canady	Fossella	Istook
Cannon	Fowler	Jenkins
Capps	Fox	Johnson (CT)
Castle	Franks (NJ)	Johnson, Sam
Chabot	Frelinghuysen	Jones
Chambliss	Gallegly	Kasich
Chenoweth	Ganske	Kelly

Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Towns
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—195

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Reyes
Rivers
Roemer
Rothman
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Smith, Adam
Smith, Linda
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Turner
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—12

Blunt
Crapo
Gonzalez
Hill
Kennelly
McNulty
Moakley
Norwood
Rangel
Rodriguez
Roybal-Allard
Slaughter

□ 1207

Mrs. LINDA SMITH of Washington changed her vote from ''aye'' to ''no.''

Mrs. CAPPS and Mr. STEARNS changed their vote from ''no'' to ''aye.''

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RODRIGUEZ. Mr. Speaker, on rollcall No. 285 for H. Res. 501, I was inadvertently detained. Had I been present, I would have voted ''no.''

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. COLLINS). The unfinished business on H.R. 3731 will be further postponed until later today.

GENERAL LEAVE

Mr. KOLBE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the further consideration of H.R. 4104, and that I may include tabular and extraneous materials.

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

There was no objection.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore. Pursuant to House Resolution 498 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4104.

□ 1208

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes, with Mr. DREIER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, July 15, 1998, all time for general debate had expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

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

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

Mr. KOLBE. Mr. Chairman, at this point in the RECORD I will insert a table showing the details of this bill.

The material referred to is as follows:

TREASURY, POSTAL, GENERAL GOVERNMENT APPROPRIATIONS BILL, 1999 (H.R. 4104)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - DEPARTMENT OF THE TREASURY					
Departmental Offices	114,771,000	123,846,000	122,889,000	+8,118,000	-957,000
Automation Enhancement	61,389,000	33,952,000	31,190,000	-30,199,000	-2,762,000
Transfer to Customs Service		(-8,000,000)			(+8,000,000)
Transfer to ATF		(-3,700,000)			(+3,700,000)
Office of Inspector General	29,719,000	30,678,000	30,678,000	+959,000	
Office of Professional Responsibility	1,250,000	1,654,000	1,250,000		-404,000
Treasury Buildings and Annex Repair and Restoration	10,484,000	27,000,000	27,000,000	+16,516,000	
(Delay in obligation)			(-27,000,000)	(-27,000,000)	(-27,000,000)
Financial Crimes Enforcement Network	22,835,000	24,000,000	24,000,000	+1,165,000	
Violent Crime Reduction Programs:					
Bureau of Alcohol, Tobacco and Firearms	19,421,000		3,000,000	-16,421,000	+3,000,000
Financial Crimes Enforcement Network	1,000,000	1,000,000		-1,000,000	-1,000,000
Interagency crime and drug enforcement		45,000,000	24,000,000	+24,000,000	-21,000,000
United States Secret Service	15,731,000	11,700,000	14,528,000	-1,203,000	+2,828,000
(Delay in obligation)			(-828,000)	(-828,000)	(-828,000)
ONDCP Counterdrug Technology Assessment Center	23,200,000		14,000,000	-9,200,000	+14,000,000
Gang Resistance Education and Training: Grants	10,000,000	10,000,000	10,000,000		
Federal Law Enforcement Training Center	1,000,000			-1,000,000	
United States Customs Service	60,648,000	64,472,000	66,472,000	+5,824,000	+2,000,000
Total, Violent Crime Reduction Programs	131,000,000	132,172,000	132,000,000	+1,000,000	-172,000
Federal Law Enforcement Training Center:					
Salaries and Expenses	64,663,000	71,923,000	71,923,000	+7,260,000	
Acquisition, Construction, Improvements, and Related Expenses	32,548,000	28,360,000	28,360,000	-4,188,000	
Total, Federal Law Enforcement Training Center	97,211,000	100,283,000	100,283,000	+3,072,000	
Interagency Law Enforcement:					
Interagency crime and drug enforcement	73,794,000	30,900,000	51,900,000	-21,894,000	+21,000,000
Financial Management Service	207,790,000	202,510,000	198,510,000	-9,280,000	-4,000,000
Debt collection improvement account		3,000,000			-3,000,000
Bureau of Alcohol, Tobacco and Firearms:					
Salaries and Expenses	478,934,000	544,324,000	530,624,000	+51,690,000	-13,700,000
(Delay in obligation)			(-2,206,000)	(-2,206,000)	(-2,206,000)
Transfer from Automation Enhancement		(3,700,000)			(-3,700,000)
Laboratory facilities and headquarters	55,022,000	32,000,000		-55,022,000	-32,000,000
Total, Bureau of Alcohol, Tobacco and Firearms	533,956,000	576,324,000	530,624,000	-3,332,000	-45,700,000
United States Customs Service:					
Salaries and Expenses	1,522,165,000	1,638,065,000	1,638,065,000	+115,900,000	
(Delay in obligation)			(-7,000,000)	(-7,000,000)	(-7,000,000)
Transfer from Automation Enhancement		(8,000,000)			(-8,000,000)
Rescission	-6,000,000			+6,000,000	
Subtotal	1,516,165,000	1,638,065,000	1,638,065,000	+121,900,000	
Operation and Maintenance, Air and Marine Interdiction Programs	92,758,000	98,488,000	100,688,000	+7,930,000	+2,200,000
Rescission	-4,470,000			+4,470,000	
Subtotal	88,288,000	98,488,000	100,688,000	+12,400,000	+2,200,000
Customs Services at Small Airports (to be derived from fees collected)	2,406,000	2,000,000	2,000,000	-406,000	
Harbor Maintenance Fee Collection	3,000,000	3,000,000	3,000,000		
Total, United States Customs Service	1,609,859,000	1,741,553,000	1,743,753,000	+133,894,000	+2,200,000
Bureau of the Public Debt	169,426,000	173,100,000	172,100,000	+2,674,000	-1,000,000
Internal Revenue Service:					
Processing, Assistance, and Management	2,925,874,000	3,162,430,000	3,025,013,000	+99,139,000	-137,417,000
Tax Law Enforcement	3,142,822,000	3,169,539,000	3,164,189,000	+21,367,000	-5,350,000
Rescission	-32,000,000			+32,000,000	
Subtotal	3,110,822,000	3,169,539,000	3,164,189,000	+53,367,000	-5,350,000
Earned Income Tax Credit Compliance Initiative	138,000,000	143,000,000	143,000,000	+5,000,000	
Information Systems	1,272,487,000	1,540,884,000	1,224,032,000	-48,455,000	-316,852,000
Information technology investments	325,000,000	323,000,000	210,000,000	-115,000,000	-113,000,000
Rescission	-30,330,000			+30,330,000	
Subtotal	294,670,000	323,000,000	210,000,000	-84,670,000	-113,000,000
Net total, Internal Revenue Service	7,741,853,000	8,338,853,000	7,766,234,000	+24,381,000	-572,619,000
United States Secret Service:					
Salaries and Expenses	564,348,000	594,657,000	594,657,000	+30,309,000	
Acquisition, Construction, Improvement, and Related Expenses	8,799,000	6,445,000	6,445,000	-2,354,000	
Total, United States Secret Service	573,147,000	601,102,000	601,102,000	+27,955,000	

TREASURY, POSTAL, GENERAL GOVERNMENT APPROPRIATIONS BILL, 1999 (H.R. 4104)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Payment for the joint financial management improvement program	.....	3,000,000	.....	.....	-3,000,000
Net total, title I, Department of the Treasury	11,378,484,000	12,143,927,000	11,533,513,000	+155,029,000	-610,414,000
TITLE II - POSTAL SERVICE					
Payments to the Postal Service					
Payment to the Postal Service Fund	86,274,000	100,195,000	71,195,000	-15,079,000	-29,000,000
TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT					
Compensation of the President and the White House Office:					
Compensation of the President	250,000	250,000	250,000	.....	.....
Salaries and Expenses	51,199,000	52,344,000	52,344,000	+1,145,000	.....
Executive Residence at the White House:					
Operating Expenses	8,045,000	8,691,000	8,691,000	+646,000	.....
White House Repair and Restoration	200,000	.....	.....	-200,000	.....
Special Assistance to the President and the Official Residence of the Vice President:					
Salaries and Expenses	3,378,000	3,512,000	3,512,000	+134,000	.....
Operating expenses	334,000	334,000	334,000	.....	.....
Council of Economic Advisers	3,542,000	3,666,000	3,666,000	+124,000	.....
Office of Policy Development	3,983,000	4,032,000	4,032,000	+49,000	.....
National Security Council	6,648,000	6,806,000	6,806,000	+158,000	.....
Office of Administration	28,883,000	40,550,000	28,350,000	-533,000	-12,200,000
Office of Management and Budget	57,440,000	60,617,000	59,017,000	+1,577,000	-1,600,000
Office of National Drug Control Policy	35,016,000	36,442,000	36,442,000	+1,426,000	.....
Unanticipated Needs	.....	1,000,000	1,000,000	+1,000,000	.....
Federal Drug Control Programs: High Intensity Drug Trafficking Areas Program	159,007,000	162,007,000	162,007,000	+3,000,000	.....
Special forfeiture fund	211,000,000	251,000,000	215,000,000	+4,000,000	-36,000,000
Information technology systems and related expenses (contingent emergency funding)	.....	.....	2,250,000,000	+2,250,000,000	+2,250,000,000
Total, title III, Executive Office of the President and Funds Appropriated to the President	568,925,000	631,251,000	581,451,000	+12,526,000	-49,800,000
Emergency funding	.....	.....	2,250,000,000	+2,250,000,000	+2,250,000,000
TITLE IV - INDEPENDENT AGENCIES					
Committee for Purchase from People Who Are Blind or Severely Disabled	1,940,000	2,464,000	2,464,000	+524,000	.....
Federal Election Commission	31,650,000	36,504,000	33,700,000	+2,050,000	-2,804,000
Federal Labor Relations Authority	22,039,000	22,586,000	22,586,000	+547,000	.....
General Services Administration:					
Federal Buildings Fund:					
Appropriation	.....	.....	482,100,000	+482,100,000	+482,100,000
Limitations on availability of revenue:					
Construction & acquisition of facilities	.....	(44,005,000)	(527,100,000)	(+527,100,000)	(+483,095,000)
Repairs and alterations	(300,000,000)	(668,031,000)	(655,031,000)	(+355,031,000)	(-13,000,000)
(Delay in obligation)	.....	.....	(-19,000,000)	(-19,000,000)	(-19,000,000)
Installment acquisition payments	(142,542,000)	(215,764,000)	(215,764,000)	(+73,222,000)	.....
Rental of space	(2,275,340,000)	(2,583,261,000)	(2,583,261,000)	(+307,921,000)	.....
Building Operations	(1,331,789,000)	(1,554,772,000)	(1,554,772,000)	(+222,983,000)	.....
(Delay in obligation)	.....	.....	(-223,000,000)	(-223,000,000)	(-223,000,000)
Repayment of Debt	(105,720,000)	(91,000,000)	(91,000,000)	(-14,720,000)	.....
Previously appropriated activities	(680,543,000)	.....	.....	(-680,543,000)	.....
Total, Federal Buildings Fund	.....	.....	482,100,000	+482,100,000	+482,100,000
(Limitations)	(4,835,934,000)	(5,156,833,000)	(5,626,928,000)	(+790,994,000)	(+470,095,000)
Policy and Operations	107,487,000	106,494,000	108,494,000	+1,007,000	+2,000,000
Office of Inspector General	33,870,000	32,000,000	32,000,000	-1,870,000	.....
Allowances and Office Staff for Former Presidents	2,208,000	2,241,000	2,241,000	+33,000	.....
Total, General Services Administration	143,565,000	140,735,000	624,835,000	+481,270,000	+484,100,000
John F. Kennedy Assassination Record Review Board	1,600,000	.....	.....	-1,600,000	.....
Merit Systems Protection Board:					
Salaries and Expenses	25,290,000	25,805,000	25,805,000	+515,000	.....
(Limitation on administrative expenses)	(2,430,000)	(2,430,000)	(2,430,000)	.....	.....
Morris K. Udall scholarship and excellence in national environmental policy foundation	1,750,000	2,000,000	.....	-1,750,000	-2,000,000
U.S. Institute for Environmental Conflict Resolution	.....	4,250,000	4,250,000	+4,250,000	.....
National Archives and Records Administration:					
Operating expenses	205,166,500	230,025,000	216,753,000	+11,586,500	-13,272,000
Reduction of debt	-4,012,000	-4,012,000	-4,012,000	.....	.....
Repairs and Restoration	14,650,000	10,450,000	10,450,000	-4,200,000	.....
National Historical Publications and Records Commission:					
Grants program	5,500,000	6,000,000	6,000,000	+500,000	.....
Total, National Archives and Records Administration	221,304,500	242,463,000	229,191,000	+7,886,500	-13,272,000

TREASURY, POSTAL, GENERAL GOVERNMENT APPROPRIATIONS BILL, 1999 (H.R. 4104)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Office of Government Ethics	8,265,000	8,492,000	8,492,000	+227,000	.....
Office of Personnel Management:					
Salaries and Expenses	85,350,000	85,350,000	85,350,000	.....	.....
(Limitation on administrative expenses)	(91,236,000)	(91,236,000)	(91,236,000)	.....	.....
Office of Inspector General	960,000	960,000	960,000	.....	.....
(Limitation on administrative expenses)	(8,645,000)	(9,145,000)	(9,145,000)	(+500,000)	.....
Government Payment for Annuitants, Employees Health Benefits	4,338,000,000	4,632,000,000	4,632,000,000	+294,000,000	.....
Government Payment for Annuitants, Employee Life Insurance	32,000,000	35,000,000	35,000,000	+3,000,000	.....
Payment to Civil Service Retirement and Disability Fund	8,336,000,000	8,682,297,000	8,682,297,000	+346,297,000	.....
Total, Office of Personnel Management	12,792,310,000	13,435,607,000	13,435,607,000	+643,297,000	.....
Office of Special Counsel	8,450,000	8,720,000	8,720,000	+270,000	.....
United States Tax Court	33,921,000	34,490,000	34,490,000	+569,000	.....
Total, title IV, Independent Agencies	13,292,084,500	13,964,116,000	14,430,140,000	+1,138,055,500	+466,024,000
(Limitation on administrative expenses)	(4,938,245,000)	(5,259,644,000)	(5,729,739,000)	(+791,494,000)	(+470,095,000)
Net grand total	25,325,767,500	26,839,489,000	28,866,299,000	+3,540,531,500	+2,026,810,000
Appropriations	(25,398,567,500)	(26,839,489,000)	(26,616,299,000)	(+1,217,731,500)	(-223,190,000)
Rescissions	(-72,800,000)	.....	.....	(+72,800,000)	.....
Emergency funding	.....	.....	(2,250,000,000)	(+2,250,000,000)	(+2,250,000,000)
(Limitations)	(4,938,245,000)	(5,259,644,000)	(5,729,739,000)	(+791,494,000)	(+470,095,000)
Scorekeeping adjustments:					
Bureau of The Public Debt (Permanent)	144,000,000	138,000,000	138,000,000	-6,000,000	.....
Federal Reserve Bank reimbursement fund	.....	126,000,000	126,000,000	+126,000,000	.....
Federal Savings & Loan Insurance Corp. (Sec. 638)	34,000,000	.....	.....	-34,000,000	.....
Trust fund budget authority	102,311,000	102,000,000	102,000,000	-311,000	.....
US Mint revolving fund	30,000,000	15,000,000	15,000,000	-15,000,000	.....
Sallie Mae	1,000,000	1,000,000	1,000,000	.....	.....
Federal buildings fund	-50,000,000	-28,000,000	-40,000,000	+10,000,000	-12,000,000
Retirement open season (sec. 642)	-2,000,000	.....	.....	+2,000,000	.....
Ethics Reform Act adjustment	.....	.....	-2,000,000	-2,000,000	-2,000,000
Total, scorekeeping adjustments	259,311,000	354,000,000	340,000,000	+80,689,000	-14,000,000
Total mandatory and discretionary	25,585,078,500	27,193,489,000	29,206,299,000	+3,621,220,500	+2,012,810,000
Mandatory	12,850,250,000	13,613,547,000	13,613,547,000	+763,297,000	.....
Discretionary:					
Crime trust fund	131,000,000	132,172,000	132,000,000	+1,000,000	-172,000
General purposes	12,603,828,500	13,447,770,000	15,460,752,000	+2,856,923,500	+2,012,982,000
Total, Discretionary	12,734,828,500	13,579,942,000	15,592,752,000	+2,857,923,500	+2,012,810,000

Mr. KOLBE. Mr. Chairman, I ask unanimous consent that the bill, through page 26, line 10, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

Mr. HOYER. Reserving the right to object, Mr. Chairman, I just want to make sure, the gentleman from New York (Mr. SCHUMER) has an amendment on page 23, line 22, title I.

Under my reservation, I yield to the chairman, the gentleman from Arizona (Mr. KOLBE) simply to explain the consequences of his request.

Mr. KOLBE. Mr. Chairman, to explain, our intention here is to try to proceed in as orderly a fashion as possible with the rule that we adopted last night. Obviously, large sections of our bill are subject to points of order.

What I would like to do is to try, rather than reading paragraph by paragraph, to do it one title at a time, in this case, because title II is only 2 pages, titles 1 and 2, Treasury and Post Office. It does not preclude any amendment from being offered at any time, I would add.

Mr. HOYER. Reclaiming my time, Mr. Chairman, under my reservation, I appreciate the gentleman's explanation. I would simply inform him, obviously, I will not object, but will inform him that if we can have discussions about after title II, subsequent to title II, starting with title II, if we can have a different procedure.

Mr. KOLBE. Correct. We can have that discussion again.

Mr. HOYER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN. Without objection, the bill is open to page 26, line 10.

The text of the bill through page 26, line 10, is as follows:

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

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Buildings and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,900,000 for official travel expenses; not to exceed $150,000 for official reception and representation expenses; not to exceed $258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; $122,889,000: *Provided,* That the Office of Foreign Assets Control shall be funded at no less than $5,517,000: *Provided further,* That of the funds provided under this heading, $2,000,000 shall be available only for the provision of compensation for losses incurred due to the denial of entry into the United States of any firearms as defined in section 921(a)(3) of title 18, United States Code that (1) as of the date of the enactment of this Act, could lawfully be manufactured and sold in the United States; (2) that is of a type that was determined by the Secretary of the Treasury on April 6, 1998, to be not importable into the United States; and (3) as of February 10, 1998, was conditionally released under bond to the importer by the United States Customs Service. The losses compensated under the preceding sentence shall be only for the cost of the weapons and any shipping, transportation, duty, and storage costs incurred by the importer, as determined by the Secretary of the Treasury.

OFFICE OF PROFESSIONAL RESPONSIBILITY

SALARIES AND EXPENSES

For necessary expenses of the Office of Professional Responsibility, including the purchase and hire of passenger motor vehicles, $1,250,000.

AUTOMATION ENHANCEMENT

(INCLUDING TRANSFER OF FUNDS)

For the development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, $31,190,000: *Provided,* That these funds shall remain available until September 30, 2000: *Provided further,* That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: *Provided further,* That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further,* That none of the funds appropriated shall be used to support or supplement Internal Revenue Service appropriations for Information Systems: *Provided further,* That no funds may be obligated for the Automated Commercial Environment project until the Commissioner of Customs has submitted to the Committees on Appropriations an enterprise information systems architecture plan for the U.S. Customs Service consistent with the Treasury Information Systems Architecture Framework and approved by the Treasury Investment Review Board.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, not to exceed $2,000,000 for official travel expenses; including hire of passenger motor vehicles; and not to exceed $100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; $30,678,000.

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Treasury Building and Annex, $27,000,000, to remain available until expended: *Provided,* That these funds shall not be available for obligation until September 30, 1999.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed $14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement; $24,000,000: *Provided,* That funds appropriated in this account may be used to procure personal services contracts.

VIOLENT CRIME REDUCTION PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For activities authorized by Public Law 103–322, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as follows:

(1) As authorized by section 190001(e), $122,000,000; of which $3,000,000 shall be available to the Bureau of Alcohol, Tobacco and Firearms for administering the Gang Resistance Education and Training program; of which $14,528,000 shall be available to the United States Secret Service, including $6,700,000 for vehicle replacement, $5,000,000 for investigations of counterfeiting, and $2,828,000 for forensic and related support of investigations of missing and exploited children, of which $828,000 shall be available not earlier than September 30, 1999, as a grant for activities related to the investigations of exploited children and shall remain available until expended; of which $66,472,000 shall be available for the United States Customs Service, including $54,000,000 for narcotics detection technology, $9,500,000 for the passenger processing initiative, $972,000 for construction of canopies for inspection of outbound vehicles along the Southwest border, and $2,000,000 for the Customs Cyber-Smuggling Center in support of the anti-child pornography program; of which $14,000,000 shall be available to the Office of National Drug Control Policy, including $13,000,000 to the Counterdrug Technology Assessment Center to continue the program to transfer technology to State and local law enforcement agencies, and $1,000,000 for Model State Drug Law Conferences; and of which $24,000,000 shall be available for Interagency Crime and Drug Enforcement.

(2) As authorized by section 32401, $10,000,000 to the Bureau of Alcohol, Tobacco and Firearms for disbursement through grants, cooperative agreements, or contracts to local governments for Gang Resistance Education and Training: *Provided,* That notwithstanding sections 32401 and 310001, such funds shall be allocated to State and local law enforcement and prevention organizations.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed 52 for police-type use, without regard to the general purchase price limitation) and hire of passenger motor vehicles; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed $9,500 for official reception and representation expenses; and services as authorized by 5 U.S.C. 3109; $71,923,000, of which up to $13,843,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2001: *Provided,* That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift

of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: *Provided further,* That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further,* That funds appropriated in this account shall be available, at the discretion of the Director, for the following: training United States Postal Service law enforcement personnel and Postal police officers; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation, except that reimbursement may be waived by the Secretary for law enforcement training activities in foreign countries undertaken pursuant to section 801 of the Antiterrorism and Effective Death Penalty Act of 1996, Public Law 104–32; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend course development meetings and training at the Center; for expenses for student athletic and related activities; and room and board for student interns: *Provided further,* That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training at the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: *Provided further,* That the Federal Law Enforcement Training Center is authorized to provide short-term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, $28,360,000, to remain available until expended.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For expenses necessary for the detection and investigation of individuals involved in organized crime drug trafficking, including cooperative efforts with State and local law enforcement, $51,900,000, of which $7,827,000 shall remain available until expended.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $198,510,000, of which not to exceed $13,235,000 shall remain available until September 30, 2001 for information systems modernization initiatives.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed 812 vehicles for police-type use, of which 650 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where a major investigative assignment requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed $20,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; and provision of laboratory assistance to State and local agencies, with or without reimbursement; $530,624,000; of which $2,206,000 shall not be available until September 30, 1999; of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); and of which $1,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries, travel, fuel, training, equipment, supplies, and other similar costs of State and local law enforcement personnel, including sworn officers and support personnel, that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms: *Provided,* That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco and Firearms to other agencies or Departments in fiscal year 1999: *Provided further,* That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: *Provided further,* That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of ''Curios or relics'' in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: *Provided further,* That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further,* That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further,* That no funds in this Act may be used to provide ballistics imaging equipment to any State or local authority who has obtained similar equipment through a Federal grant or subsidy unless the State or local authority agrees to return that equipment or to repay that grant or subsidy to the Federal Government: *Provided further,* That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase and lease of up to 1,050 motor vehicles of which 550 are for replacement only and of which 1,030 are for police-type use and commercial operations; hire of motor vehicles; contracting with individuals for personal services abroad; not to exceed $30,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; $1,638,065,000, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations, not to exceed $4,000,000 shall be available until expended for research, not to exceed $5,000,000 shall be available until expended for conducting special operations pursuant to 19 U.S.C. 2081, and up to $8,000,000 shall be available until expended for the procurement of automation infrastructure items, including hardware, software, and installation: *Provided further,* That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further,* That notwithstanding any other provision of law, the fiscal year aggregate overtime limitation prescribed in subsection 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 261 and 267) shall be $30,000: *Provided further,* That $7,000,000 of these funds shall not be available for obligation until September 30, 1999.

OPERATION AND MAINTENANCE, AIR AND MARINE INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: the interdiction of narcotics and other goods; the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and, at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts; $100,688,000, which shall remain available until expended: *Provided,* That no aircraft or other related equipment, with the exception of aircraft which is one of a kind and has been identified as excess to Customs requirements and aircraft which has been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of the Treasury, during fiscal year 1999 without the prior approval of the Committees on Appropriations.

HARBOR MAINTENANCE FEE COLLECTION

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses related to the collection of the Harbor Maintenance Fee, pursuant to Public Law 103–182, $3,000,000, to be derived from the Harbor Maintenance Trust Fund and to be transferred to and merged with the Customs ''Salaries and Expenses'' account for such purposes.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, $176,500,000, of which not to exceed $2,500 shall be available for official reception and representation expenses, and of which not to exceed $2,000,000 shall remain available until September 30, 2001 for information systems modernization initiatives: *Provided,* That the sum appropriated herein from the General Fund for fiscal year 1999 shall be reduced by not more than $4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 1999 appropriation from the General Fund estimated at $172,100,000, and in addition, $20,000, to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section

102 of Public Law 101–380: *Provided further*, That notwithstanding any other provisions of law, effective upon enactment and thereafter, the Bureau of the Public Debt shall be fully and directly reimbursed by the funds described in section 104 of Public Law 101–136 (103 Stat. 789) for costs and services performed by the Bureau in the administration of such funds.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service for tax return processing; revenue accounting; tax law and account assistance to taxpayers by telephone and correspondence; programs to match information returns and tax returns; management services; rent and utilities; and inspection; including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $3,025,013,000, of which up to $3,700,000 shall be for the Tax Counseling for the Elderly Program, and of which not to exceed $25,000 shall be for official reception and representation expenses.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; providing litigation support; issuing technical rulings; examining employee plans and exempt organizations; conducting criminal investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; compiling statistics of income; and conducting compliance research; including purchase (for police-type use, not to exceed 850) and hire of passenger motor vehicles (31 U.S.C. 1343(b)), and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $3,164,189,000.

EARNED INCOME TAX CREDIT COMPLIANCE INITIATIVE

For funding essential earned income tax credit compliance and error reduction initiatives pursuant to section 5702 of the Balanced Budget Act of 1997 (Public Law 105–33), $143,000,000, of which not to exceed $10,000,000 may be used to reimburse the Social Security Administration for the costs of implementing section 1090 of the Taxpayer Relief Act of 1997.

INFORMATION SYSTEMS

For necessary expenses of the Internal Revenue Service for information systems and telecommunications support, including developmental information systems and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $1,224,032,000, which shall be available until September 30, 2000, and of which $125,000,000 shall be available only for improvements to customer service and restructuring and reform of the Internal Revenue Service.

INFORMATION TECHNOLOGY INVESTMENTS

For necessary expenses of the Internal Revenue Service, $210,000,000, to remain available until expended, for the capital asset acquisition of information technology systems, including management and related contractual costs of such acquisition, and including contractual costs associated with operations authorized by 5 U.S.C. 3109: *Provided*, That none of these funds is available for obligation until September 30, 1999: *Provided further*, That none of these funds shall be obligated until the Internal Revenue Service and the Department of the Treasury submit to Congress for approval, a plan for expenditure that (1) implements the Internal Revenue Service's Modernization Blueprint submitted to Congress on May 15, 1997; (2) meets the information systems investment guidelines established by the Office of Management and Budget and in the fiscal year 1998 budget; (3) is reviewed and approved by the Office of Management and Budget, the Department of the Treasury's IRS Management Board, and is reviewed by the General Accounting Office; (4) meets the requirements of the May 15, 1997 Internal Revenue Service's Systems Life Cycle program; and (5) is in compliance with acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SECTION 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the House and Senate Committees on Appropriations.

SEC. 102. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

SEC. 103. The funds provided in this Act for the Internal Revenue Service shall be used to provide, as a minimum, the fiscal year 1995 level of service, staffing, and funding for Taxpayer Services.

SEC. 104. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1986 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection, including any private sector employees under contract to the Internal Revenue Service, complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 105. The Internal Revenue Service shall institute and enforce policies and procedures which will safeguard the confidentiality of taxpayer information.

SEC. 106. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 help line for taxpayers. The Commissioner shall continue to make the improvement of the Internal Revenue Service 1–800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the Internal Revenue Service 1–800 help line service.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase of not to exceed 739 vehicles for police-type use, of which 675 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations; for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed $20,000 for official reception and representation expenses; not to exceed $50,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year; $594,657,000.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For necessary expenses of construction, repair, alteration, and improvement of facilities, $6,445,000, to remain available until expended.

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SEC. 110. Any obligation or expenditure by the Secretary of the Treasury in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 1998, shall be made in compliance with reprogramming guidelines.

SEC. 111. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 112. The funds provided to the Bureau of Alcohol, Tobacco and Firearms for fiscal year 1999 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

SEC. 113. Not to exceed 2 percent of any appropriations in this Act made available to the Federal Law Enforcement Training Center, Financial Crimes Enforcement Network, Bureau of Alcohol, Tobacco and Firearms, United States Customs Service, and United States Secret Service may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 114. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices, Office of Inspector General, Financial Management Service, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 115. The Secretary is authorized to promote the benefits of and encourage the use of electronic tax administration programs, as they become available, through the use of mass communications and other means. Additionally, the Secretary may implement procedures to pay appropriate incentives to commercial concerns for electronic filing services: *Provided,* That such payment may not be made unless the electronic filing service is provided without charge to the taxpayer whose return is so filed: *Provided further,* That the Internal Revenue Service shall assure the security of all electronic transmissions and the full protection of the privacy of taxpayer data.

SEC. 116. (a) The Bureau of Engraving and Printing and the Department of the Treasury shall not award a contract for Solicitation No. BEP–97–13 (TN) until such time as the Committee on Banking and Financial Services and the Committee on Appropriations of the House of Representatives authorize the Bureau of Engraving and Printing, in writing, to proceed with the award of Solicitation No. BEP–97–13 (TN).

(b) The Bureau of Engraving and Printing may extend the distinctive currency paper ''bridge'' contract (TEP–97–10) up to 6 (six) months beginning on the date the contract expires, if, by such date, the Congress has not authorized the awarding of a new contract or if the Congress takes action based on the report submitted by the General Accounting Office pursuant to section 9003(a) of Public Law 105–18. The Bureau of Engraving and Printing must notify Congress prior to taking any action with respect to the extension of TEP–97–10.

TITLE II—POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, $71,195,000: *Provided,* That mail for overseas voting and mail for the blind shall continue to be free: *Provided further,* That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further,* That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further,* That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1999.

The CHAIRMAN. Are there points of order against that portion of the bill?

If not, are there any amendments?

AMENDMENT OFFERED BY MR. SCHUMER

Mr. SCHUMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHUMER:

Page 2, line 20, insert ''(reduced by $2,000,000)'' after ''$122,889,000''.

Page 2, line 23, insert ''(reduced by $2,000,000)'' after ''$2,000,000''.

Page 11, line 7, insert ''(increased by $2,000,000)'' after ''$530,624,000''.

□ 1215

Mr. SCHUMER. Mr. Chairman, I thank the subcommittee chair and ranking member for their courtesy in helping us bring this amendment forward.

My amendment is simple, Mr. Chairman. Two million dollars was put into this bill for gun dealers who tried and failed to bring foreign-made assault weapons into this country. My amendment gives that $2 million to the Bureau of Alcohol, Tobacco, and Firearms for more law enforcement.

Just so everyone understands, in April the President signed an executive order banning the import of thousands of semiautomatic copycat assault weapons, weapons banned already here, made overseas, that the President said should not be allowed to be imported. These weapons are pictured right here. The President did the right thing. The President stood up to the gun lobby and kept thousands of the most lethal weapons off our streets. I saluted him then, and I salute him now.

But buried in an en bloc amendment, an amendment considered noncontroversial, was a $2 million payoff to a handful of gun importers for 1,700 guns stopped at the border. That is a payoff, Mr. Chairman, of $1,000 a gun for guns that are advertised in a catalog for $250.

Let us not quibble about the price, because, in my view, $1 is too much. Instead, let us talk about the gun dealers who we are bailing out. Let us talk about the gun dealers who skated on the edge of the law to get these copycat assault weapons into the country.

Read this. Our last shipment of Bulgarian stock kits arrived just before the ban direct from Bulgaria. What are they trying to do? Skirt the ban.

Now we are bailing them out. It is unbelievable. They knew what they were doing. They tested the assault weapons law. They tested the regulations. They imported the weapons that look and perform like AK–47s but with minor cosmetic changes to try and skirt the ban. Very clever, very, very clever. But they were caught, and there was an outcry. And the President had the courage to act, and all of us were pleased. Except the NRA and some gun dealers who got stuck with some bad merchandise at the border.

Now, unbelievably, Mr. Chairman, this Congress wants to pay them for their gamble. So many business people have made gambles on far more legitimate enterprises. We are not giving them more money, more money than they paid for these guns, but we are giving these gun dealers it. Shame, shame.

I know what Members will say. They will say, well, the administration signed off on this. Well, I know the real story. Some in this body, the Republican leadership, have the President over a barrel. They threaten to overturn his executive order and flood our streets with assault weapons. Well, I say, let us call the bluff. I say, go ahead, offer an amendment to bring AK–47s into this country. I do not think anyone will do it.

I do not think we want to let the secret out about how this Congress begs and grovels and appeases the gun lobby every chance they get.

They may have the administration over a barrel, but they do not have us, the Members of this Congress, over a barrel. This is a gift. This is a welfare check. Do they want to do welfare reform? Start with the gun dealers.

It is a payoff to those who intentionally, knowingly play to the fringes of the law. They do not deserve a taxpayer bailout. Reject this deal. If we have $2 million to spare, give it to our brave ATF officials who try to get the guns off the streets, instead of to the gun dealers who are trying to import these malicious weapons into our country.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment.

I urge in the strongest possible terms this body to reject this amendment. The compensation provision that is included, the gentleman from New York referred to it as a stealth amendment and an en bloc amendment, it was hardly stealthy. It was worked on at great length by members of the subcommittee and the full committee with the administration.

Let me quote from the administration's Statement of Administration Policy: The administration supports an amendment agreed to in committee that would provide up to $2 million of in-transit relief as compensation for actual losses incurred due to denial of entry of certain assault weapons affected by the determination of the Treasury Department on April 6, 1998.

So let us make no mistake about this. This was agreed to as a compromise with the administration. The question here is not one of gun control. It is not one of gun safety. Those are not in dispute. There is no risk of flooding the United States with so-called assault weapons. The weapons that we are talking about are very few in number, and they are in the custody of the Treasury Department.

For that matter, I think it is important to note that the weapons in question, every one of these weapons could be manufactured and sold domestically. If it is manufactured here in the United States, it can be manufactured and sold legally. We are talking about guns that are being brought in that were being imported, the same guns, and because of a change in the administration policy, they were en route, and now they cannot be sold in the United States.

If anything ever comes to a more clear taking of property at the last moment, this is really about it. These were being imported legally into the United States and were blocked from being sold because they were en route. All that is being dealt with is those that are in transit. Let me just give my colleagues the facts here.

On November 14 of last year, the President announced a temporary ban on the import of certain categories of rifles that were and they remain legal to possess and to manufacture here in the United States. There were a small number of American businesses who

complied with all the relevant laws and were fully entitled to import their goods, and they were left in the lurch. They could neither recover their goods, nor could they reexport them. Even had they done so, there is no foreign market for these specialized collectors' items.

When, following the study announced by the President in November, the Treasury Department determined to make the ban permanent, these businesses were faced with, in some cases, a complete, a total financial loss. The committee believes that such action deprives citizens of their property without just compensation and this measure is designed to rectify that oversight. It is supported by the administration because it deals only with the compensation issue for these people who were legally bringing these guns in this country.

This action does not present any risk of illegal weapons in the United States. It is only a few thousand weapons that are included in this provision. It is strictly limited to those weapons that are legal to manufacture and own here in the United States.

It is specifically limited to those that are affected by the permanent ban. It is specifically limited to those that, as of February 10, 1998, had been conditionally released under bond, under bond to the importers by the Customs Service. And all of these guns are going to remain in the possession of the Treasury Department, of the Customs Bureau.

Third point I would like to make is, this provision does not affect the April 6 determination that this, that the ban on these weapons would indeed be permanent. I would note that there is a precedent for this kind of in-transit relief. In 1994, a previous embargo was placed on a larger quantity of imports of sporting arms from China, and they were compensated. It also would not repeal the April 6 executive order, as I have said, that makes the ban permanent.

Mr. Chairman, this executive order by the President has caused hardship to U.S. importers who possess valid imported permits for legally importable categories of firearms. This would simply undo that action.

It is supported by the administration. It would rectify that, and it is a simple matter of fairness. I urge my colleagues in the strongest possible terms to defeat this very, very unfair amendment.

Mr. NADLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment. I think it is outrageous that this Congress is actually considering paying gun manufacturers millions of dollars because they were caught trying to evade the law and because the Treasury Department has seized the merchandise as contraband.

I know we were told a few moments ago by the honorable gentleman that the poor gun makers, these merchants of death, they are not able to sell these deadly weapons in the country because the administration unfairly seized them without giving them proper notice so we have to compensate them.

We should be punishing them for trying to sell these weapons in this country in the first place, for trying to evade the law. This Republican Congress cannot find a few million dollars for low income heating assistance in the Northeast, but it can find a few million dollars to pay these gun manufacturers.

Now we are told that these gun manufacturers are innocent victims of the administration which put out this executive order and they did not know about it. Well, maybe. Let them sue in court. Is it our normal practice, is it our normal practice in this House that when the Treasury Department seizes contraband at the border and the owner of that contraband claims that he had a legal right to bring it in that we compensate them? Is that what we do?

Or do we say to those people, go to court and make your case in front of a judge, an impartial magistrate? We have a system of justice in this country and if you can convince the judge that you were wronged, then there is compensation or the return of the contraband.

No, it is not good enough for these gun makers. The NRA owns this House, so we have to pay them for it. We have to pay them for it instead of letting them go to court.

I wish the administration had not been so cowardly in making this deal, because they were over a barrel and were threatened that this Congress would overturn the ban on the imports of copycat assault weapons. If I were in the administration, my advice would have been, let them try, make my day. I would love to see what the American people think in November of a Congress that overturns, that passes a special law to say, let the foreign gun makers import their merchandise that they cannot sell in their own countries here. Let them import the copycat assault weapons. But, unfortunately, they did not have that confidence in the judgment of the American people.

Assault weapons are not for sport. They are not necessary to hunt deer or pheasants. They are killing machines. They kill police officers. They kill our young people. They kill our family members. They serve no legitimate purpose in our society, and they should not be permitted here.

The administration should be commended for its executive order. And the authors of this provision ought to think again, what precedent do we want to set when someone tries to import something that our law enforcement agencies say is against the law to import and they disagree? They did not have adequate notice, they say. The law enforcement agency is misinterpreting the law, they think. Should Congress compensate them, or should they go to court and let the courts decide?

I submit that this is a terrible precedent, this provision. The Schumer-McDermott amendment ought to pass. We should not be paying $1,000 a gun to people whose guns have been seized as contraband because they tried to evade the law as it is. If they think the law was unfair or they were not properly notified, let them go to court. Why should we bail them out? The only reason we would even think of bailing them out is because this Congress apparently is a wholly-owned subsidiary of the National Rifle Association.

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

Mr. NADLER. I yield to the gentleman from New York.

□ 1230

Mr. SCHUMER. Mr. Chairman, I thank the gentleman for yielding to me, and I would just make another point. The $2 million in this bill only goes to 3 or 4 gun importers for approximately 1700 guns. They will be getting, again, $1,000, over $1,000 for each gun that retails for $250. If there was ever a giveaway, on any fiscal basis, this is it.

Mr. NADLER. Reclaiming my time, Mr. Chairman, we hear a lot of rhetoric in this House about cracking down on crime. In 1994, a Democratic Congress cracked down on crime. It passed a bill to put 100,000 new cops on the beat, to crack down on violence against women, and to enact the assault weapons ban. Now we see what the Republican leadership is trying to do: Let us take back those steps one by one and let us make sure that these three companies, who tried to evade the law, get paid without a court date.

Mr. COBURN. Mr. Chairman, I move to strike the requisite number of words.

First of all, we just heard some significant misstatements of fact. These companies did not violate the law. In fact, the law was changed in the midst of them carrying out their right to carry on a business. And the fact that the administration, who changed the law, concurs that this is a fair and proper thing to do, would also counter the argument that this is something that they did not agree with when, in fact, it was carried out.

So although I can understand the gentleman's lack of understanding of firearms and understand their feelings on firearms, which I respect totally, we should stay with the facts. These are not bad Americans. They are Americans doing things totally within the limits of the law. And to characterize them as someone other than that is unfair.

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

Mr. COBURN. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I thank the gentleman for yielding, and will give the time back if he wants to followup. The gentleman from Oklahoma

makes one point very well, and that is the previous speaker, the gentleman from New York, referred to these people as people who were evading the law. They were not evading the law. They were complying with the law. The administration changed the law through its Executive Order.

The second misstatement. He referred to them as manufacturers. They are not manufacturers. These are people that import goods. Whether they import guns or they import television sets or they import dolls or they import shirts, they are importers. They are not manufacturers of these guns.

And the third point I would make is the gentleman referred to the fact that we should not sanction these people getting around the rule of law. Well, if we are going to talk about the rule of law, how about the Gun Control Act of 1968? That is where Congress established which the last I heard Congress was the law making body of this country, the definitions of permissible guns in the United States that could be sold and manufactured in this country.

So I would suggest that it is the administration who was evading the law with this Executive Order. Nonetheless, that is the reality. And even the administration, a little bit embarrassed by what they have done, recognizes there should be compensation for these people who were acting lawfully when they brought these guns to the United States.

The last point I would make, in response to what the other gentleman from New York, from Brooklyn, said, when he referred to this being a $2 million boondoggle for all of these importers. It does not mean all this money is going to go to them. It is only going to go to them as these guns are purchased. It is up to $2 million. And if it is not used for that purpose, then, fine, it will be reprogrammed for other purposes.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I share the chairman's position on this but not his passion.

A, not only should the President of the United States not be embarrassed, every American ought to thank the President of the United States for standing up to make our streets safer, for taking on some very powerful interest groups to try to save children, save police officers, save our fellow neighbors. That is what the President of the United States is trying to do, and he ought not to be embarrassed, and is not embarrassed for one second, in his efforts to try to do that.

I supported that ban. I supported the assault weapons ban when we passed it in the House and sent it over to the Senate, and I support it today. The administration not only ought not to be embarrassed but ought to be congratulated because they are bending over backwards to be fair. Some think they are bending over too far. I do not agree with my friends who think that. Because what the administration is really saying is our effort is to make streets safe, not to hurt American businessmen, even when they tried to beat the ban. That is what the gentleman from New York was pointing out; that the ads were, ''Get in before you can't get in; before they stop this, because there is a time frame.''

So I say to my friends on both sides of this issue, both sides are right. They were doing something legal and, therefore, I disagree with my friend from New York. They knew, however, as both of my friends from New York indicate, that it was not going to be able to be done pretty soon and that they needed to get in before the deadline. So, yes, there was a little bit of wrongdoing on their part trying to beat the ban.

The fact of the matter, however, and what the administration has said, and why I oppose the amendment and support the chairman's position, is that, look, we understand that the import was legal and we understand when it got here we stopped it. And by the way, it is in the importer's warehouse at this point in time, at their expense. But there are some who wanted to let those guns go on the street. That was the alternative, the amendment that was going to be offered. Let them go. Let 1700 AK–47s and assault weapons on the street.

The administration said we are not for that. We are not going to support that. We will fight that. So we made an accommodation. But the administration said, on the other hand, we understand these have been paid for, so we will purchase these guns and we are going to melt them down so they will never be used to assault anybody.

Now, I want to reiterate, however, for my friends from New York, the chairman's point. It is ''up to $2 million''. And, in fact, the administration, as I understand it, believes that we are going to be talking about, perhaps, for 1900 rifles and 100 receivers, $237,432. I do not know that, and they do not know that. So this sum that was put in here is a sum that is ''up to'' available for this purchase.

So, in closing, I want to make a number of points. One, the administration stood up courageously on behalf of the safety of our streets and communities and said this is not the kind of weapon we want imported into the United States and we are going to stop it. And they have.

Secondly, they have now said, but those who were caught in the transition, for whatever reason, we are not going to make that judgment, but if they were caught in the transition, we will not penalize them financially. And so we will agree to, reluctantly, this was not their initiative, this was not their action, reluctantly agreed to by the administration, to provide for funds to purchase these weapons and, frankly, to destroy these weapons.

So I, frankly, think that under those circumstances, while I certainly appreciate the gentleman from New York (Mr. SCHUMER), there has been nobody in this Congress who has been any more committed, focused, and hard working on the issue of making America's streets safer than the gentleman from New York, and we can all applaud and thank him for that effort, on the other hand, the administration is saying we are not against businessmen, we are against guns. We are for the safety of our streets.

I will, therefore, oppose the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. SCHUMER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SCHUMER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on this amendment are postponed.

Are there further amendments?

PARLIAMENTARY INQUIRY

Mr. SCHUMER. Point of order, Mr. Chairman.

The CHAIRMAN. Yes.

Mr. SCHUMER. Are we going to get a recorded vote on this? I do not mind if they roll it.

The CHAIRMAN. The demand for a recorded vote has been postponed.

Mr. SCHUMER. What does that mean?

The CHAIRMAN. Under the rule, the Chair will postpone the request for the vote and that will come up at a later point.

Mr. SCHUMER. Parliamentary inquiry again.

The CHAIRMAN. The gentleman will state it.

Mr. SCHUMER. Under the rule, then, that means that the counting for a quorum would be done at a later time, even though the call for the vote was right now?

The CHAIRMAN. A Member could invoke that point of order at the later proceedings, at what is considered a later point.

Mr. SCHUMER. Just another point of parliamentary inquiry. Have we ever done that before? I know we roll votes routinely.

The CHAIRMAN. Yes.

Mr. SCHUMER. Okay.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

I want to tell the gentleman from New York, and I want to tell the Members, that I know the gentleman is worried that he may not be on the floor when it comes up. I will protect the gentleman from New York on this and we will have a vote on it, because I will protect him if, per chance, he is not on the floor to make the point of order at that time.

Mr. SCHUMER. Mr. Chairman, I thank the gentleman. As always, he is fair, judicious and a great American.

Mr. HOYER. Well, there is obviously unanimous agreement on that issue, I suppose.

The CHAIRMAN. Are there further amendments?

If not, the Clerk will read.

The Clerk read as follows:

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102; $250,000: *Provided,* That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code: *Provided further,* That none of the funds made available for official expenses shall be considered as taxable to the President.

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); and not to exceed $19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; $52,344,000: *Provided,* That $10,100,000 of the funds appropriated shall be available for reimbursements to the White House Communications Agency.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, $8,061,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109, 110, and 112–114: *Provided,* That such amount shall not be available for expenses for domestic staff overtime.

In addition, for necessary expenses for domestic staff overtime, $630,000: *Provided,* That such amount shall not become available for obligation until the Comptroller General of the United States submits to the Committees on Appropriations a final report on (1) the audit of fiscal year 1996 unvouchered expenditures of appropriated funds of the Executive Office of the President; (2) the review of processes and procedures relating to reimbursable activities and obligations of the Executive Residence; and (3) the number and costs, including domestic staff overtime, of overnight stays in the Executive Residence.

PARLIAMENTARY INQUIRY

Mr. HOYER. Mr. Chairman, parliamentary inquiry. Are we reading by paragraph?

The CHAIRMAN. The Clerk is resuming the reading of the bill by paragraph on page 26.

POINT OF ORDER

Mr. HOYER. Mr. Chairman, I understand we are now at page 28, and I rise to make a point of order against a proviso beginning on page 28, line 2 through line 11, because it constitutes legislation in an appropriation bill and, therefore, violates clause 2 of rule XXI.

I ask for a ruling by the Chair.

The CHAIRMAN. For the record, the Clerk will report that paragraph.

The Clerk read as follows:

In addition, for necessary expenses for domestic staff overtime, $630,000.

The CHAIRMAN. Does the gentleman from Arizona desire to be heard on the point of order?

Mr. KOLBE. Yes, Mr. Chairman, on the point of order.

Mr. Chairman, the gentleman from Maryland made a point of order, I believe, against line 2 beginning with ''Provided''.

Mr. HOYER. The gentleman is correct.

Mr. KOLBE. I would insist the point of order lie against the entire paragraph, Mr. Chairman.

The CHAIRMAN. So does the gentleman concede the point of order?

Mr. KOLBE. Mr. Chairman, I insist that the point of order must be against the entire paragraph, not just the proviso portion.

The CHAIRMAN. The gentleman from Maryland.

Mr. HOYER. Mr. Chairman, the money is authorized. The point of order does not lie against the first sentence. In fact, I have raised the point of order as to the proviso that is added, starting with page 28, line 2 through line 11. I would oppose the point of order as it relates to the first part of that provision because a point of order does not lie against it.

The CHAIRMAN. The gentleman from Arizona is entitled to expand the point of order to the entire paragraph.

POINT OF ORDER

Mr. KOLBE. Mr. Chairman, to do it from a correct parliamentary standpoint I would make the additional point of order against lines 1 and 2 on page 28, through line 11 on page 28.

The CHAIRMAN. Does the gentleman from Arizona concede the point of order?

Mr. KOLBE. I make the point of order. I concede the point of order, but I make the point of order against lines 1 through 11.

Mr. HOYER. Mr. Chairman, I believe that a point of order is pending before the Chair. That point of order was made by me, and that point of order relates to line 2, starting with ''Provided'' and ending on line 11, concluding with ''Residence.''

The CHAIRMAN. The Chair will state to the gentleman from Maryland that any Member can raise a point of order against the entire paragraph.

Mr. KOLBE. That is what I am doing, Mr. Chairman.

The CHAIRMAN. That is what the gentleman from Arizona is doing at this time.

Mr. HOYER. Mr. Chairman, I rise in opposition to the point of order as it relates to the first sentence.

The CHAIRMAN. Does the gentleman wish to argue further on the point of order that has been raised by the gentleman from Arizona?

Mr. HOYER. Yes, Mr. Chairman, absolutely.

The CHAIRMAN. The gentleman is recognized.

Mr. HOYER. Mr. Chairman, the point of order that I raised said that line 2, starting with ''Provided'', down to line 11, concluding with ''Residence'', is legislation on an appropriation bill and it is, therefore, subject to a point of order because it violates clause 2 of rule XXI. However, the chairman now seeks to expand upon the point of order I have made by including in the ambit of that point of order the first sentence. The first sentence reads, ''In addition, for necessary expenses for domestic staff overtime, $630,000.''

I would suggest to the Chair that a point of order does not lie against that inclusion because it is, in fact, authorized.

□ 1245

And it is not legislation on an appropriation bill, it is an appropriation to an objective which is consistent with the rules providing for the Committee on Appropriations report to make such appropriations as it deems appropriate for such objectives as it provides.

My point being that I raised a proper point of order and the Chairman seeks to add something thereto which is not subject to a point of order.

Mr. KOLBE. Mr. Chairman, may I be heard on my point of order?

The CHAIRMAN (Mr. DREIER). The gentleman from Arizona (Mr. KOLBE) is recognized.

Mr. KOLBE. Mr. Chairman, I would make the point, as the Chair correctly said, a Member may expand a point of order. It is correct that an individual may make a point of order against certain provisions of a paragraph. But if a Member chooses to make the point of order and believes that there is something in that paragraph which is not permissible, under the Rules of the House, the point of order lies against the entire paragraph. And I make the point of order against the entire paragraph and would ask for a ruling.

The CHAIRMAN. The Chair is prepared to rule.

Where a point of order lies on the basis of the proviso, it may be applied against the entire paragraph at the insistence of any Member; and, therefore, the Chair has concluded that the entire paragraph will be stricken from the bill.

PARLIAMENTARY INQUIRY

Mr. HOYER. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. HOYER. Mr. Chairman, I would appreciate it for future reference, as we go through the rest of this bill paragraph by paragraph, and there may be other expansions, can the Chairman focus me on where I ought to look at the rules and/or the precedence for that ruling?

The CHAIRMAN. Page 661 of the House Rules and Manual, clause 2 of rule XXI.

Are there further amendments?

If not, the Clerk will read.

The Clerk read as follows:

REIMBURSABLE EXPENSES

For the reimbursable expenses of the Executive Residence at the White House, such sums as may be necessary: *Provided,* That all reimbursable operating expenses of the Executive Residence shall be made in accordance with the provisions of this paragraph: *Provided further,* That, notwithstanding any other provision of law, such amount for reimbursable operating expenses shall be the exclusive authority of the Executive Residence to incur obligations and to receive offsetting collections, for such expenses: *Provided further,* That the Executive Residence shall require each person sponsoring a reimbursable political event to pay in advance an amount equal to the estimated cost of the event, and all such advance payments shall be credited to this account and remain available until expended: *Provided further,* That the Executive Residence shall require the national committee of the political party of the President to maintain on deposit $25,000, to be separately accounted for and available for expenses relating to reimbursable political events sponsored by such committee during such fiscal year: *Provided further,* That the Executive Residence shall ensure that a written notice of any amount owed for a reimbursable operating expense under this paragraph is submitted to the person owing such amount within 60 days after such expense is incurred, and that such amount is collected within 30 days after the submission of such notice: *Provided further,* That the Executive Residence shall charge interest and assess penalties and other charges on any such amount that is not reimbursed within such 30 days, in accordance with the interest and penalty provisions applicable to an outstanding debt on a United States Government claim under section 3717 of title 31, United States Code: *Provided further,* That each such amount that is reimbursed, and any accompanying interest and charges, shall be deposited in the Treasury as miscellaneous receipts: *Provided further,* That the Executive Residence shall prepare and submit to the Committees on Appropriations, by not later than 90 days after the end of the fiscal year covered by this Act, a report setting forth the reimbursable operating expenses of the Executive Residence during the preceding fiscal year, including the total amount of such expenses, the amount of such total that consists of reimbursable official and ceremonial events, the amount of such total that consists of reimbursable political events, and the portion of each such amount that has been reimbursed as of the date of the report: *Provided further,* That the Executive Residence shall maintain a system for the tracking of expenses related to reimbursable events within the Executive Residence that includes a standard for the classification of any such expense as political or nonpolitical: *Provided further,* That no provision of this paragraph may be construed to exempt the Executive Residence from any other applicable requirement of subchapter I or II of chapter 37 of title 31, United States Code.

SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions; services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; $3,512,000.

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For the care, operation, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the official residence of the Vice President; the hire of passenger motor vehicles; and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $334,000: *Provided,* That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021 et seq.), $3,666,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, $4,032,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, $6,806,000.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles, $28,350,000.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, $59,017,000, of which not to exceed $5,000,000 shall be available to carry out the provisions of chapter 35 of title 44, United States Code: *Provided,* That, of the amounts appropriated, not to exceed $5,229,000 shall be available to the Office of Information and Regulatory Affairs, of which $1,200,000 shall not be obligated until the Office of Management and Budget submits a report to the House Committee on Appropriations and the House Committee on Government Reform and Oversight that: (1) identifies annual five percent reductions in paperwork expected in fiscal year 1999 and fiscal year 2000; and (2) issues guidance on the requirements of 5 U.S.C. §801(a) (1) and (3); sections 804(3), and 808(2), including a standard new rule reporting form for use under section 801(a)(1)(A)–(B): *Provided further,* That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further,* That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further,* That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the House and Senate Committees on Appropriations or the House and Senate Committees on Veterans' Affairs or their subcommittees: *Provided further,* That the preceeding shall not apply to printed hearings released by the House and Senate Committees on Appropriations or the House and Senate Committees on Veterans' Affairs.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public Law 100–690; not to exceed $20,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; $36,442,000, of which $17,000,000 shall remain available until expended, consisting of $1,000,000 for policy research and evaluation and $16,000,000 for the Counterdrug Technology Assessment Center for counternarcotics research and development projects: *Provided,* That the $16,000,000 for the Counterdrug Technology Assessment Center shall be available for transfer to other Federal departments or agencies: *Provided further,* That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Office.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $162,007,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which no less than $81,007,000 shall be transferred to State and local entities for drug control activities, which shall be obligated within 120 days of the date of enactment of this Act and up to $81,000,000 may be transferred to Federal agencies and departments at a rate to be determined by the Director: *Provided,* That funding shall be provided at no less than the fiscal year 1998 level for those High Intensity Drug Trafficking Areas that had been designated by the Director of the Office of National Drug Control Policy on or before February 2, 1994: *Provided further,* That any new High Intensity Drug Trafficking Areas to be designated shall be funded from within the existing appropriation for this account.

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities to support a national anti-drug campaign for youth, and other purposes, authorized by Public Law 100–690, as amended, $215,000,000, to remain available until expended: *Provided,* That such funds may be transferred to other Federal departments and agencies to carry out such activities: *Provided further,* That, of the funds provided in this paragraph, $195,000,000 shall be to support a national media campaign to reduce and prevent drug use among young Americans: *Provided further,* That none of the funds provided for the support of a national media campaign may be obligated for the following purposes: to supplant current anti-drug community based coalitions; to supplant current pro bono public service time donated by national and local broadcasting networks; for partisan political purposes; or to fund media campaigns that feature any elected officials, persons seeking elected office, cabinet-level officials, or other Federal officials employed pursuant to Schedule C of title 5, Code of Federal Regulations, section 213, absent advance notice to the Committees on Appropriations and the Senate Judiciary Committee: *Provided further,* That

funds provided for the support of a national media campaign may be used to fund the purchase of media time and space, talent reuse payments, reimbursement of out of pocket advertising production costs for agencies that provide all creative development on a pro bono basis, and the negotiated fee for the contract buying agency: *Provided further,* That the Director of the Office of National Drug Control Policy shall report to Congress quarterly on the obligation of funds as well as on the specific parameters of the national media campaign, and shall report to Congress within one year on the effectiveness of the national media campaign based upon the measurable outcomes provided to Congress previously: *Provided further,* That, of the funds provided in this paragraph, $20,000,000 shall be to continue a program of matching grants to drug-free communities, as authorized in the Drug-Free Communities Act of 1997.

PARLIAMENTARY INQUIRY

Mr. NEUMANN. Mr. Chairman, it is my understanding that we are now on page 37 and 38?

Mr. HOYER. Point of order, Mr. Chairman.

Mr. NEUMANN. I would like to raise a point of order against the $2.25 billion for Year 2000.

The CHAIRMAN. The gentleman from Wisconsin (Mr. NEUMANN) will suspend.

The Clerk will resume reading.

Mr. HOYER. Reserving the right to object.

The CHAIRMAN. If the gentleman will suspend, the Chair wishes to resume reading on page 37 of the bill.

Mr. HOYER. No, sir. The Clerk has read ''unanticipated needs.'' The Clerk read, and I will ask the RECORD be read back if necessary, but the Clerk has read ''unanticipated needs.'' We have passed the paragraph to which the gentleman from Wisconsin (Mr. NEUMANN) seeks to address.

The CHAIRMAN. The Chair believes that inadvertently a paragraph on page 37 was not read. So the Chair wishes to have the Reading Clerk proceed with the reading of that paragraph.

Mr. HOYER. Reserving the right to object or state a parliamentary inquiry, Mr. Chairman.

I have been following pretty closely. I do not know what paragraph was inadvertently not read. And perhaps, we have the RECORD here, and I am sure we can review it again paragraph by paragraph.

The CHAIRMAN. The Chair has been advised by both the Reading Clerk and the Parliamentarian that that paragraph was inadvertently not read.

Mr. HOYER. Which one?

The CHAIRMAN. On page 37, beginning on line 10.

The Chair will call on the Reading Clerk to proceed with the reading of that paragraph.

Mr. HOYER. Mr. Chairman, I withdraw the objection. My staff advises me that the Chair is correct, and I will withdraw.

The CHAIRMAN. If the gentleman would suspend until the Reading Clerk proceeds with the reading on page 37.

The Clerk read as follows:

INFORMATION TECHNOLOGY SYSTEMS AND RELATED EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For emergency expenses related to Year 2000 conversion of Federal information technology systems, and related expenses, $2,250,000,000, to remain available until expended: *Provided,* That these funds may be transferred to any other accounts, except within the Department of Defense, to carry out Federal governmental activities necessary to meet the requirements of such systems and expenses: *Provided further,* That the entire amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further,* That the President's request shall specifically identify agencies, accounts, programs, projects and activities to be funded and no funds shall be available until 15 days after the submission of the request: *Provided further,* That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further,* That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period as the appropriation to which transferred: *Provided further,* That such transfer authority shall be in addition to any other transfer authority available.

POINT OF ORDER

Mr. NEUMANN. Mr. Chairman, I would like to make a point of order against the portion of the bill beginning on page 37 line 10 and continuing through page 38 line 14.

The CHAIRMAN. The gentleman will state his point of order.

Mr. NEUMANN. I do not believe this is authorized; and, therefore, it should be subject to a point of order and should be stricken from the bill.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Mr. HOYER. Mr. Chairman, on the point of order, this was included in the bill at the insistence of the chairman of the subcommittee and the chairman of the committee for the purposes of providing for the emergency that they foresaw with respect to effecting a solution to the problem of our computers working after January 1, 2000.

In that context, it was judged to be an emergency and critically important to be included in this bill so that the objectives of this bill and every other bill other than the defense bill could be ensured to be carried out in the next millennium.

I would hope that the Chair, realizing the critical nature of this provision, therefore, might find that in fact it was in order.

The CHAIRMAN. The Chair is unaware of any statutory authorization for the funds in the paragraph and, therefore, sustains the point of order of the gentleman from Wisconsin (Mr. NEUMANN). The paragraph is stricken from the bill.

Are there further amendments?

If not, the Clerk will read.

The Clerk read as follows:

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year, $1,000,000.

POINT OF ORDER

Mr. COBURN. Mr. Chairman, I make a point of order against the portion of the bill beginning on page 38 line 15 and continuing through line 21 of the same.

The CHAIRMAN. The gentleman will state his point of order.

Mr. COBURN. This is, I believe, to be unauthorized and legislating on an appropriations bill.

The CHAIRMAN. Does any Member wish to be heard in opposition to the point of order raised by the gentleman from Oklahoma (Mr. COBURN)?

Mr. KOLBE. Yes, Mr. Chairman, just simply to say that I would concede that this is not authorized and, therefore, is subject to being stricken on a point of order under the rule that we have adopted, much to my regret.

Mr. HOYER. Mr. Chairman, I would join my friend the gentleman from Arizona, the chairman, in saying that the gentleman from Oklahoma (Mr. COBURN) raises correctly a point that can be raised against about 70 percent of the bill that remains.

The CHAIRMAN. The Chair wishes to inquire of the gentleman from Oklahoma (Mr. COBURN) if he simply wanted to include lines 15 through 19 or if in his point of order he also wanted to include lines 20 and 21?

Mr. COBURN. Mr. Chairman, I stand corrected. It is 15 through 19.

The CHAIRMAN. The point of order is conceded and sustained, and that paragraph is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

This title may be cited as the ''Executive Office Appropriations Act, 1999''.

TITLE IV—INDEPENDENT AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by the Act of June 23, 1971, Public Law 92–28, $2,464,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, $33,700,000, of which no less than $4,402,500 shall be available for internal automated data processing systems, and of which not to exceed $5,000 shall be available for reception and representation expenses: *Provided,* That of the amounts appropriated for salaries and expenses, $1,120,000 may not be obligated until the Federal Election Commission submits a plan for approval to the House Committee on Appropriations for the expenditure of such funds.

AMENDMENT OFFERED BY MRS. MALONEY OF NEW YORK

Mrs. MALONEY of New York. Mr. Chairman, I offer an amendment.

Mr. KOLBE. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The point of order is reserved.

The Clerk read as follows:

Amendment offered by Mrs. Maloney of New York:

Page 39, line 13, insert after ''$33,700,000'' the following: ''(increased by $2,800,000 to be used for enforcement activities)''.

Page 40, line 25, insert after ''$482,100,000'' the following: ''(reduced by $2,800,000)''.

Page 41, line 22, insert after ''$5,626,928,000'' the following: ''(reduced by $2,800,000)''.

Page 46, line 21, insert after ''$2,583,261,000'' the following: ''(reduced by $2,800,000)''.

Page 48, line 23, insert after ''$5,626,928,000'' the following: ''(reduced by $2,800,000)''.

Mrs. MALONEY of New York. Mr. Chairman, I rise in support of this amendment which will give the Federal Election Commission an additional $2.8 million, bringing its total budget to $36.5 million. This is the full amount requested in the President's budget. This amendment is sensible. It is a proposal that simply gives the Federal Election Commission the resources it needs to do the job to efficiently enforce the laws that we create.

All throughout the campaign finance reform debate we have heard opponents of reform argue that we do not need any new laws, we just need to enforce the laws that are on the books. But those same opponents of reform are reform refuse to fully fund the Federal Election Commission. The FEC is the only bipartisan agency empowered to enforce our campaign finance laws. It is the watchdog which polices our elections.

□ 1300

It is the only government center that compiles information on campaign contributions and expenditures.

But many Members of this House would like to see the FEC become a toothless tiger incapable of enforcing any laws. There was even an effort to change the whole structure in the FEC of how they hire and fire personnel.

Mr. Chairman, I serve on the Committee on Government Reform and Oversight which, along with the Senate Governmental Affairs Committee, has spent over $7 million on a partisan investigation of the Clinton administration. By contrast, during the last year the Federal Election's General Counsel's Office spent only 6 and a half million dollars enforcing the law, and the FEC is responsible of investigating all elections in this country, not just the presidential race. So we see this body empowering committees to spend more than the entire FEC on investigating President Clinton, but they will not fund it to the level that they say they need to do an appropriate job.

Opponents of the FEC like to argue that since 1990 funding for the agency has increased. This statement is only partially true. On paper, funding for the FEC has increased, but in recent years Congress has fenced off large portions of their budget for use of modernization of computers. Congress has specifically told them that they cannot use the money for investigations. When we consider the fact that the total amount of money available to the FEC for enforcement and disclosure has more or less remained constant over the last 4 years, yet the work load has increased dramatically and the total number of staff that the FEC has been able to hire has actually gone down, and while the FEC resources have stayed constant or decreased, campaign spending has increased astronomically. In fact, since 1990 campaign spending has gone up 146 percent, cases in which the FEC has determined that there is a sufficient evidence of wrongdoing to conduct an audit have gone up 110 percent, and total itemized transactions, and here I mean the total number of contributions which the FEC records in its data base, have gone up by 157 percent. So, even if the FEC's budget has gone up, it has clearly not gone up enough to keep pace with the explosion in campaign spending and alleged abuses. So the argument that the FEC's resources have kept pace with the work load is simply not supported by the facts.

Mr. Chairman, in conclusion I would like to really thank the gentleman from Kansas for his work on this issue and for offering this amendment, and I hope that all Members will support it. If we are serious about campaign finance reform, then all Members in this body should join us in this effort to fund the FEC at the level that they feel is necessary to enforce the laws that are on the book.

Mr. SNOWBARGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, just very briefly; I do not want to go through all of the arguments that my colleague from New York (Mrs. MALONEY) has already gone through, but I do think it is important, as we are in the current debate on campaign finance, as we go through the debate on campaign finance throughout this year, I think one point that has not been made in any of the bills that had been talked about very widely in the press, and that is the issue of enforcement.

Now I know there are a lot of complaints about the FEC and the way they do their job. Those may be very valid points. The issue here is though we only have one law enforcement agency in the area of campaign finance, and that is the Federal Election Commission. Right now one stands a 7-in-10 chance of not having any action taken good against them if the FEC has a report against them. It seems to me that enforcement of campaign finance laws is as important, enforcement of the current laws is as important, as trying to change the law which will have no better enforcement.

If we truly have concerns about the FEC, if we have concerns about the way they do their job, if we do not think they can do the job any more, let us deal with that, and let us replace them. But right now they are the only law enforcement agency, and I think that they need to have the proper funding as well as the proper personnel to do the job.

Mr. KOLBE. Mr. Chairman, I continue to reserve my point of order.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that in the words of the gentleman that just preceded me to give the enforcers the right to enforce and the wherewithal to enforce is a great proposition if there were adequate, competent and reasonable enforcers; or certainly if they were fair enforcers. But, unfortunately, I do not think any of that is the case when we are talking about the Federal Election Commission.

The Federal Election Commission has not done an adequate job since I have followed their activities over the last 10 or 15 years.

I can remember when it used to allow its General Counsel into the deliberations, and the court ruled that the commissioners should stop that, and then they did not stop it. I can remember when one former senator, who was a former Member of this House as well, who had a case before this commission, and somehow he got an appointment as an ex officio member of the Federal Election Commission and sat in on the deliberations even though he had a case pending. I can remember when Federal Election Commission officers and maybe Commissioners traveled to the Democrat National Convention in August of 1996, presumably on taxpayers' dollars.

Year after year they hire a press office of about five people to turn out press releases complaining that we are holding down their budget, and yet since 1991 we have increased their budget by 85 percent. Funding for the Office of General Counsel has increased by 88 percent. Before 1998, the staff had grown by roughly 30 percent. Salaries and benefits, up 57 percent. Cash awards, up 191 percent. Travel, up 75 percent. Audit divisions, up 100 percent. And yet while the money is still coming in for these great enforcers, they drop backlog cases.

In fact, just a month or two ago we saw where they dropped well over a hundred cases because they did not, could not, get around to them. In 1993, they dropped 130 backlogged cases, and I think since then there have been a couple other instances where they have just not gotten around to enforcement.

What I worry about when we talk about the Federal Election Commission is, A, they are not fair, but, B, they micromanage the campaigns of the people who are genuinely trying to follow the law and discourage good people from running for office and, at the same time, ignoring the infractions of the people that deserve investigations.

In fact, as recently as July 13, 1998, about three or four days ago, the lead editorial in the Wall Street Journal, Mr. Chairman, talks about how the Federal Election Commission simply did not do their job in an investigation

of the Democrat National Committee. So the Federal judge had to weigh in and virtually condemn them for not having done the job. I quote: ''U.S. District Judge Stanley Sporkin ruled the FEC had inexplicably waited 15 months to dismiss a request to investigate whether the Democrat National Committee and the Clinton-Gore campaign sold seats on the Commerce Department trade missions in exchange for contributions.'' It goes on: ''The FEC responded to Judicial Watch, a civic inquiry group, in December 1977 by closing the case in light of the information on the record, the relative significance of the case and the amount of time that has elapsed. Judicial Watch challenged the FEC's dismissal, and the judge slammed the FEC for attempting to thwart a review of these charges.''

And they want more money. We gave them $2 million more in funds, taxpayers' dollars, than they had last year, and yet they have the audacity to prevail on Members to come to the floor and say that is not enough. And this amendment would take money out of the GAO, General Accounting Office, that is guarding the taxpayers' funds to put money into this wasteful and inefficient and, I dare say, improper organization.

The fact is this organization has been in place since 1974. The commissioners, many of the commissioners were never replaced.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. LIVINGSTON) has expired.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 2 additional minutes.)

Mr. LIVINGSTON. Mr. Chairman, some of the Commissioners have never been replaced. Even though their terms were renewable, they have been on the commission for some 20 years. We, finally, last year put a term limit on the Commissioners and this year thought it was a good idea to put a term on the General Counsel who apparently has, I only found out subsequently to my filing of the amendment, been in the position for nearly 11 years without interruption.

Now it seems to me that if term limits are good for, according to some people, Members of Congress, and I disagree with that because I think the ballot box is a great term limit for elected officials. But, if it is good for committee chairmen and subcommittee chairmen, as appointed officials within this House of Representatives, and it is good for various other executive agencies, then it is good for the Federal Election Commission. And maybe that person who has made life tenure out of serving in that position, I say albeit not altogether fairly, should be up for review as to whether or not he should continue to hold his office. These are legitimate questions I have.

We tried to fence money for years to compel the Federal Election Commission to upgrade its computers. They were using equipment that went back 25 years, ancient technology. And they wouldn't do it. Finally, we just made them do it, and they were forced to upgrade their technology.

They are beginning to come into the new technological world, but they have not demonstrated a need for additional moneys. They have not demonstrated that they will utilize those funds fairly and appropriately, and until they do I am not prepared to vote an extra $2.8 million for them. In fact, I urge Members to reject this amendment soundly and send the FEC back to improve the job that they should be doing.

The CHAIRMAN. Does the gentleman from Arizona continue to reserve his point of order?

Mr. KOLBE. Mr. Chairman, I withdraw my point of order, but I do seek to speak against it.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I really think this amendment is big spending at its very worst. As the distinguished chairman of the full committee has pointed out, the FEC's budget has grown by 85 percent since 1991. The President is requesting an additional 15 percent for the forthcoming year, 1 year, and that is what this amendment would provide.

We have recommended in our bill, we have $33.7 million for the FEC in fiscal year 1999. That is an increase of 9 percent, more than $2 million over the amount that is available in the current fiscal year. So we gave the President a good more than half of what he thought that this agency should have.

Let us be honest. If we look at any of the spending bills, a 9 percent increase in any spending bill, even those that have as much popular support such as the National Institutes of Health is a large, substantial increase, especially given the budgetary constraints that we are under right now. But to talk of giving an agency and this agency of which against I think there lies serious questions of its management, to talk about giving them a 15 percent increase when we have not really seen the reforms that we think need to be made to this agency, I think it is just unthinkable.

The sponsors of the amendment say they are concerned about the enforcement part of FEC. But I am sure they are aware the committee includes an increase of $1.12 million for enhanced enforcement by the Federal Elections Commission.

□ 1315

So this would add another $2.8 million to the increase that is already in there.

While I certainly agree that enforcement ought to be a top priority of the FEC, and there are clearly some problems as it relates to enforcing our campaign finance laws, and that most lay here at the foot of Congress itself, I do not agree that simply throwing more money at the FEC is the way to fix it.

The fact of the matter is, funding for the Office of General Counsel, which is the enforcement arm of the FEC, has increased even more than the rest of the FEC, slightly more, by 88 percent. Its staffing has increased by more than 28 percent. Surely, given the problems that exist there, I do not think that additional revenue is really going to resolve the problem.

We initiated an independent audit of the Federal Elections Commission, and of its operations and management. The purpose of the audit is to address the issue of resources as it relates to their ability to meet its statutory responsibility. This audit is under way, and we anticipate the results in January of 1999. It will include a thorough review of all of their enforcement activities, including the Office of General Counsel, and I am optimistic that, based on what we find in this audit, we will be in a position to address from an appropriations viewpoint, if the authorizing committees do not, the issues raised by this audit and the issues that have been raised, I think correctly, on this floor for and against additional funding for the Federal Elections Commission. But I do not think we should go with this money, on top of the money we are already increasing their budget by, until we at least are able to see how these concerns bear out in that audit.

Mr. Chairman, I would urge my colleagues to defeat this amendment. We have done the best we can, given the resources we have. This additional increase will take severely from some other areas that I know are important to other Members, including maintenance and rehabilitation of buildings. So I would urge the defeat of the amendment.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thank the gentleman and would rise in support of this amendment. I thank the gentlewoman from New York, who has been such a tenacious spokesperson on behalf of monitoring and ensuring fair elections in America. Her leadership on this issue has been outstanding, and all of America owes her a debt of gratitude.

Mr. Chairman, first of all, let me say that we ought to clarify what this amendment does. The chairman of the committee indicated it took it from the General Accounting Office. That was incorrect. The chairman made a mistake. It is out of the General Services Administration. I am not for reducing those accounts, but this particular account that is being reduced is over, I think, $2.3 billion, and this takes $2 million out of it. So it is a minor nick at best on the particular accounting question.

Having said that, the gentleman from Kansas, who is the cosponsor of this amendment, observes that we obviously feel in this country there are substantial problems with elections.

Over $1 million was spent, not just by the committee, but by the parties involved, on one congressional election during this Congress, $1 million, 1/34th of the dollars in this bill for FEC. That did not include the President or any of the other Federal races, United States Senate or House Members, other than that one race.

This Congress has spent, and you can get all sorts of estimates and I will not say which one is precise or not, but anywhere between $10 million and $40 million, a pretty broad spectrum, looking at the Presidential race alone. Just one race. We ask the FEC to look at essentially thousands of candidates to ensure that they are complying with the laws this Congress adopted to ensure that Americans have fair elections.

Now, the gentlewoman's amendment and the gentleman from Kansas's amendment takes the FEC from the $34 million-plus that we have incorporated in this bill to the $36 million-plus that was the request of the administration. Some would argue pretty strenuously that that was insufficient in and of itself. Why? Because the dollars involved in campaigns has escalated geometrically. We all know that. Just taking House races alone, where the average expenditures have gone in the last 20 years from probably less than $300,000 to, for the most part, close to $1 million, that is three-and-a-half times in 20 years.

The number of candidates is rising. I am not sure that is true this year on House races off the top of my head, but we know over the last 6 years, the number of candidates has escalated very substantially.

The FEC has had to dismiss cases. They have had to dismiss cases because they did not have the resources to handle them. So unless they are very serious cases, they have not been able to deal with them. The proposition raised by the gentlewoman from New York and the gentleman from Kansas is that ought not to be, because, if that happens, we cannot ensure fair elections.

Now, I understand the chairman of the committee feels strongly that the FEC does not do its job properly. I understand his premise. I also understand his premise when he talks about the length of service by some Commissioners. I think he makes a good point. I am not for term limits, as the chairman is not for term limits, but we did not raise a whole lot of stuff about his provision last year.

But I would hope that every Member of the House on either side of the aisle would look at this amendment in the context of what we are trying to do in America to ensure that funds are raised properly, spent properly, and administered properly.

I hear in one-minutes, in special orders and in debate on this bill and other bills many, many members of the majority party getting up and saying how awful it is that we do not know exactly what happened in the elections in terms of raising money from foreigners, from domestic people, soft money, hard money, whatever. Well, my friends, if you really want to get at it, this is where we have set up in law to do it. And to say on the one hand you want to get at fair elections and on the other hand undercut the resources of the agencies that Congress has established to accomplish that objective I think is problematic at best. So I would urge my friends to adopt this amendment, and congratulate my colleagues for offering it, and hope that the House will adopt it.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my friend from Arizona earlier described this amendment as ''big spending at its worst.'' This amendment adds a couple of million dollars to the Federal Elections Commission budget for the purpose of increasing their capacity to protect the integrity of what is left of our campaign finance laws.

I would suggest that that is not quite the case. I think big spending at its worst is the rampant cancerous use of soft money to obliterate intelligent debate in political campaigns. I think the big spending at its worst is the use of phony so-called issue advocacy ads or phony independent expenditures, whether it be by labor or by big business or by single interest groups, to influence elections, all the while pretending that they are not involved in elections at all. I think that is what is big spending at its worst, and this money is just a tiny effort to control that big spending at its worst.

I would also say that it is, at least to me, apparent what the agenda of the majority party is in this case. They have been engaged in a year-long defense of the status quo on campaign finance laws, and they have been systematically attacking the agency which is trying to preserve the integrity of what is left of the existing campaign laws. They 2 years ago term-limited the FEC so that there is no institutional memory or in the future will be no institutional memory at that body.

They are now trying to make certain that the Federal Elections Commission looks more like a pussycat than a tiger, and what they want to do is make certain that they can intimidate the executive director into not antagonizing anybody in order to assure that he can be reappointed.

It is clear to me that there is great resentment on the other side of the aisle because the Federal Elections Commission has the temerity to dig into the activities of the use of the Republican Party of GOPAC, which contains, in my view, some of the most socially irresponsible and, at the same time, richest people in America, to influence the economic agenda of this Congress. They are unhappy because the FEC is having the temerity to examine those linkages.

It just seems to me that the choice is clear: If you want to continue the status quo, if you want to continue to have a crippled FEC, vote against the amendment. If you want to cast a vote in favor of the public interest, if you want to cast a vote in favor of giving the Federal Elections Commission the additional tools it needs to see to it that everyone is policed more adequately, then vote for the amendment.

The issue is clear, and no rhetoric to the contrary will confuse the public on this question.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mrs. MALONEY of New York. Mr. Chairman, will the gentleman yield?

Mrs. LOWEY. I yield to the gentlewoman from New York.

Mrs. MALONEY of New York. Mr. Chairman, I would like to thank the gentlemen from the Committee on Appropriations from the minority side for their very strong statements and really to rise in support of their statements and respond to some of the words on the other side of the aisle, where one of my colleagues on the other side of the aisle accused the FEC of being partisan. Yet a study by the Conservative Fair Government Foundation found that ''partisan favoritism is absent'' at the Federal Election Commission. In fact, in this study, and I would be glad to give it to my colleagues, it showed that they had, in fact, investigated more Democrats than Republicans. Yet there is no doubt that the need for more spending at the FEC is needed because of the spending in campaigns and the allegations that have come to them.

Campaign spending, as my colleagues have pointed out, has gone up 146 percent, referrals of audits have gone up 110 percent and itemized transactions to be processed have gone up 157 percent, so they need this money.

As my distinguished colleague, the gentleman from Maryland (Mr. HOYER) pointed out, whether it is the $6 million that has been spent in the Committee on Government Reform and Oversight investigating President Clinton, or the monies that have been spent in others, I have seen everything from $30 to $50 million in investigations in committees in this body, some of which only subpoena Democrats, only investigate Democrats, at least at the FEC they investigate both parties, all people who run, Democrat, Independent, Republican.

There have been some concerns that the majority party has been trying to destroy the FEC, and I will at this point put in the RECORD editorials that have appeared across this country.

[From Roll Call, June 11, 1998]

MICRO-MUZZLING

Congress is at it again, trying to throttle the Federal Election Commission, the weak watchdog it created to regulate campaign finance. As spending and contribution levels soar and crafty political operatives invent new loopholes to skirt finance laws, Congress regularly keeps the FEC on a bare-subsistence diet, unable to keep up with the action.

Now, in a simultaneous act of micro-management and muzzling, House Republicans seem bent on firing the commission's general counsel, Lawrence Noble.

Under current law, it would take a four-member majority of the six-member FEC to oust Noble. The commission is evenly divided, with three Republicans and three Democrats. But last month, the House Oversight Committee approved a bill to require that both the FEC's staff director and general counsel be reconfirmed in office every four years, beginning next January, with a four-vote majority. The bill won't become law, but the Noble ouster may be adopted today as a rider to the Treasury, Postal Service and general government appropriations bill. Disingenuously, backers of the provision say it's not aimed at Noble, just at administratively tidying up the FEC. But everyone knows what's really going on.

Noble, who's in charge of FEC enforcement, has angered Republicans by claiming that the agency, having opened the loophole that allows for unlimited soft-money donations to political parties, has the power to close it. Noble takes an expansive view of FEC posers to regulate issue ads. And he led the way in investigating the 1996 Dole campaign's management of Republican party advertising, which led to a hefty fine. To his credit, he also is reliably reported to be investigating the even more blatant and extensive White House use of Democratic National Committee funds to run ads boosting President Clinton.

For Congress to be deciding who serves as general counsel of the FEC would be like allowing the AFL–CIO to name (and fire) the chairman of the National labor Relations Board or for the Chemical Manufacturers Association to pick the head of the Environmental Protection Agency. Already, politicians appoint the members of the commission. The equal partisan division of the commission ensures that it can't be wildly aggressive or overly partisan. Having created the commission, Congress ought to let it pick—and keep—its own general counsel.

In addition, it's time for Congress to quit hog-tying the agency with limited funds and then complaining it has to perform triage on the cases it investigates. Last year, the FEC dismissed 55 percent of its cases as ''low rated'' or ''stale'' in order to concentrate on higher priorities and to clear its backlog. Fundraising by House and Senate candidates during the first 15 months of the 1997–98 election cycle was up by 14 percent over the same period in 1996, yet House Oversight cut the FEC's budget authorization from a requested $36.5 million to $33.7 million.

It's time for Congress to strengthen federal campaign laws and the FEC, not sneakily undermine them.

[From The New York Times, June 11, 1998]

PUNISHING COMPETENCE AT THE F.E.C.

At a time when Congress should be moving aggressively to strengthen the Federal Election Commission's ability to enforce the nation's campaign finance laws, House Republicans are racing headlong in the opposite direction.

The F.E.C. remains hampered by an inadequate budget, and by a commission structure (three members from each party) that tends toward gridlock. Now a move is afoot to get rid of the agency's evenhanded general counsel, Lawrence Noble, in retaliation for his attempts to enforce the law as written. He is pressing the commission to use its existing powers to bar the huge ''soft-money'' contributions that have corrupted Federal campaigns. He has pursued lawsuits against groups like Gopac and the Christian Coalition for alleged rules violations. The Republican leadership is not happy.

Last month the House Oversight Committee approved a measure proposed by its chairman, Bill Thomas of California, taking aim at Mr. Noble without mentioning his name. Currently, it takes a vote by four members of the commission to appoint or remove a general counsel or staff director. Mr. Thomas's bill would require reappointment to these posts every four years, beginning next year, thereby setting the stage for a Republican coup ousting Mr. Noble. The change is nothing more than an attempt to install a do-nothing enforcement staff. Given Attorney General Janet Reno's lax approach to campaign law, a crippled F.E.C. would guarantee an open field for influence-peddlers and influence-buyers.

A House Appropriations subcommittee is expected to take up this mischievous measure today, with an eye toward adding it as a rider to the Treasury appropriations bill. Reform-minded members from both parties have a duty to oppose this vendetta. President Clinton, meanwhile, who could stand a better image on soft money, needs to make clear that he considers it veto bait.

Mr. Chairman, one of them called it a vendetta by the Republican Party to not fund, to fence the money they have, and to change the whole procedure of firing people at the FEC.

I really want to say that it is the only body that is bipartisan, and, in order to investigate, there must be a majority of all of the commissioners who vote to do so, so it takes the vote of three Republicans and three Democrats to do so. So when they voted to investigate GOPAC, it was not the decision of Democrats, it was a vote by the Republicans and the Democrats on that committee. So there has been much rhetoric on this floor talking about campaign finance reform and the need to ban soft money and to regulate independent expenditures.

□ 1330

The FEC has come forward and made these recommendations. They have recommended to ban soft money and to regulate the independent expenditures, which is the heart of the Shays-Meehan bill that many of us support in this body and are hopeful that we will pass eventually.

But if one is serious about campaign finance reform, then it is important that we fund at a level that they can do their job, the one body that is bipartisan, that is actually empowered to keep records and to investigate, not just one party, but both parties. It is an important body. There have been problems with it.

The chairman mentioned the investigation that was stopped, but that was a criminal investigation. They are not supposed to do criminal investigations. They are only supposed to do civil investigations.

So, again, I would refer to the items I mentioned earlier that show their bipartisan decisions, how they are made by Republicans and Democrats to investigate. There is in this bill, and later on today I will move to strike it, a whole effort, and talk about a toothless tiger, to remove the teeth, to skin it, and make it totally ineffective by making the staff able to be fired by just one party. Now it has to be bipartisan. That would mean that the staff would never investigate anyone again unless they were an independent or in a primary, because they would probably be fired. They would totally declaw the Federal Elections Commission.

So, Mr. Chairman, if we are serious about campaign finance reform, then I hope my colleagues will join us in this bipartisan amendment.

Mr. TIAHRT. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from Louisiana (Mr. LIVINGSTON), chairman of the full Committee on Appropriations.

Mr. LIVINGSTON. Mr. Chairman, I wanted to comment on the points that the gentlewoman that preceded me made. In fact, she said that the Commission has been bipartisan. Well, I do not totally share that view, but that view is shared by one of the experienced attorneys who used to do election law, and in fact, probably still practices election law. One is quoted in the Washington Times on July 14, only a couple of days ago, and his quote is precisely my experience and that is that the Commission tramples on legal and constitutional rights in a bipartisan fashion.

So if they are bipartisan, then they are uniformly in error and in conflict with the Constitution.

But going back to the editorial that I mentioned in my earlier comments in the Wall Street Journal of July 13, I would like to comment on what the gentlewoman said about the fact that the Commission is not supposed to take criminal cases. Let me just read these paragraphs, because I think they are very, very important to understand. The Commission does not treat evidence of those criminal activities in an appropriate fashion.

The editorial says, ''Judge Sporkin has had other tangles with the FEC, including the one in 1986 in which he ruled that the GOP Commissioners had acted contrary to law in closing down a probe of a Republican committee. His current decision goes to the heart of the fears many have about giving the FEC even more power to referee elections. Larry Noble, the FEC's General Counsel, has had great power to decide which political players will be investigated and to push his view that political speech should be regulated. Mr. Noble has been General Counsel since 1987 and keeps his job indefinitely unless a majority of the six highly partisan FEC Commissioners oust him. That means Mr. Noble remains, but since a majority of Commissioners seldom approve his request for prosecution, a kind of permanent gridlock has set in. That means many of the cases the FEC brings are exercises in 'trivial pursuit.' At the same time, the agency's lawyers actually argued,'' and this is the part that gets me, Mr. Chairman, ''the agency's lawyers actually argued before Judge Sporkin that the bribery

allegations'' referred to in this editorial ''involving the Commission trade mission are 'not under the Commission's jurisdiction.' Judge Sporkin was skeptical of that, but indicated that even if that were true, the FEC should have referred the case to the Justice Department. They did not.''

Mr. Chairman, this is a toothless tiger. It is a wasteful agency. It is an agency that takes money from the taxpayer and does not perform the real service that it is intended to perform.

I know my friend, one of the sponsors of the amendment, the gentleman from Kansas (Mr. SNOWBARGER), feels very strongly that we ought to give the enforcers the opportunity to enforce, but I would simply analogize this to saying, well, a policeman is an enforcer, but if he is a bad policeman, we do not give him more money to do a bad job. These people are not doing the job they should. We have already given them a raise. That should be sufficient, and this amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Mrs. MALONEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mrs. MALONEY of New York. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House resolution 498, further proceedings on the amendment offered by the gentlewoman from New York will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 498, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: the amendment offered by the gentleman from New York (Mr. SCHUMER); and the amendment offered by the gentlewoman from New York (Mrs. MALONEY).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. SCHUMER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. SCHUMER), on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 122, noes 301, not voting 11, as follows:

[Roll No. 286]

AYES—122

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barrett (WI)
Becerra
Berman
Berry
Bilbray
Blumenauer
Bonior
Borski
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clyburn
Conyers
Coyne
Cummings
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dixon
Doggett
Dooley
Engel
Eshoo
Evans
Farr
Fattah
Filner
Frank (MA)
Furse
Gejdenson
Gutierrez
Hall (OH)
Hastings (FL)
Hinojosa
Hooley
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Kennedy (MA)
Kildee
Kilpatrick
Kucinich
LaFalce
Lantos
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
Meehan
Meek (FL)
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Poshard
Price (NC)
Rangel
Reyes
Rodriguez
Rothman
Rush
Sabo
Schumer
Scott
Serrano
Sherman
Stabenow
Stark
Stokes
Tauscher
Thompson
Tierney
Torres
Towns
Velazquez
Vento
Waters
Watt (NC)
Waxman
Wexler
Weygand
Woolsey
Wynn

NOES—301

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (CA)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeLay
Diaz-Balart
Dickey
Dicks
Dingell
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fawell
Fazio
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
Martinez
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Minge
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Riley
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Yates
Young (AK)
Young (FL)

NOT VOTING—11

Gonzalez
Hefner
Hill
Kennedy (RI)
Kennelly
McDade
McNulty
Meeks (NY)
Pickering
Roybal-Allard
Slaughter

□ 1357

Messrs. BILIRAKIS, EWING, PORTER, HORN, and Ms. SANCHEZ changed their vote from ''aye'' to ''no.''

Mr. DIXON and Mr. DAVIS of Illinois changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PICKERING. Mr. Chairman, on rollcall No. 286, I was inadvertently detained. Had I been present, I would have voted ''no''.

PERSONAL EXPLANATION

Mr. KENNEDY of Rhode Island. Mr. Chairman, during rollcall vote No. 286, I was unavoidably detained. Had I been present, I would have voted ''yea''.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 498, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken.

AMENDMENT OFFERED BY MRS. MALONEY

The CHAIRMAN. The unfinished business is a demand for a recorded vote on the amendment offered by the gentlewoman from New York (Mrs. MALONEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 214, noes 210, not voting 10, as follows:

[Roll No. 287]

AYES—214

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bilirakis
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Camp
Campbell
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Ford
Frank (MA)
Franks (NJ)
Frost
Furse
Ganske
Gejdenson
Gephardt
Gilman
Gordon
Green
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Horn
Hoyer
Hulshof
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McHugh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Obey
Olver
Ortiz
Owens
Pallone
Pappas
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Porter
Poshard
Price (NC)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Rush
Sabo
Sanchez
Sanders
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Skelton
Smith (MI)
Smith, Adam
Snowbarger
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Upton
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weller
Wexler
Weygand
Wise
Woolsey
Yates

NOES—210

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Bilbray
Bliley
Blunt
Boehner
Bonilla
Bono
Boucher
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeFazio
DeLay
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Foley
Forbes
Fossella
Fowler
Fox
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lucas
Manton
Manzullo
Martinez
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Oxley
Packard
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—10

Barton
Gonzalez
Hill
Jenkins
Kennelly
McDade
McNulty
Roybal-Allard
Sisisky
Slaughter

□ 1409

Messrs. FOLEY, MORAN of Kansas, and FOX of Pennsylvania changed their vote from ''aye'' to ''no.''

Ms. MCKINNEY, and Messrs. KANJORSKI, HOLDEN, DOYLE, MASCARA, LEWIS of Georgia, MURTHA, and MOLLOHAN changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia and elsewhere; $22,586,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING TRANSFER OF FUNDS)

For additional expenses necessary to carry out the purpose of the Federal Buildings Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), $482,100,000, to be deposited into the Fund. The revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation, and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings, including grounds, approaches, and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of $5,626,928,000, of which (1) $527,100,000 shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses and associated design and construction services) as follows:

New Construction:

Arkansas:

Little Rock, Courthouse, $3,436,000

California:

San Diego, Courthouse, $15,400,000

San Jose, Courthouse, $10,800,000

Colorado:

Denver, Rogers Federal Building—Courthouse Expansion, $78,173,000

District of Columbia:

Southeast Federal Center Site Remediation, $5,000,000

Florida:

Jacksonville, Courthouse, $86,010,000

Orlando, Courthouse Annex, $1,930,000

Georgia:

Savannah, Courthouse Annex, $46,462,000

Massachusetts:

Springfield, Courthouse, $5,563,000

Michigan:

Sault Sainte Marie, Border Station, $572,000

Missouri:

Cape Girardeau, Courthouse, $2,196,000
Mississippi:
Biloxi—Gulfport, Courthouse, $7,543,000
Montana:
Babb, Piegan Border Station, $6,165,000
New York:
Brooklyn, Courthouse, $152,626,000
New York, U.S. Mission to the United Nations, $3,163,000
Oregon:
Eugene, Courthouse, $7,190,000
Tennessee:
Greenville, Courthouse, $26,517,000
Texas:
Laredo, Courthouse, $28,105,000
West Virginia:
Wheeling, Courthouse, $29,303,000
Nationwide:
Non-prospectus construction projects, $10,946,000:

Provided, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent unless advance approval is obtained from the House and Senate Committees on Appropriations of a greater amount: *Provided further,* That all funds for direct construction projects shall expire on September 30, 2000, and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further,* That of the funds provided for non-prospectus construction projects, $2,100,000 shall be available until expended for acquisition, lease, construction, and equipping of flexiplace telecommuting centers; (2) $655,031,000, of which $19,000,000 shall be available for obligation on September 30, 1999, shall remain available until expended for repairs and alterations, which includes associated design and construction services, for the following projects and activities:

Repairs and alterations:
California:
San Francisco, Appraisers Building
District of Columbia:
Federal Office Building, 10B
Interstate Commerce Commission, Connecting Wing Complex, Customs Buildings, Phase 3/3
Old Executive Office Building
State Department Building, Phase I
Colorado:
Lakewood, Denver Federal Center, Building 25
New York:
Brookhaven, Internal Revenue Service, Service Center
New York, U.S. Courthouse, 40 Foley Square
Pennsylvania:
Philadelphia, Byrne-Green, Federal Building-U.S. Courthouse
Virginia:
Reston, J.W. Powell Building
Nationwide:
Chlorofluorocarbons Program
Energy Program
Design Program
Basic Repairs and Alterations:

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations: *Provided further,* That the amounts provided in this or any prior Act for ''Repairs and Alterations'' may be used to fund costs associated with implementing security improvements to buildings: *Provided further,* That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading ''Repairs and Alterations'', may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further,* That all funds for repairs and alterations prospectus projects shall expire on September 30, 2000, and remain in the Federal Buildings Fund, except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further,* That $5,700,000 of the funds provided under this heading in Public Law 103–329 for the Holtsville, New York, IRS Service Center shall remain available until September 30, 1999: *Provided further,* That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading ''Repairs and Alterations'' or used to fund authorized increases in prospectus projects; (3) $215,764,000 for installment acquisition payments including payments on purchase contracts, which shall remain available until expended; (4) $2,583,261,000 for rental of space, which shall remain available until expended; and (5) $1,554,772,000 for building operations, of which $223,000,000 shall be available for obligation on September 30, 1999, which shall remain available until expended: *Provided further,* That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959 (40 U.S.C. 601 et seq.), has not been approved, except that necessary funds may be expended for each project for required expenses of the development of a proposed prospectus: *Provided further,* That for the purposes of this authorization, and hereafter, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), buildings occupied pursuant to installment purchase contracts, and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: *Provided further,* That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations: *Provided further,* That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: *Provided further,* That the remaining balances and associated assets and liabilities of the Pennsylvania Avenue Activities account are hereby transferred to the Federal Buildings Fund to be effective October 1, 1998, and all income earned after that effective date that would otherwise have been deposited to the Pennsylvania Avenue Activities account shall thereafter be deposited to the Fund, to be available for the purposes authorized by Public Laws 104–134 and 104–208, notwithstanding subsection 210(f)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(2)): *Provided further,* That revenues and collections and any other sums accruing to the Federal Buildings Fund during fiscal year 1999, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), in excess of $5,626,928,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

POINT OF ORDER

Mr. COBURN. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. COBURN. Mr. Chairman, I make a point of order against the portion of the bill beginning on page 42, line 3 and continuing through page 44, line 9 on the basis that these are unauthorized, and they are legislating on an appropriations bill.

The CHAIRMAN. The Chair would appreciate if the gentleman from Oklahoma would restate the point of order.

Mr. COBURN. Mr. Chairman, I make a point of order against the portion of the bill beginning on page 42, line 3, and continuing through page 44, line 10 ending with the semicolon.

The CHAIRMAN. If the gentleman would proceed with a statement of his point of order.

Mr. COBURN. Mr. Chairman, this point of order is raised on the basis that these are unauthorized projects. They have never been authorized.

Number two, they are legislating on an appropriations bill.

I would further State that it is difficult for us to be building $600 million worth of buildings when our children owe $6 billion and that perhaps a better use of this money might be in paying the interest on the national debt.

The CHAIRMAN. Does any other Member desire to be heard on the point of order?

Mr. KOLBE. Mr. Chairman, I would concede the gentleman's point of order but would make the following observation.

I would concede it based on the rule which we adopted that these projects are at the same time unauthorized. I would, however, note that in every case we simply follow the priorities the Judicial Conference and so we are not substituting our own judgment, but the gentleman's point of order would be correct on this. I regret very much saying that, that that would be the case.

The CHAIRMAN. Does the gentleman from Maryland (Mr. HOYER) wish to be heard on the point of order?

Mr. HOYER. Mr. Chairman, on the point of order, this rule, which I opposed precisely because it did not, as it does in most instances, protect provisions that are absolutely essential, the gentleman from Oklahoma makes the point about our kids' debts.

Very frankly, the chairman took all of these as priorities from the Judicial Conference and GSA. These are not political priorities. These are the judgments of those around the country in the justice system who know the facilities that are needed to carry out justice in this country.

The CHAIRMAN. The Chair wishes to inform the Members that the debate should center around the point of order. The gentleman was straying beyond the point of order question.

Mr. HOYER. I thank the Chair. The Chair is correct. I was simply responding to the rhetoric of the point of order that was made.

The CHAIRMAN. The gentleman from Oklahoma also proceeded beyond that, but as it has proceeded, we have decided to rein it in.

Mr. HOYER. I thank the Chair. The gentleman from California is very fair.

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I would join the chairman of the committee in lamenting the fact that the gentleman from Oklahoma is technically correct, notwithstanding the fact I think he is substantively wrong.

The CHAIRMAN. The point of order, as stated by the gentleman from Oklahoma, is conceded and sustained, and that portion of the bill will be stricken from the RECORD.

The Clerk will read.

The Clerk read as follows:

POLICY AND OPERATIONS

For expenses authorized by law, not otherwise provided for, for Government-wide policy and oversight activities associated with asset management activities; utilization and donation of surplus personal property; transportation; procurement and supply; Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed $5,000 for official reception and representation expenses; $108,494,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, $32,000,000: *Provided,* That not to exceed $10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further,* That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

(INCLUDING TRANSFER OF FUNDS)

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95–138, $2,241,000: *Provided,* That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SEC. 401. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make the point of order this is in violation of clause 2, rule XXI of the House, because it proposes to change existing law and constitutes legislation on an appropriation bill.

The CHAIRMAN. Has the gentleman stated exactly what section?

Mr. OBEY. It is section 401.

The CHAIRMAN. Does any other Member desire to be heard on the point of order?

If not, according to the precedent of June 18, 1991, the point of order is sustained. Section 401 will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 402. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against section 402 because it proposes to change existing law and again constitutes legislation on an appropriation bill in violation of House rules.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order?

If not, for the reason just stated, according to the precedent of June 18, 1991, the point of order is sustained and that section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 403. Funds in the Federal Buildings Fund made available for fiscal year 1999 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: *Provided,* That any proposed transfers shall be approved in advance by the Committees on Appropriations.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against section 403 for the same reason as the previous two sections.

The CHAIRMAN. For the same stated reasons, the point of order is sustained and that section, 403, will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 404. No funds made available by this Act shall be used to transmit a fiscal year 2000 request for United States Courthouse construction that (1) does not meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; and (2) does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: *Provided,* That the fiscal year 2000 request shall be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against this section for the same reason.

The CHAIRMAN. Any other Member wishing to be heard on the point of order against section 404 of the bill?

The Chair finds that section 404 is explicitly legislation in an appropriation bill and is, therefore, stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 405. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency which does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92–313).

POINT OF ORDER

Mr. OBEY. Mr. Chairman, again, on section 405, I make a point of order against this provision because it also constitutes legislation on an appropriation bill.

The CHAIRMAN. Any other Members wishing to be heard on the point of order raised by the gentleman from Wisconsin?

If not, the Chair is prepared to rule. The Chair finds that section 405 contains legislative language. The point of order is sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 406. Funds provided to other Government agencies by the Information Technology Fund, General Services Administration, under 40 U.S.C. 757 and sections 5124(b) and 5128 of Public Law 104–106, Information Technology Management Reform Act of 1996, for performance of pilot information technology projects which have potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, again, the same point of order on section 406 for the same reason.

The CHAIRMAN. Any other Member desiring to be heard on the point of order?

Section 406 constitutes legislation. The point of order is sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 407. From funds made available under the heading ''Federal Buildings Fund Limitations on Availability of Revenue'', claims against the Government of less than $250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, again, point of order. I make the point of order against section 407 for the same reason. It violates the same clause of the same rule.

The CHAIRMAN. Any other Member wishing to be heard?

If not, for the same reason, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 408. Notwithstanding any other provision of law, the requirement under section 407 of Public Law 104–208 (110 Stat. 3009–337–38), that the Administrator of General Services charge user fees for flexiplace telecommuting centers that approximate commercial charges for comparable space and

services but in no instance less than the amount necessary to pay the cost of establishing and operating such centers, shall not apply to the user fees charged for the period beginning October 1, 1996, and ending September 30, 1998, for the telecommuting centers established as part of a pilot telecommuting demonstration program in the Washington, D.C. metropolitan area by Public Laws 102–393, 103–123, 103–329, 104–52, and 104–298: *Provided,* That for these centers in the pilot demonstration program for the period beginning October 1, 1998, and ending September 30, 2000, the Administrator shall charge fees for Federal agency use of a telecenter based on 50 percent of the Administrator's annual costs of operating the center, including the reasonable cost of replacement for furniture, fixtures, and equipment: *Provided further,* That effective October 1, 2000, the Administrator shall charge fees for Federal agency use of the demonstration telecommuting centers based on 100 percent of the annual operating costs, including the reasonable cost of replacement for furniture, fixtures, and equipment: *Provided further,* That, to the extent such user charges do not cover the Administrator's costs in operating these centers, appropriations to the General Service Administration are authorized to reimburse the Federal Buildings Fund for any loss of revenue.

LAND CONVEYANCE, UNITED STATES NAVAL OBSERVATORY/ALTERNATE TIME SERVICE LABORATORY

SEC. 409. (a) AUTHORITY TO CONVEY.—

(1) IN GENERAL.—Not withstanding any other provision of law, the Administrator of General Services shall convey to the University of Miami, by negotiated sale and by not later than September 30, 1999, all right, title, and interest of the United States in and to the property described in paragraph (2).

(2) PROPERTY DESCRIBED.—The property referred to in paragraph (1) is real property in Miami-Dade County, Florida, including improvements thereon, comprising the Federal facility known as the United States Naval Observatory/Alternate Time Service Laboratory, consisting of approximately 76 acres. The exact acreage and legal description of the property shall be determined by a survey that is satisfactory to the Administrator.

(b) CONDITION REGARDING USE.—Any conveyance under subsection (a) shall be subject to the condition that during the 10-year period beginning on the date of the conveyance, the University shall use the property, or provide for use of the property, only for—

(1) a research, education, and training facility complementary to longstanding national research missions, subject to such incidental exceptions as may be approved by the Administrator;

(2) research-related purposes other than the use specified in paragraph (1), under an agreement entered into by the Administrator and the University; or

(3) a combination of uses described in paragraph (1) and paragraph (2), respectively.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions with respect to the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States.

(d) REVERSION.—If the Administrator determines at any time that the property conveyed under subsection (a) is not being used in accordance with this section, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

POINT OF ORDER

Mr. HEFLEY. Mr. Chairman, I rise to make a point of order on section 409 of the bill because it violates clause 2 of rule XXI and constitutes legislation on an appropriation bill.

The CHAIRMAN. Are there any Members wishing to be heard on the point of order?

If not, section 409 expressly supersedes existing law with explicitly prescriptive language. As such, it constitutes legislation in violation of clause 2 of rule XXI. The point of order is sustained and that section of the bill is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 410. (a) LAND CONVEYANCE, ARMY RESERVE PROPERTY, RACINE, WISCONSIN.—The Administrator of General Services shall convey, by negotiated sale, to the city of Racine, Wisconsin (in this section referred to as the ''City''), all right, title, and interest of the United States in and to the vacant Army Reserve property (including improvements thereon) located at the intersection of 24th and Center Streets in Racine, Wisconsin, for the purpose of permitting the City to use the property as the site of water and wastewater utilities.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Administrator. The cost of any such survey shall be borne by the City.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 410 because it proposes to change existing law, constitutes legislation on an appropriation bill, and violates clause 2 of rule XXI.

The CHAIRMAN. Section 410 does, in fact, as the gentleman has stated, constitute legislation in an appropriation bill. The point of order is sustained and that section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 411. The Administrator of General Services is directed to reincorporate the elements of the original proposed design for the facade of the United States Courthouse, London, Kentucky project into the revised design of the building in order to ensure compatibility of this new facility with the historic U.S. Courthouse in London, Kentucky to maintain the stateliness of the building. Construction or design of the London, Kentucky project should not be diminished in anyway to achieve this goal.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against section 411 for the same reasons as I did for the previous section.

The CHAIRMAN. And for the same reasons the Chair ruled in the previous section, the gentleman is correct and the point of order is sustained and the section 411 will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

ENVIRONMENTAL DISPUTE RESOLUTION FUND

For payment to the Environmental Dispute Resolution Fund to carry out activities authorized in the Environmental Policy and Conflict Resolution Act of 1997, $4,250,000, to remain available until expended, of which $3,000,000 will be for capitalization of the Fund, and $1,250,000 will be for annual operating expenses.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, $25,805,000, together with not to exceed $2,430,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives (including the Information Security Oversight Office) and records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $216,753,000: *Provided,* That the Archivist of the United States is authorized to use any excess funds available, from the amount borrowed for construction of the National Archives facility, for expenses necessary to provide adequate storage for holdings.

AMENDMENT NO. 13 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer amendment No. 13, printed in the July 14, 1998 CONGRESSIONAL RECORD.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. SANDERS:

Page 58, line 1, after the dollar amount, insert the following: ''(reduced by $2,000,000) (increased by $2,000,000)''.

Mr. SANDERS. Mr. Chairman, the purpose of my amendment is to earmark $2 million of the funds appropriated to the National Archives and Records Administration for fiscal year 1999 for the National Personnel Records Center. The funds will enable the records center to modernize its records management system, allowing it to respond to 90 percent of all veterans' records inquiries received from the Veterans Administration within 10 days or less.

This amendment has the endorsement of all of the major national veterans organizations in the United States who recognize the severity of this problem. And the groups that are supporting the Sanders amendment include the Veterans of Foreign Wars, the American Legion, the Disabled American Veterans, the Vietnam Veterans of America, AMVETS, the Reserve Officer's Association of the United States, and the National Officer's Association.

Mr. Chairman, through my work with veterans in the State of Vermont, I

have learned that there are frequently very long delays in simply obtaining a veteran's personnel records, which are essential for the Department of Veterans Affairs to offer effective medical assistance or provide benefits. In Vermont, a request for medical records or any detailed request generally takes 4 to 6 months to complete.

And this is not just a Vermont problem, it is a national problem. A veteran comes in and wants his medical records, in order to get health treatment, and he waits 2, 3, 4, 6 months. A veteran comes in to get his medical records, in order to get the benefits that he or she is entitled to, and waits 2, 4, 6 months. This is not the way that we should be treating America's veterans.

Mr. Chairman, America has a commitment to provide our veterans with adequate health care. Reliable access to veterans' personnel records is essential to meeting this commitment. During the wait of 4 to 6 months, in some cases up to a year, little or nothing can be done to assist the veteran, as the personnel records, which are the very basis for any medical or administrative decision, cannot be assessed. A similar situation exists for benefits, as it is impossible for the veteran to make his or her request without this information.

My staff has made calls to many of my colleagues' offices and we have tried to find out if this problem is existing all over this country, and we find that it is. Let me very briefly read from some of the comments made by the service organizations.

The Retired Officer's Association states, and I quote, ''Our association frequently assists uniformed services retirees and survivors with disability and other entitlement issues requiring documentation available only at the records center. Sadly, needed compensation is often delayed for months because of the center's antiquated and overwhelmed records management systems. Particularly for survivors and older veterans, unfamiliar with specific personnel documents issued many years ago, this is far too often an extremely frustrating exercise that reflects very poorly on the government.''

That is from the Retired Officer's Association. Let me read to my colleagues from the Reserve Officer's Association of the United States.

''We here at the ROA are keenly aware of the difficulties veterans frequently encounter when attempting to obtain copies of documents and their official military records in order to establish their entitlement to veterans benefits. Anything that can be done to expedite the processing time involving these requests will be deeply appreciated by the veterans and their families. The sheer magnitude of the NPRC's operations in St. Louis must be seen to be comprehended.''

Let me read from the Military Order of the Purple Heart. ''The majority of veterans seeking assistance from the VA has to endure long waiting times for the VA to locate their records, then they have to tolerate further delays if they require additional documentation from the NPRC. In many instances, time is a critical factor, particularly for our older veterans.''

Let me read from the National Officer's Association. ''We are fully supportive of this effort and, in consideration of the aggravation and additional cost incurred by the Department of Veterans Affairs in addressing problems arising because of the delayed actions in support of veterans' claims, are of the opinion that the modest outlay of $6 million'', and, actually, we are only asking for $2 million now for the first year, ''would be very helpful.''

Veterans of Foreign Wars: Sympathetic to the Sanders amendment. The American Legion: Sympathetic. The Disabled American Veterans: Sympathetic. In other words, the veterans organizations know that it is an outrage that when a veteran asks for help and medical records he or she is delayed 4 to 6 months. I ask for support of this important amendment.

Mr. KOLBE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, if one was inclined to be opposed to this amendment after the impassioned plea of the gentleman from Vermont (Mr. SANDERS), it would be very hard to oppose him.

Mr. Chairman, let me just state for the record that our committee, our subcommittee, has recognized the problem. We have been talking with and working with the Archives. This has been, for a long time, an ongoing problem we have had with the National Personnel Records Center, going back more than 25, almost 30, years, since the great fire took place there and destroyed so many records.

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The Archives is very much committed to changing the way it does its work at the Personnel Records Center, and the key part of that change is going to be the infusion of information technology in the receipt, control, and response to the 1.75 million requests for information it receives on an annual basis. That is going to take place over the next 5 years at a cost of about $6 million. The goal is to be able to have retrieval of information, case retrieval time, in less than 10 days for every individual.

Mr. Chairman, I am not sure that this amendment is required for this coming fiscal year, but I would like to accept the amendment and work with the author and with the ranking member of the minority side and others to try to achieve in conference what we all agree is the goal that we want to achieve.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the chairman and I have discussed this. I am pleased that the chairman is going to accept this amendment.

I want to congratulate the gentleman from Vermont (Mr. SANDERS) who has talked to both the chairman and myself, worked very closely with us. This obviously is a problem. We need to ensure that the records of veterans which are critical for health care purposes, retirement purposes, all sorts of other purposes, are in fact retrieved in a timely fashion. That is not now happening.

The good news is not only that the gentleman from Vermont (Mr. SANDERS) has brought this to our attention, obviously communicated with the veterans' organizations throughout this country and energized them and focused them on how we can solve this problem, but also that Governor Carlin, who is the administrator, relatively new, recognizes that the gentleman from Vermont (Mr. SANDERS) is absolutely correct. This is a problem that needs to be solved, and they are initiating and pursuing that objective.

So I want to congratulate the gentleman from Vermont (Mr. SANDERS) for this initiative. It is a positive one, and I am pleased to join the chairman in supporting it.

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

Mr. HOYER. I yield to the gentleman from Vermont.

Mr. SANDERS. I want to thank the gentleman from Arizona (Mr. KOLBE) and the gentleman from Maryland (Mr. HOYER) for their support for this amendment. We have worked together, and I know they are cognizant of the problems.

The sad fact is that this problem has existed for many, many, many years. The reason that I want the $2 million appropriated right now is that I want to see action take place immediately. As a member of the Committee on Government Reform, we will be watching how well they proceed in getting these records updated and automated and computerized.

So I look forward to working with both gentlemen so that our veterans get a fair shake and we end this bureaucratic nightmare.

Mr. HOYER. Mr. Chairman, I know the gentleman from Vermont (Mr. SANDERS) will be pursuing this. The gentleman is one of the most tenacious and energetic Members of the House, and I know he will be following this very closely to ensure that this objective is accomplished.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not plan on taking 5 minutes. But maybe I can appeal to my colleague. The cause and effect of veterans, not only their records, but the real problem is with their medical care in the first place. I think the gentleman agrees with that. It is a cause and effect. He may not agree with trickle-down economics, but he think he believes in trickle-down problems that come down to the lowest level.

I would ask the gentleman that we have had the Moran and Watts bill help with FEHBP. That is just a Band-Aid

right now as it is. The Tricare system is a Band-Aid. Subvention is a Band-Aid. And the veterans are looking for the same benefits that the employees have that if a secretary works over in the Pentagon, when she goes under Medicare, she has got a follow-on program called BEHBP. A military person does not. A veteran does not. And that is wrong.

My bill solved that, and it got rid of all the Band-Aids, but they could not find the funds for it. I think in the future we have need to look at that.

The records are a problem not only with veterans but active duty military, and we are working on that. But I would appeal to my friends, we have less than 24 percent retention in our military today. Most of those people are going to get out and be veterans that are getting out of the service right now.

The OPTEMPO is 300 percent above what it was in Vietnam in Cold War. And our families in the military, people are saying, hey, I cannot handle this with my family and have it, too. If we want to solve both and live under the caps in defense budget and this budget, then we have got to reduce the OPTEMPO of our overseas commitment and we have got to bring our people home. And then we can have the dollars, instead of Haiti and Somalia and Bosnia and all the others, we will have some more dollars to do what we really need not only for our active duty but for our veterans.

I thank the gentleman for his amendment. I think it is very thoughtful, and I support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities and Presidential Libraries, and to provide adequate storage for holdings, $10,450,000, to remain available until expended, of which $2,000,000 is for an architectural and engineering study for the renovation of the Archives I facility and of which $4,000,000 is for encasement of the Charters of Freedom.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, $6,000,000, to remain available until expended.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, and the Ethics Reform Act of 1989, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses; $8,492,000.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty; $85,350,000; and in addition $91,236,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, United States Code: *Provided further*, That, except as may be consistent with 5 U.S.C. 8902a(f)(1) and (i), no payment may be made from the Employees Health Benefits Fund to any physician, hospital, or other provider of health care services or supplies who is, at the time such services or supplies are provided to an individual covered under chapter 89 of title 5, United States Code, excluded, pursuant to section 1128 or 1128A of the Social Security Act (42 U.S.C. 1320a–7 through 1320a–7a), from participation in any program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.): *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 1999, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, $960,000; and in addition, not to exceed $9,145,000 for administrative expenses to audit the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771–775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), the Whistleblower Protection Act of 1989 (Public Law 101–12), Public Law 103–424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles, $8,720,000.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, $34,490,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the ''Independent Agencies Appropriations Act, 1999''.

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 503. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 504. None of the funds made available by this Act shall be available in fiscal year 1999 for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Department of the Treasury.

SEC. 505. No part of any appropriation contained in this Act shall be available to pay

the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service, and has, within 90 days after his release from such service or from hospitalization continuing after discharge for a period of not more than 1 year, made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to make a point of order against section 505 because it proposes to change existing law, constitutes legislation in an appropriation bill, and violates clause 2 of rule XXI.

The CHAIRMAN. Do any other Members wish to be heard on the point of order raised by the gentleman from Wisconsin (Mr. OBEY)?

If not, the Chair is prepared to rule.

As was stated earlier, under the precedent established June 18 of 1991, this section constitutes legislation in an appropriation bill; and section 505, therefore, will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 506. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Buy American Act (41 U.S.C. 10a–10c).

SEC. 507. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 508. 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, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 509. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 1999 from appropriations made available for salaries and expenses for fiscal year 1999 in this Act, shall remain available through September 30, 2000, for each such account, and may be transferred to any other Department account, for the purposes authorized: *Provided*, That a request shall be submitted to the Committees on Appropriations for approval prior to the expenditure of such funds: *Provided further*, That these requests shall be made in compliance with reprogramming guidelines.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to make a point of order against section 509 for the same reason as I cited previously.

The CHAIRMAN. The Chair rules that this is considering legislation in an appropriations bill; and, for that reason, the point of order is sustained, and section 509 will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 510. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, unless—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to make the same point of order against section 510.

The CHAIRMAN. The Chair's response is the same as on the last section and the point of order is sustained; and section 510 will, therefore, be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 511. (a) APPOINTMENT AND TERM OF SERVICE OF STAFF DIRECTOR AND GENERAL COUNSEL OF FEDERAL ELECTION COMMISSION.—

(1) IN GENERAL.—The first sentence of section 306(f)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)(1)) is amended by striking ''by the Commission'' and inserting the following: ''by an affirmative vote of not less than 4 members of the Commission and may not serve for a term of more than 4 consecutive years without reappointment in accordance with this paragraph''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to any individual serving as the staff director or general counsel of the Federal Election Commission on or after January 1, 1999, without regard to whether or not the individual served as staff director or general counsel prior to such date.

(b) TREATMENT OF INDIVIDUALS FILLING VACANCIES; TERMINATION OF AUTHORITY UPON EXPIRATION OF TERM.—Section 306(f)(1) of such Act (2 U.S.C. 437c(f)(1)) is amended by inserting after the first sentence the following new sentences: ''An individual appointed as a staff director or general counsel to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the individual he or she succeeds. An individual serving as staff director or general counsel may not serve in such position after the expiration of the individual's term unless reappointed in accordance with this paragraph.''.

(c) RULE OF CONSTRUCTION REGARDING AUTHORITY OF ACTING GENERAL COUNSEL.—Section 306(f) of such Act (2 U.S.C. 437c(f)) is amended by adding at the end the following new paragraph:

''(5) Nothing in this Act may be construed to prohibit any individual serving as an acting general counsel of the Commission from performing any functions of the general counsel of the Commission.''.

POINT OF ORDER

Mrs. MALONEY of New York. Mr. Chairman, I rise to make a point of order against section 511 on page 67, lines 5 through page 68, line 17, on the grounds that it violates clause 2 of rule XXI constituting legislation on a general appropriations bill.

The CHAIRMAN. Do any other Members wish to be heard on the point of order?

If not, the Chair is prepared to rule.

This is direct legislation in the appropriation bill; and, therefore, the point of order is sustained and section 511 will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 512. Hereafter, any payment of attorneys fees, costs, and sanctions required to be made by the Federal Government pursuant to the order of the district court in the case *Association of American Physicians and Surgeons, Inc. v. Clinton*, 989 F. Supp. 8 (1997), or any appeal of such case, shall be derived by transfer from amounts made available in this or any other Act for any fiscal year for ''Compensation of the President and the White House Office—Salaries and Expenses''.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to make a point of order against section 512 for the same reasons as I cited previously.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order being raised by the gentleman from Wisconsin (Mr. OBEY)?

If not, for the aforestated reasons, legislation in an appropriation bill, the point of order is sustained; and section 512 will, therefore, be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 513. (a) AUDITS BY THE POSTMASTER GENERAL.—Subsection (e) of section 2008 of title 39, United States Code, is amended to read as follows:

''(e)(1) At least once each year beginning with the fiscal year commencing after the date of enactment of this Act, the financial statements of the Postal Service (including those used in determining and establishing postal rates) shall be audited by the Inspector General or by an independent external auditor, as determined by the Inspector General.

''(2) Audits under this section shall be conducted in accordance with applicable generally accepted government auditing standards.

''(3) Upon completion of the audit required by this subsection, the person who audits the statement shall submit a report on the audit to the Board''.

(b) RESULTS OF INSPECTOR GENERAL'S AUDIT TO BE INCLUDED IN ANNUAL REPORT.—Section 2402 of title 39, United States Code, is amended by inserting after the first sentence the following: ''Each report under this section shall include, for the most recent fiscal year for which a report under section 2008(e) is available (unless previously transmitted under the following sentence), a copy of such report.''.

(c) COORDINATION PROVISIONS.—Subsection (d) of section 2008 of title 39, United States Code, is amended—

(1) by striking ''(d) Nothing'' and inserting ''(d)(1) Except as provided in paragraph (2), nothing''; and

(2) by adding at the end the following:

''(2)(A) Before obtaining any audit or report under paragraph (1), the Postal Service shall give the Inspector General advance written notice of that intention.

''(B) Any exercise of power under paragraph (1) shall be subject to any authority available to the Inspector General in carrying out section 4(a) of the Inspector General Act of 1978.''.

(d) EFFECTIVE DATE.—This subsection shall take effect on the date of enactment of this Act.

POINT OF ORDER

Mr. TORRES. Mr. Chairman, I rise to make a point of order against section 513, and I do so because it proposes to change existing laws and constitutes legislation in an appropriations bill and, therefore, violates clause 2 of rule XXI. And I ask for a ruling from the chair.

The CHAIRMAN. Is there any other member wishing to be heard on the point of order being raised by the gentleman from California (Mr. TORRES)?

If not, the Chair is prepared to rule.

The gentleman is correct. This is direct legislation on an appropriations bill. The point of order is sustained, and that provision will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 514. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

AMENDMENT OFFERED BY MS. DELAURO

Ms. DELAURO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. DELAURO:

Strike section 514 (relating to prohibition of FEHB plan coverage for abortions).

Ms. DELAURO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Connecticut?

Mr. SMITH of New Jersey. Reserving the right to object, Mr. Chairman, I inquire of the gentlewoman from Connecticut (Ms. DELAURO), is this a straight-strike amendment?

Ms. DELAURO. Mr. Chairman, if the gentleman will yield, yes, it is.

Mr. SMITH of New Jersey. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentlwoman from Connecticut?

There was no objection.

Ms. DELAURO. Mr. Chairman, this bill provides funding for Federal Employees Health Benefits Program. In the network of health insurance plans for Federal employees, there are approximately 1.2 million women of reproductive age who rely on the FEHBP for their medical care.

Until November, 1995, Federal employees, just like private-sector workers, could choose a health care plan which covered a full range of reproductive health services, including abortion. Approximately one-third of private fee-for-service plans, 30 percent of HMOs do not provide abortion coverage, two-thirds are fee-for-coverage, and 70 percent of HMOs did.

In 1993 and 1994, Congress voted to permit Federal employees to choose a health care plan which covered abortion or to choose one that did not cover abortion. The choice was in the hands of the individual.

According to the American Medical Association, funding restrictions, such as the ones in this bill, make it more likely that women will continue a potentially health-threatening pregnancy to term or undergo abortion procedures that will endanger their health.

Let me take a moment to address a concern raised by some of my colleagues that this amendment will use taxpayer dollars to subsidize abortion. This simply is not the case. Coverage of abortion services in Federal-held plans does not mean that Government or the taxpayer is subsidizing abortion.

Just like private-sector employees negotiating a compensation package, Federal employees agree to work for the Federal Government in return for a salary and a benefits package. That salary and those benefits belong to the employee and not to the Government.

The Federal employee, not Government, chooses the health care plan that best fits the person and that person's family's needs. As an employer, the Federal Government makes a contribution to help pay the premium on that health insurance. The rest of the premium is paid by the employee. The payment that the Government makes is part of that Federal employee's compensation package. It belongs to the Federal employee just as much as the paycheck that is deposited in the bank does.

We would never claim that the paycheck paid to Federal employees is taxpayer money; and, therefore, no Federal employee should be allowed to spend his or her salary to pay for an abortion. Just like the salary, the benefit package belongs to the employee, not the employer. And employees who do not wish to choose a plan with abortion coverage are not required to.

My colleagues on the other side of the aisle speak at length about individual choice and the value of taking decisions out of the hands of Government and returning the power of choice to individuals. Why, then, do they oppose allowing those who serve the public from making their choice of health care plans? Why do we deny these individuals their right to choose?

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Mr. Chairman, the antichoice movement in this country has failed to make abortion illegal; therefore, activists are trying to make it more difficult and more dangerous. Singling out abortion for exclusion from health care plans that cover other reproductive health care is harmful to a woman's health. Why not trust the individual rather than mandate a particular point of view of some Members of Congress? This amendment discriminates against women in public service who are denied access to a legal health procedure simply because of who they work for. It has real consequences for real people.

Mr. Chairman, I would like to quickly read a letter written by one of those families.

I have been a Federal employee for 13 years. My husband and I were elated this summer when I became pregnant. I was scheduled for a sonogram at 14 weeks. My husband, mother and sister accompanied me to the ultrasound waiting room because seeing this baby was a big event. The radiologist detected abnormalities and recommended that only my husband be allowed to see the sonogram. The radiologist termed it severe hydrocephalus. We saw an empty skull, termed it incompatible with life. The doctors I saw agreed there was no hope for the fetus, recommended terminating as soon as possible. We were devastated. To compound the tragedy came the news that companies insuring Federal workers are prohibited from covering abortions. In the end we paid a very high fee to have the abortion because the fetal anomaly made the procedure more complicated. My husband and I question whether Congress was implying we were immoral for aborting this fetus in hoping to get pregnant with a healthy child. Our decision was not wanton or frivolous. It was heartbreaking.

My Chairman, talk about giving individuals choices, I urge my colleagues to please give our public servants back this choice. I urge them to support this amendment.

Mr. COBURN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just like to make one medical technical comment: Intrauterine hydrocephalus today is treated, it is treated effectively in all the centers throughout the country. Abortion is not the answer to intrauterine hydrocephalus; a shunt is. We are very successful, we do it routinely, and, in fact, what it sounds like is this Federal employee got terrible advice because, in fact, when I am encountering that same situation, my patients have a shunt placed in their baby while they are still in their mother's womb and do not have hydrocephalus at birth, and, in fact, that, therefore, is not a good example of why we should be doing that.

Mr. SMITH of New Jersey. Mr. Chairman I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the DeLauro amendment. The underlying language I would just say to my colleagues that is in this bill that the DeLauro amendment would gut has been in effect every year except two since the early 1980s and can best be described as the Hyde amendment for the Federal Employees Health Benefits Program. The prolife language in the bill ensures that taxpayers and premium payers do not subsidize abortion on demand, and that very simply is the issue that is before us.

Today we vote on whether the taxpayers will indeed subsidize. That is what it is all about.

As Members probably know, the taxpayers pay more than 73 percent of the

total funding of the Federal Employees Health Benefits Program. My colleagues and I, those of us who are part of that program, pay the remaining 27 percent. So the same rationale holds here as in the Hyde amendment. Americans should not be forced to underwrite the cost of destroying unborn babies.

Despite, Mr. Chairman, and I just say this with all due respect to my colleagues on the other side, despite the years of propaganda, despite all of the efforts to sanitize, and the euphemisms, and the masking of abortion, the partial-birth abortion debate has finally stripped the veil off the sordid business of what abortion is all about. Abortion, Mr. Chairman, is violence against children, it is the ultimate human rights abuse, and it tries to purport to be a right, and yet it is violence.

Abortion methods are acts of violence that usually kill the victim, although we are seeing in growing numbers of cases, the most recently the doctor in Phoenix that was trying to destroy a child using partial-birth abortion, and, after slashing and lacerating the child's face, realized the kid, the baby, was so old that he could not continue with it. That is what the defenders of partial-birth abortion have to defend because that is what happens each and every day. Normally they just result in killing the baby with their violent methods.

Some of those methods, as I have said on this floor, and I think it bears repeating until it hopefully gets across to a growing number of people, include dismemberment of an unborn child. Loop-shaped knives called curettes are used to literally hack off the arms, and the legs, and the head, leaving a torso, and the ribs are ripped apart. That is the ugly reality stripped of all the euphemisms of what abortion is all about. It is done routinely, and then the suction machine that is 20 to 30 times more powerful than the average vacuum cleaner takes that bloody pulp of what used to be a baby and puts that baby into a bottle. I do not know how people can defend that.

Chemical abortions, salt abortions, saline salting out, high concentrated salt solutions pumped into the amniotic sac. The baby breaths in that fluid because the organs of respiration are being developed, and it is the amniotic fluid that goes in and out until the actual birth occurs, and swallows and digests, if my colleagues will, through, or absorbs through the lungs that high-concentrated salt; kills the baby usually in about 2 hours, and when the baby emerges after delivery, a very chemically-burned, often very red child emerges, and this is commonplace. This is called the right to choose.

And, of course, as we all know, again very soon when we debate the partial-birth abortion ban, which would be covered if the DeLauro amendment passes, there is nothing whatsoever that would preclude payment under the Federal Employees Health Benefits Program for the partial-birth abortions. And we all remember the big lie that was used to minimize and trivialize the number of those later-term abortions that are done in this country. When that was unmasked, in my own State of New Jersey one clinic was found to be doing 1,500 of those grisly child killings per year, all of a sudden the 500 figure, which Planned Parenthood and the Guttmacher Institute and ZPG and all the other groups were bandying about in letters to my colleagues and to I and to everyone else, and I have copies of the letters, they said that is what the number was. Well, 500 would be a massacre as well, but it is many, many thousands more than that. That could be subsidized and paid for if the DeLauro amendment were to prevail.

The amendment that we have crafted, and I first offered it, JOHN ASHCROFT offered it, did not prevail in the early 1980s. I offered it back, I believe it was in 1983. It has been in effect except for 2 years, and it has said very simply we do not want to be part of subsidizing either through the 70 to 73 percent of our taxpayer portion or as premium payers, those of us who buy our insurance, HMOs, whatever, we do not want to be subsidizing abortion. That is what this is simply all about.

Let me remind Members that in virtually every poll, and I have a whole list of them here, when people are asked do they want to subsidize or have the government pay for abortions, the answer is clearly and unambiguously no.

So I ask Members, and let me remind them there are three exceptions in this amendment: rape, incest and life of the mother. That has been the law for the last couple of years, so I do hope that Members will support the Hyde amendment of the Federal Employees Health Benefits Program. Defeat the DeLauro amendment.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, before I address this particular amendment, I would like to ask the gentleman from New Jersey whether, in fact, in addition to opposing abortion he opposes all kinds of contraception.

I have been working very hard with colleagues on both sides of the aisle, Democrat and Republican, prochoice, prolife, to prevent unintended pregnancies. We have been working with the national campaign on preventing teenage pregnancy to try and promote abstinence, to encourage abstinence upon our young people, to encourage responsibility.

Now I believe the gentleman and the Republican party, in fact, by disallowing my amendment, which would make the Federal employee health plans which are disallowing coverage of abortion also disallowing coverage of contraception, I believe the gentleman also does not believe that the majority of the American people who would like to be able to purchase contraceptives should be able to have contraceptives.

So I think we are mixing up the debate here. The gentleman is talking about the debate next week on so-called partial-birth abortion, but, in fact, in this bill the gentleman does not feel we should cover contraception. So we are telling to all the Federal employees, ''No, we are not going to cover abortion, we are not going to pay for abortion, but you know what? We are not going to cover contraception either.''

Now I wonder if the gentleman from New Jersey would like to tell that to all the constituents in his district who work for the Federal Government, that, no, we are not going to cover abortion, but we are not going to cover contraception either.

Now it seems to me that there are five established methods of contraception that have been approved by the FDA. Now what we are saying and what we said in our amendment was that the Federal employee should be entitled to have those expenses covered. Now the cost of health care to women is 68 percent higher for women than that of a man, and in fact only 10 percent of the plans cover all of the forms of abortion, and, excuse me, cover all forms of contraception that have been approved. In fact, 81 percent of the plans do not cover the five methods of contraception.

So, my colleagues, I am trying to figure this out. The Republican majority does not want to cover payment for abortion for these women even though the women's health care costs are 68 percent higher, but they do not want to pay for contraception.

I would hope, my colleagues, we could work together to really reduce unintended pregnancies. Let us encourage abstinence, let us encourage responsibility, but it is hard to believe, and I am saying this to the American people, all the women out there, this party does not want to give us a vote on covering of contraception. Does this make any sense?

So I speak in support of my colleague, the gentlewoman from Connecticut (Ms. DELAURO's) amendment because I think that Federal employees with their own money that they have earned should be able to have abortion covered, but I also believe that Federal employees should be able to have the costs of contraception covered. That is only fair.

Mr. TIAHRT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not sure where the gentlewoman got her information from about how the Federal Government health care plans are not covering contraceptives. I had my office contact the Office of Personnel Management, and every health care provider for Federal employees currently provides full prescription coverage for the

pill, the predominant method of choice of child-bearing age in this country.

Furthermore, according to the Office of Personnel Management, over 75 percent of all Federal employees currently have coverage which includes all FDA-approved methods. Now those FDA-approved methods or drugs and devices include the pill, the diaphragm, IUDs, Norplant, Depo-Provera and the morning-after abortion pill, and under the proposed amendment, as soon as the FDA would approve the abortion pill, the French abortion pill RU–486, it would also be covered. But currently 75 percent of all Federal employees do have coverage, so to say that they do not have access to contraceptives is misleading to the American public because they do have that opportunity now.

Now I do agree with the gentlewoman that we should encourage abstinence in sexual activity, certainly for minors. Once they are age of adult it is a different thing, but for minors we ought to teach kids abstinence, but when it comes to Federal employees, they have this access to this coverage now.

So I think that we should keep clear from the issue that is in this current amendment by the gentlewoman from Connecticut (Ms. DELAURO). She is striking the area of section 514 which says no funds appropriated by this act shall be available to pay for abortions.

Now there was a reference where she said that this was not about tax dollars paying for abortions, but if I read this again on page 70, section 514, lines 18 and 19, it says no funds approved by this act shall be available to pay for abortions. Well, if it is not funds, not tax dollars, then there is no reason for the amendment because the amendment says that no Federal funds will pay for abortions. So I think there is kind of a disconnect in what was presented in the idea of this amendment and what the reality of the language in the legislation.

Now there was also reference, Mr. Chairman, that the benefit package belongs to the employee and not the employer. Well, I think if my colleagues talk to every small businessman around America who is paying the bill for these health care packages, they believe they have something at stake, and if we talk to any large corporations in the Fortune 500, I believe that they would tell us that their benefit packages, that they have a stake in their benefit packages.

□ 1500

The employer has a stake in the benefit packages. So what you have then in the case of a Federal employee, and I think this is a case that is too often forgotten, Federal employees work for the people of the United States of America, the taxpayers. That is who employ these people. That is who ultimately they have to answer to. They work for the people of the United States of America.

This is a democracy. We are governed by the consent of the governed. Our government exists according to our Declaration of Independence, our Nation's birthright. So I think what we should do is take the temperature from the employer.

What does the employer say about using Federal tax dollars to pay for abortions? In overwhelming numbers, they say do not use tax dollars to fund abortions. Do not use tax dollars to fund abortions. Yet that is what the intent of this legislation is, is to legislate that we would use Federal tax dollars to provide someone else's abortion. I think it is unfortunate that that is what is going on. It goes against the employer, against the will of the American taxpayer. So I think that we ought to defeat this amendment and allow the American taxpayer to be free.

Mr. HEFNER. Mr. Chairman, I move to strike the requisite number of words.

Mrs. LOWEY. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentlewoman from New York.

Mrs. LOWEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to clarify this with the facts. Ten percent of the Federal employee health benefit plans currently do not cover any method of contraception, ten percent. Eighty-one percent of the plans cover some of the methods.

I do not know when the gentleman last had to deal with that issue, but for some women the pill is better than other procedures such as the IUD or diaphragm. It is not up to us to tell that woman which method is better.

So I think it is important to know that 81 percent of the plans do not cover all five of the established methods. Only 1 percent of the plans, I think this is important, do not cover sterilization. I think we owe it to women to give them a broader range of options. I think it is also important to know that when we are talking about contraception we are not talking about RU–486.

So what we are trying to say here with regard to contraception is that the Federal Government should be the model employer. When it comes to private insurance plans, only 50 percent currently cover all five methods of contraception.

So, in conclusion, I think it is very unreasonable, if we are saying to the American people that we are really trying to reduce unintended pregnancies, not to cover the cost of contraception, when women's costs are 68 percent higher than males', and, in fact, contraception is basic health care for women. In this bill, to vote not to cover abortion is your right, but then it seems to me the height of hypocrisy not to cover contraception.

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

Mr. HEFNER. I yield to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Chairman, I just wanted to make a comment to my colleague from Kansas. The Federal Government pays Federal employees' salaries, as well as provides the opportunity for a benefit package. They pay our salary, they pay benefit packages. That is all taxpayer dollars. We often get into that in debate, about ''taxpayer dollars.''

The fact of the matter is, I do not know that we are assuming that what we would intend to do here is to dictate to people what they could do with their own salaries. That is taxpayer money, as well as taxpayer dollars that may be involved in benefits packages.

The gentleman helped me to make my point, which is you negotiate a package, salary and benefits, and we are now putting ourselves in the position of dictating what people do with their benefits. Not only that, it is not saying that. What we are only saying here is allow the service to be offered in a benefits package. Some offer it, some do not.

My colleague, I know we have had these commentaries over a long period of time, would say to those of us on this side of the aisle, give people the choice. Allow them to select the schools they want their kids to go to, allow them to do what they need to do in their own lives. The Federal Government should stay out of their lives in choice.

They have a range of health packages. They can then make an individual selection, not based on what you think, not based on what I think, but what, in fact, meets the needs of themselves and of their families.

That is essentially what we are talking about here. Allow Federal workers to have that choice. Do not distinguish their benefits from their salary.

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

Mr. HEFNER. I yield to the gentleman from Kansas.

Mr. TIAHRT. Mr. Chairman, I would just like to say there are large parts of the benefit package, the retirement package, and even some portions of the salary that are outside the control of the employee. It is under the guise of the employer, the taxes that are withdrawn, the way the retirement is invested and the health care provided. So, once again, they have to be subject to the employer.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

PARLIAMENTARY INQUIRY

Mr. MANZULLO. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANZULLO. It is the Republican side.

The CHAIRMAN. The ranking minority member of the subcommittee sought recognition.

Mr. MANZULLO. Mr. Chairman, I spoke out of order. I intended to speak on the last amendment, to strike the last word. I would withdraw my comments.

The CHAIRMAN. The gentleman from Maryland (Mr. HOYER) is recognized for 5 minutes.

Mr. HOYER. Mr. Chairman, we confuse salary and Federal employee benefits, health benefits and retirement benefits.

Let me bring this back to what this debate, from my perspective, is all about. First of all, I will tell my friend from Kansas that I presume he means that our employees are self-employed. He references that they work for the taxpayers, apparently not conceiving that they themselves are taxpayers. To that extent, I suppose they work for themselves. My point being that they are taxpayers, they are citizens of this country, and they are due equal consideration, as every other working American is due. It so happens, yes, they are our employees, but they deserve no less respect, no less integrity in their decisions, than any other employee.

Now, let me tell my friend, every employee in America essentially has a compensation package. They may not refer to it as fancifully as that, but they have a compensation package. Most employees, not all, most have at least two components of that compensation package, salary and health benefits.

We know there are a large number of employees that only have one; that is, the salary component. Other employees have, in addition to the salary and the health benefits, a retirement benefit, making it a three-component compensation package. But the fact of the matter is it is all their money, not the employer's, whether the employer be a public sector or private sector employer.

For instance, General Motors. General Motors makes a contract with their employees, and they go and negotiate back and forth. Some employers used to want to have more health benefits in their package and less salary because they pay FICA tax on salary, and it was cheaper to do health costs. As health costs have escalated, they have gone to salary. Because health benefits are too expensive and they are going to HMOs, we are causing the problem we are discussing.

The fact of the matter is that compensation package is the employee's. They made a deal, and they said, ''I will spend X number of hours using my talent and effort to accomplish the objectives you, the employer, want to accomplish, and in consideration for my talent and effort, you will compensate me with X number of dollars. Part of those dollars will be paid in salary. I get my check.''

Now, if the gentleman from Kansas and the gentleman from New Jersey perceive those as Federal dollars, if those are Federal dollars, those salaries, because they are paid out of exactly the same pot that compensation and retirement are paid out, exactly, there is no distinction, if you perceive that to be Federal dollars, then the Federal employee, unlike every other employee, can only spend their dollars when they go home that they earn in salary as we tell them, as Big Brother, as dictator employer tells them to spend it.

But you make an interesting distinction and say oh, well, they can spend their salary money, which, of course, comes out of the taxpayers' pocket, the way they want; but the part of their compensation package that we pay directly to the insurance, because we have a joint system in which we directly pay the insurer, which makes it cheaper for the employee and cheaper for the employer, so the taxpayer gets a benefit because we put it together, as opposed to giving it directly to the employee and having them purchase it discretely, individually, which would be a lot less efficient and therefore a lot more costly.

I do not know why we look at Federal employees as some second-rate employees in America.

Mr. KENNEDY of Rhode Island. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I would like to thank my friend from Maryland for yielding to me. I think this is the crucial point. Are we going to treat Federal employees, public servants of this country, any differently than we treat other American citizens?

As the gentleman will recall, we played this same game with American servicewomen, women who are serving our country in the military, and this majority stripped them of the power to be able to get a safe, legal abortion in overseas medical clinics.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. HOYER) has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 3 additional minutes.)

Mr. HOYER. Mr. Chairman, I yield to the gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Chairman, the point I want to make is, here these women are serving our country, and, guess what? There is something called the Supreme Court, and it gives us our constitutional rights, and in those constitutional rights is the right to a legal and safe abortion. It is a constitutional right.

These women are defending this country's Constitution, standing on the line defending the right of this country to express itself in freedom. Yet they themselves are being denied their constitutional rights. Just as that happened with the defense bill, now the majority is going after Federal employees.

So it seems to me the only people in this country who are going to be truly denied their constitutional rights are the women who are serving in our Nation's military and our women who happen to be Federal employees.

I would dare say, just to make this one last point, it is interesting here in this Congress, I enjoy seeing my colleagues snicker over here, because 95 percent of the women Members of this United States Congress support the DeLauro amendment, and we are going to say, the men in this House are going to decide whether women have a certain type of reproductive freedom or not.

To me that sounds awfully like gender domination here. If it does not sound like that to you, it would be interesting if men were able to get pregnant and they would have the right, see whether they were going to stand up here and not vote for the DeLauro amendment. When you think about reproductive rights and you think if men had to pay this, and they were denied the same coverage in here, the same outrage we are hearing, but from the women.

Mr. HOYER. Reclaiming my time, I understand what the gentleman is saying. What I am trying to focus us on is abortion is a wrenching question for America. It is a wrenching question for Americans. It is a wrenching, traumatic issue for the individuals involved. It is a wrenching issue for me as a legislator. I will tell you that. I cannot believe I am any different than any other legislator in this body.

□ 1515

What I am saying is, that is not what this is about. It is not about this because Federal employees, like every American, have been guaranteed by the Constitution to choose something that many people believe ought not to be an available choice. I understand that. But they ought not to be treated differently because they are Federal employees, and that is what this is about; not about whether abortion is legal or illegal, not about the wrenching issues brought up by the gentleman from New Jersey, for whom I have a great deal of respect. It is about whether Federal employees will be treated differently than every other employee in America.

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

Mr. HOYER. I yield to the gentleman from Kansas.

Mr. TIAHRT. Mr. Chairman, I would like to say, first of all, that no one is questioning the integrity.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. HOYER) has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 1 additional minute.)

Mr. HOYER. Mr. Chairman, I yield to the gentleman from Kansas, Mr. TIAHRT.

Mr. TIAHRT. Mr. Chairman, I just want to say that no one is criticizing the integrity of Federal employees. We believe that they are people who want to serve this country in that capacity, are good, wonderful people. That is not the issue here. Nor is the issue whether abortion is available to them.

We have a ruling of the Supreme Court that we all live with, and abortions are available to Americans today, and there are health care plans outside

the Federal Government that do not pay for abortion services. This is not, we are not treating them separately from other parts of America.

Mr. HOYER. Mr. Chairman, reclaiming my time, I understand the gentleman's perspective, but my point is, no other employees have that prescription on the purchase of their health insurance. Now, employers, the gentleman is correct, may choose a limited policy, I understand that, and the employee may have the choice of only one policy; I understand that. That is the compensation package available to them. Fortunately, in my opinion, for Federal employees, their compensation package is broader as it relates to Federal employee health benefits.

The gentleman is making a distinction between all other employees and Federal employees and, inevitably, because of the gentleman's premise that the premium is being paid by taxpayer dollars as opposed to Federal employee dollars.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the DeLauro-Morella-Moran-Greenwood-Hoyer amendment.

The bottom line in our discussion today is simply that this amendment is going to prevent discrimination against Federal employees and their health care coverage.

It was 3 years ago when Congress voted to deny Federal employees coverage for abortions that were already provided to most of the country's workforce through their health insurance plans. This decision was discriminatory then, and it was another example of Congress chipping away at the benefits of Federal employees and their right to choose an insurance plan that best meets their health care needs.

The coverage of abortion services in Federal health plans would not mean that abortions would be subsidized by the Federal Government, which has been part of this discussion here. Currently, the government simply contributes to the premiums of Federal employees, and in order to allow them to purchase private health insurance, and this contribution, I want to reiterate, is part of the employee benefit package, just like an employee's salary or retirement benefits.

Mr. Chairman, right now, if somebody chose to buy a plan through the Federal employee health benefit plan program, they could not buy it if it covered any abortion services. When one has this amendment in order, someone could choose to buy a plan that does not pay for abortion services. They have their choice. And this is what we are saying. We should not deny Federal employees from having the same choice that most people have in the private sector, because, currently, approximately two-thirds of private fee-for-service health insurance plans and 70 percent, 70 percent of HMOs provide this coverage.

When the ban was reinstated 3 years ago, 178 FEHBP plans, Federal employee health benefit plans, out of 345, offered abortion coverage. Women had the choice to decide whether or not to participate in the plan with it or without it. Thus, an employee who did not choose to have that kind of plan with abortion coverage could do just that. I want to emphasize that. But, unfortunately, Congress denied Federal employees their access to abortion coverage, thereby discriminating against them, treating them differently than the vast majority of private sector employees. Frankly, it is insulting to Federal employees that they are being told that part of their own compensation package is not under their control.

Thousands of Federal employees struggle to make ends meet. Many Federal employees are single parents or the sole wage earners in their families and for them the cost of an abortion would be a significant hardship, interfering with a woman's constitutionally protected right to choose. For these women, the lack of this health coverage could result in delayed abortions occurring later in pregnancy, an outcome that nobody here wants to see.

Mr. Chairman, approximately 1.2 million women of reproductive age rely on the FEHB program for their health coverage; 1.2 million women without access to abortion coverage. Without access, the right to choose is effectively denied.

So I urge my colleagues to support the DeLauro-Morella-Moran-Greenwood-Hoyer amendment to ensure that Federal employees are once again provided their legal right to choose.

Mr. MANZULLO. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I just want to make it very clear to the Members that this is a clear-cut vote on the Hyde amendment for the Federal Employees Health Benefits Program. It is identical in terms of its wording, in terms of its effect, the rape, incest and the life of the mother exceptions are included.

Let me point out that the gentleman from Rhode Island (Mr. KENNEDY) was saying, this is another gift, or not precisely his words, from the Republican majority. Well, I am very glad that my colleagues on the Republican side respect the value and dignity of unborn life and want to protect it in a tangible way, but many of our colleagues on the Democrat side likewise feel the unborn are worthy of respect and that the subsidization of their killing by way of abortion is not something that we can countenance.

When we contribute, as we do, in excess of 70 percent, 73 percent of the money for the Federal Employees Health Benefits Program comes right from the taxpayers. Less than a quarter of it comes from, or a little over a quarter comes from the premium payer. So we are talking about a taxpayer-funded abortion scheme.

The Supreme Court made it very clear in upholding the Hyde amendment that there is a fundamental difference between abortion and all other types of surgeries. Surgeries and health interventions normally are designed to cure and to mitigate disease, to excise a cyst, unless one construes an unborn cyst to be a tumor or a wart to be done away with at will; and, again, the court that actually gave us Roe versus Wade when it upheld the Hyde amendment said there is a fundamental difference between the two.

Let me also remind my colleagues that the Federal service labor management relation statute makes it very clear that there is no collective bargaining over health benefits. It is not permitted in this Federal sector, and whether we like that or not, that is the law. We can prescribe or proscribe certain limitations on what is permitted and what is not under the health benefits program. Those of us who believe that the unborn are worthy of respect, that chemical poisoning and dismemberment is an abuse of that child, it is child abuse in the extreme, and it exploits women, those of us who have that view I believe have every right to stand here and say, do not use my taxpayer dollars, or my premium dollars, to pay for the destruction of that unborn child.

As I said earlier in the debate, there is not a single method employed by the abortionists that is precluded if the DeLauro amendment were to pass. So even partial birth abortions could be subsidized, as well as the suction and all of the other methods that do grotesque things to unborn children.

So I urge Members to realize that, as legislators and lawmakers, I believe we have an affirmative obligation to the weakest and the most vulnerable among us, even when it is inconvenient, even when people stand up and say, oh, you are antiwoman or, you do not care about women's rights. I care about women's rights. I care for women deeply. But I believe that killing unborn baby girls and boys is an act of violence, I say that with all due respect to my friends on the other side, and that birth is an event that happens to all of us. It is not the beginning of life. And that child is deserving of respect and that, at the minimal, we should not be subsidizing the demise of those children.

Mr. MORAN of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, since 1995, 1.2 million federally employed women of childbearing age have been denied coverage of abortion services by their own Federal health insurance plans. And that means that all over the United States these Federal employees have been denied a constitutional right to make the critical choices about their own health. More than half of the Federal health insurance plans offered coverage of

abortion services before the 1995 ban; and, currently, two-thirds of private health insurance plans provide abortion coverage to their subscribers.

The gentleman from Kansas (Mr. TIAHRT) and the gentleman from New Jersey (Mr. SMITH) and other proponents of this provision argue that the Federal Government is using tax dollars to pay for Federal health insurance plans. We would argue that that is too much of a stretch, because the Federal health insurance plan is one-third of a benefit package that every Federal employee receives in exchange for their employment, for their work. The three benefits that they get are salary, health insurance and retirement benefits.

Restricting health care on the basis that it is paid for with taxpayer dollars is the same as specifying how a Federal employee can use their paycheck or their retirement savings. To mandate how they can use that money is like telling them what they can buy when they go shopping. This is money that is their money. They earned it. We have no right to tell them after they have earned it how they can spend it.

I heard a while ago from a constituent of mine, I will not reveal her name, but she was forced through an ordeal that none of us would ever want to face. To think that she faces this situation only because she chose a career as a Federal employee is unconscionable, and it should make us ashamed as the people charged with making decisions about the terms of her employment.

After being elated to learn she was pregnant at the age of 36, my constituent was devastated by the information that the fetus she had carried had severe fetal anomalies, anomalies that her doctor termed ''incompatible with life.'' Her physician recommended that she terminate the pregnancy as soon as possible. This procedure is covered by her insurance plan, when medically necessary, for non-Federal employees. Her insurance plan covers it if she was not a Federal employee, but only because she was a Federal employee, only because of the ban we imposed in 1995, she had to pay for this expensive procedure out of her own pocket.

To quote from a letter, ''My husband and I question whether Congress is implying that we were immoral for aborting this fetus that had no brain and was virtually a vegetable. I was hoping to get pregnant with a healthy child. We were doing nothing wrong. Our decision was not wanton or frivolous, it was heartbreaking.''

For some couples, this cost can be prohibitive, further endangering the future chances of having a healthy pregnancy by delaying it even further until they can get enough money together. What right do we have to intervene in these lives and these kinds of heartbreaking decisions, making these kinds of difficult, moral choices for people we do not know in situations that we do not understand? We have no right.

They earned this money. They have the right to make these kinds of decisions. We cannot predict what complicated, heartbreaking, tragic circumstances these women and families confront. Who are we to make these kinds of moral decisions for them? It is an arrogant abuse of congressional power to do this kind of thing to Federal employees or to anyone.

Mr. Chairman, I urge my colleagues to end this discriminatory practice of denying coverage of necessary health care on the basis of the fact that these people are employed by the Federal Government. Please vote in favor of this amendment.

□ 1530

Mr. WYNN. I move to strike the requisite number of words, Mr. Chairman.

Mr. Chairman, I rise in support of the DeLauro amendment, and cite my objections to the bill as written. On its face, this bill is discriminatory, and worse, it is arbitrary, because it singles out Federal employees for the simple reason that the majority can do it. They can get away with it because they control the Federal employee benefit package. But it is in fact discriminatory against Federal employees.

What the Republicans are trying to say or what the proponents of this bill have tried to say is essentially this, that this is some sort of Federal subsidy of abortion. I respect their opinions on abortion, I respect the fact that they oppose abortion, but this is in no form or fashion a Federal subsidy. What we are talking about here is the right of Federal employees to use their compensation as they see fit to address their own health care needs in a private way.

If these Federal employees were not employed by the Federal Government, if they were in the private sector, they could get insurance, and if they so choose, use that health insurance for an abortion. But because they work in the Federal sector and because folks on the other side of the aisle have the ability to control their health benefits, they are denied this right.

Make no mistake, benefits, health benefits, are part of compensation, just like your salary, your wages. It is compensation for the labor you provide for the United States of America. In that context, when you are compensated for your labor, that compensation belongs to you. It is no longer the taxpayers', any more than your paycheck is the taxpayers'. The paycheck belongs to the Federal employee, the health benefits belong to the Federal employee, and on that basis the Federal employee ought to be able to use them to purchase the health care plan that they so desire.

There are 1.2 million women of reproductive age under the Federal Employees Health Benefit Plan. They ought to have the right to purchase the health care that they want to. That was the case prior to 1995, when my colleagues on that side of the aisle chose to change the law.

I am not here to debate the merits of abortion. That has been resolved by the courts. The courts have said it is a legal procedure. On that basis, 70 percent of private insurers offer this benefit. Because of that, I believe Federal employees ought to have the right to take advantage of that benefit as part of their compensation.

We should not exercise the . . ., as my colleague referred to it, and arbitrary power to inhibit the choices of these women of childbearing age simply because we can. That is really all it amounts to.

They cannot do it for the workers in the Fortune 500 companies who have private insurance. They cannot do it for the workers in any other company in this country that offer private insurance. They do it to Federal employees because they can do it to Federal employees. That is not a matter of a moral judgment on their part, that is a matter of discrimination . . .. It is being done because they can do it to Federal employees.

Mr. SMITH of New Jersey. Mr. Chairman, if the gentleman will yield, I would ask that he rephrase that. There is absolutely no arrogance. Rather, we are trying to manifest our——

Mr. WYNN. Mr. Chairman, I believe I control the time, and I have not yielded.

Mr. SMITH of New Jersey. Mr. Chairman, I ask that the gentleman's words be taken down.

Mr. WYNN. I control the time.

Mr. SMITH of New Jersey. It is not an act of arrogance. I would ask that the gentleman's words be taken down.

Mr. WYNN. I think the gentleman is making a very subjective argument.

The CHAIRMAN. The gentleman will suspend.

The gentleman from New Jersey (Mr. SMITH) has requested that the words of the gentleman from Maryland (Mr. WYNN) be taken down.

The Clerk will report the words.

Mr. WYNN. Mr. Chairman, in the interests of time and in comity, I withdraw the statement regarding arrogance.

The CHAIRMAN. Without objection, the gentleman from Maryland (Mr. WYNN) withdraws that statement.

There was no objection.

Mr. WYNN. Let me conclude, Mr. Chairman, by saying this. It may not be arrogant, but it is certainly capricious, and it is certainly arbitrary to single out Federal employees for different treatment than we could give to any segment of society that happens to receive health insurance.

I hope we would correct this injustice by supporting the DeLauro amendment.

Ms. FURSE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of this bipartisan amendment. This amendment would improve basic health care for women and their families by providing health plans that cover abortion services.

Women serving the Federal Government deserve just the same civil rights

as all other American women. The vast majority of American women have private insurance plans that cover the full range of reproductive health services. Men, men who work for the Federal Government, are able to get all the medical services that they need. But unfortunately, this Congress has sought to treat American women who work for the Federal Government as sort of second-class citizens. That is just wrong.

We have heard today about value and dignity. I will say to the Members today and to my colleagues that women's lives have value and dignity. Let us respect them. Let us respect those women, and let us respect the decisions that they make about their health care.

What we need to do is make abortion less necessary, not more difficult and more dangerous for Federal employees. Federal employees do a good day's work. They deserve to be treated as all American women deserve to be treated, with value, with dignity. I urge my colleagues to support the DeLauro-Morella-Moran-Greenwood-Hoyer amendment.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the DeLauro amendment. Several things are clear, or ought to be clear, as we debate this amendment.

First, there is a division in this House, as there is in the country, over the question of the morality of abortions between the people who believe in choice and the people who believe that choice should not be permitted to American women on this question.

Second, it is clear that the Supreme Court has declared that the right of choice for women to have abortions if they wish is a constitutional mandate. We live with that.

Third, it is clear that this bill, without the DeLauro amendment, arrogates to itself the power to tell Federal employees who are women that they cannot choose the abortions if they wish, that they do not have the choice that all other women in America have.

The Federal Employee Health Benefits Program is a negotiated benefit that is part of the compensation package. To say that we will not permit women who are covered by that health benefit package to use their health benefits to pay for abortions, the government will not pay for it, and neither can they, through their health insurance, is the exact equivalent of saying that because the taxpayers pay the salaries of women who work for the Federal Government, we have the right, and the power to exercise it, to say that women who work for the Federal Government may not use their own salaries to pay for abortions. It is the same thing.

As the gentleman from Maryland said, we are doing it because we have the power to do it, whereas we do not have the power under the Constitution, as interpreted by the Supreme Court, to say in other respects that women may not have the right of choice. We should not arrogate this power to ourselves. Someone referred to this as arrogance. I do not know that I would call it arrogance on the part of the authors of the bill, but it would be arrogance on the part of the United States Government if the bill passes in the form it is in.

Let me say one other thing. The Committee on Rules protected every other amendment, but it did not protect from a point of order the provision adopted by the Committee on Appropriations, authored by the gentlewoman from New York (Mrs. LOWEY) that said that Federal employee health benefits must give women the choice of abortions; that a woman must have the ability, Federal employees, to purchase plans that will cover contraception.

So now we would be saying the Federal Employee Health Benefits Program cannot pay for abortions because it is immoral, or we think it is immoral, or some people think it is immoral, and we will not permit it to pay for contraception to reduce the need for abortions.

This is somewhat inconsistent. Some might even say it is little hypocritical. I will not say that, but some might say that. It is certainly inconsistent. It is certainly inconsistent. What is the reason for this? Again, because we can.

Why should it not pay for contraception? Because it is immoral? Does this House think that birth control is immoral, because some religious groups think that it is against their religion? Let those adherents to religious groups refrain from contraception.

Why on God's green Earth should the House of Representatives say that contraception should not be permitted to be paid for by the Federal Employee Health Benefit Program? Because Members want more abortions? Because we want to impose religious doctrines on the American people?

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, I thank my good friend from New York for yielding.

Is the gentleman aware that under the Federal Employees Health Benefits Program, contraception is provided? It is just is not mandated. It is totally permissible. An HMO, a Kaiser Permanente, you name it, if they want to provide contraception, they can.

Mr. NADLER. Reclaiming my time, the point, of course, is that the choice of contraception ought to be the employee's, not the health benefit corporation's. Most health benefit corporations, most health plans in this country, cover contraception. Most Federal employee health benefit plans do not. The choice, obviously, ought to be the purchasers, the women who are the Federal employees who need to use the contraception, not the HMOs or the corporation.

Why would we not say to the corporation, if you are going to provide health benefits for employees, you must have a full range of health benefits, which normally includes contraception? Why did the Committee on Rules say that the provision in the bill that said so is the only provision in this bill not protected from a point of order because of lack of authorization?

Again, I submit, it is because, well, I am not sure why people oppose contraception. It makes no sense. If you want fewer abortions and if you want women to have their rights in this country, then we should protect that right. So I urge the adoption of the DeLauro amendment. I would hope the Lowey provision can get into this bill, too.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the DeLauro amendment. This weekend marks the 150th anniversary of the first women's rights convention in this country. One hundred and fifty years ago on this weekend, women gathered in Seneca Falls, New York, and created a document called the Women's Bill of Rights. Since then, we have worked hard to gain more freedoms and to be sure that our rights are not run over.

We have come a long way since Seneca Falls, but now, in this Congress, I feel that we can no longer make progress. We can only fight to hold onto the hard-earned rights we won in prior Congresses, and in fact, we are losing ground for women. This Congress has acted again and again and again toward the gradual elimination of a woman's right to choose.

Let us put this vote today in perspective. This is the 88th vote either to protect choice or to restore choice that we have taken in this body since the beginning of the 104th Congress. Two years ago Federal employees were prevented from getting health insurance that covers abortions. That was one of the first in a series of setbacks, and it needs to be corrected.

This amendment gives back the right of choice to Federal employees. It does not require anyone to provide coverage or choose coverage for abortions. It simply allows an insurance company to cover abortions, and it allows women to choose those companies. They may still select a company which does not cover abortions. It is all about choice. It is about choice in health care, legal, safe health care. I urge my colleagues to support this amendment to give back to women, Federal employees, their right to choose.

I want to just end by saying that I remember when I received my notice, after the Republican majority passed the law barring a woman's access or right to purchase abortion coverage. It was a chilling moment to see in writing a specific act of this Congress rolling back choice piece by piece for women.

Let us restore choice. Let us vote for the DeLauro amendment.

Mr. OBEY. Mr. Chairman, in hopes that we can end the debate on this issue, I move to strike the requisite number of words.

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

Mr. OBEY. I yield to the gentlewoman from Connecticut.

□ 1545

Ms. DELAURO. Mr. Chairman, we have heard a number of arguments in this debate today. I would just like to briefly remind my colleagues of a few points.

If the language in the bill is allowed to remain, hard-working public servants will be unable to choose health insurance which covers legal, doctor-recommended abortions which are necessary to preserve a woman's health. If this amendment passes, no health plan will be required to offer abortion coverage, no one, no one will be required to choose a health plan which covers abortion. It will be an individual decision.

This is not a question of taxpayer money being used to subsidize abortion. That is not the issue here. The health insurance premiums are earned by the employees of our government every single bit as much as their paycheck. Those premiums, just like the paycheck, belong to the employee, not to the Government and not to the taxpayer.

The American Medical Association tells us that making it more difficult, more expensive for women to access needed abortion leads to more health complications for mothers. This is a question of allowing women to choose a health insurance plan which covers an important aspect of women's health. Under the language in the bill, health insurance plans are not permitted to cover an abortion when the doctor tells the patient that an abortion is needed to preserve the mother's health. This is unacceptable. I urge my colleagues, do not impose your own particular point of view on these good, hard-working public servants. Allow these women to choose for themselves.

Vote to strike this provision and preserve the right of these women to choose.

One final point, this is a bipartisan amendment. I thank my colleagues on both sides of the aisle for participating in this effort.

Mr. SCHUMER. Mr. Chairman, I rise in support of the DeLauro motion to strike. Last night, the House Republican leadership passed a rule that effectively blocked the Lowey provision on contraceptive coverage for federal employees. Today, Ms. DELAURO is attempting to strike the restriction on abortion coverage for those same employees.

This is simple logic. Federal employees should have access to a range of the most common methods of birth control. If we deny them access to contraception—the very means to preventing abortion—then the alternative is to provide access to abortion services.

Nearly 50 percent of pregnancies in this country are unintended—about 30 percent of those occur in marriages—and many of those unintended pregnancies will end in abortion.

To my colleagues who are opposed to abortion, I must ask you: Why prevent Federal employees from having coverage of a range of contraceptive methods? Why not work with us, as Americans want us to do, to be responsible? We should have protected the contraceptive coverage provision in the bill—not kowtowed to the National Right to Life Committee and other groups that equate contraception with abortion. They are extreme, and Americans are tired of their extremism. They, like many of us, are tired of this debate.

Americans want us to work together on solutions. Contraception works. It prevents the need for abortion. We failed the American people last night—let's not repeat that mistake today. Support the DeLauro motion to strike the abortion coverage restrictions. It's the responsible thing to do.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO).

The question was taken; and the Chairman announced that the noes appeared to have it.

Ms. DELAURO. Mr. Chairman, I demand a recorded vote and, pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 498, further proceedings on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO) will be postponed.

The point of no quorum is considered withdrawn.

The Clerk will read.

The Clerk read as follows:

SEC. 515. The provision of section 514 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 515 on the grounds that it constitutes legislation on an appropriations bill.

The CHAIRMAN. Does any other Member wish to be heard on the point of order the gentleman is raising?

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I want to remind Members that this is the rape, incest, life of the mother exception that the distinguished gentleman is striking with the point of order.

Mr. OBEY. Mr. Chairman, are we taking editorials on points of order?

The CHAIRMAN. Section 515 has, in fact, been held to constitute legislation on an appropriations bill, and for that reason the point of order is sustained. Section 515 stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 516. (a) None of the funds appropriated by this Act may be expended by the Office of Personnel Management to enter into or renew any contract under section 8902 of title 5, United States Code, for a health benefits plan—

(1) which provides coverage for prescription drugs, unless such plan also provides equivalent coverage for all prescription contraceptive drugs or devices approved by the Food and Drug Administration, or generic equivalents approved as substitutable by the Food and Drug Administration; or

(2) which provides benefits for outpatient services provided by a health care professional, unless such plan also provides equivalent benefits for outpatient contraceptive services.

(b) For purposes of this section—

(1) the term ''contraceptive drug or device'' means a drug or device intended for preventing pregnancy; and

(2) the term ''outpatient contraceptive services'' means consultations, examinations, procedures, and medical services, provided on an outpatient basis and related to the use of contraceptive methods (including natural family planning) to prevent pregnancy.

POINT OF ORDER

Mr. TIAHRT. Mr. Chairman, I rise to a point of order against section 516 of the bill.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TIAHRT. Mr. Chairman, this provision violates clause 2 of House rule XXI which prohibits of authorization on an appropriations bill, and I ask that the provision be stricken from the bill.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

The Chair recognizes the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Chairman, it is shameful and outrageous that this provision is being removed from the bill. It is shameful and outrageous that the Republican leadership will not allow an open and honest debate on the issue.

The CHAIRMAN. If the gentlewoman from New York (Mrs. LOWEY) would confine her remarks to the point of order being raised, the Chair would be appreciative.

Mrs. LOWEY. Mr. Chairman, it is shameful and outrageous that over a million women covered by the Federal Employee Health Benefit Program will not be covered for the payment of contraception.

The CHAIRMAN. Any other Member wishing to the heard on the point of order?

The Chair is prepared to rule.

The gentleman from Kansas (Mr. TIAHRT) makes a point of order that section 516 of the bill proposes to change existing law in violation of clause 2 of rule XXI. The provision is in the form of a limitation; that is, it proposes a negative restriction on funds in the bill for a specified object. That object is the entry or renewal of a contract lacking specified terms.

One such term is for the provision of benefits for outpatient contraceptive services that are equivalent to any benefits provided for outpatient services provided by a health care professional. As recorded in Deschler's Precedents, volume 8, chapter 26, section 52,

even though an amendment in the form of a negative restriction on funds in the bill might refrain from explicitly assigning new duties to officers of the government, if the putative limitation ''implicitly requires them to make investigations, compile evidence, or make judgments and determinations not otherwise required other than by law,'' then it assumes the character of legislation and is subject to a point of order under clause 2 of rule XXI.

The proponent of a limitation, in this instance, the bill originated by the Committee on Appropriations, assumes the burden of proving that any duties imposed by the provision are merely ministerial or are already required by law. The Chair, in this instance, must focus on the implicit requirement in section 516 that the officials who administer the contracts in question must judge the ''equivalence'' of benefits between specified classes of outpatient services. Absent a showing that those officials are already charged with that responsibility or possessed of that information under current law, the Chair is constrained to conclude that section 516 proposes to change existing law by imposing a new duty or requiring a new determination in violation of clause 2 of rule XXI.

Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1999 shall obligate or expend any such funds, unless such department, agencies, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 602 for the same reason that I cited earlier.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

If not, section 602 applies to funds appropriated in other acts and imposes additional duties on Federal officials in violation of clause 2 of rule XXI. Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 603. Notwithstanding 31 U.S.C. 1345, any agency, department, or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may, in fiscal year 1999 and thereafter, reimburse any Federal employee or any person employed to provide such services for travel, transportation, and subsistence expenses incurred for training classes, conferences, or other meetings in connection with the provision of such services: *Provided*, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

SEC. 604. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at $8,100 except station wagons for which the maximum shall be $9,100: *Provided*, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101–549 over the cost of comparable conventionally fueled vehicles.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 604 for the same reasons cited previously.

The CHAIRMAN. Is there any other Member wishing to be heard on the point of order being raised by the gentleman from Wisconsin? If not, the Chair is prepared to rule.

As the Chair ruled on June 18, 1991, this provision constitutes legislation on an appropriation bill in violation of clause 2 of rule XXI. Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 605. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel, or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922–5924.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I raise a point of order against section 605 for the same reason.

The CHAIRMAN. As the Chair ruled on June 18, 1991, this provision constitutes legislation on an appropriation bill in violation of clause 2 of rule XXI. Accordingly, the point of order is sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 606. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States; (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States; (3) is a person who owes allegiance to the United States; (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence; (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975; or (6) is a national of the People's Republic of China who qualifies for adjustment of status pursuant to the Chinese Student Protection Act of 1992: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in a current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 607. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 608. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials, including Federal records disposed of pursuant to a records schedule recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order No. 12873 (October 20, 1993), including any such programs adopted prior to the effective date of the Executive order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 608 for the same reason cited before.

The CHAIRMAN. For the same reasons and, accordingly, as has been stated repeatedly, under the precedent that was established on June 18, 1991, the provision does constitute legislation on

an appropriation bill. Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 609. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against this section on the same grounds as cited earlier.

The CHAIRMAN. Once again, a June 18, 1991 precedent has been established on this language and this constitutes legislation on an appropriation bill.

Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 610. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 610 for the same reason.

The CHAIRMAN. As has been stated, June 18, 1991, the precedent has been established. Accordingly, the point of order is sustained, and this section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 611. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards (except Federal Executive Boards), commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 611 for the same reason as previously cited.

The CHAIRMAN. According to a precedent of June 18, 1991, the point of order is sustained, and this section of the bill will be stricken from the RECORD.

The Clerk will read.

The Clerk read as follows:

SEC. 612. Funds made available by this or any other Act to the Postal Service Fund (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a and 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 613. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 614. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for fiscal year 1999 by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by section 614 of the Treasury, Postal Service and General Government Appropriations Act, 1998, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 1999, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 614; and

(2) during the period consisting of the remainder of fiscal year 1999, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 1999 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 1999 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 1998 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 1998, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1998, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 1998.

(f) For the purpose of administering any provision of law (including section 8431 of title 5, United States Code, and any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 615. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations. For the purposes of this section, the term ''office'' includes the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 615 for reasons previously cited.

The CHAIRMAN. As the Chair has ruled on June 18, 1991, the precedent has been established and this constitutes legislation on an appropriation bill. Accordingly, the point of order is sustained, and this section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 616. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 616 for reasons previously cited.

The CHAIRMAN. Any other Member wishing to be heard on the point of order raised by the gentleman from Wisconsin? If not, the Chair is prepared to rule.

This section waives existing law and constitutes legislation on an appropriation bill. Accordingly, the point of order is sustained and this section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 617. Notwithstanding section 1346 of title 31, United States Code, or section 611 of this Act, funds made available for fiscal year 1999 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order No. 12472 (April 3, 1984).

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 617 for reasons previously cited.

The CHAIRMAN. According to the precedent set on June 18, 1991, the point of order is sustained. This section will be, therefore, stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 618. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 618 for the same reasons.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Section 618 applies to funds appropriated in other acts and imposes additional duties on Federal officials in violation of clause 2 of rule XXI. Therefore, the point of order is sustained, and that section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 619. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1999 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 620. No part of any appropriation contained in this Act may be used to pay for the expenses of travel of employees, including employees of the Executive Office of the President, not directly responsible for the discharge of official governmental tasks and duties: *Provided,* That this restriction shall not apply to the family of the President, Members of Congress or their spouses, Heads of State of a foreign country or their designees, persons providing assistance to the President for official purposes, or other individuals so designated by the President.

SEC. 621. Notwithstanding any provision of law, the President, or his designee, shall certify to Congress, annually, that no person or persons with direct or indirect responsibility for administering the Executive Office of the President's Drug-Free Workplace Plan are themselves subject to a program of individual random drug testing.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 621 for reasons previously cited.

The CHAIRMAN. Any other Member wishing to be heard on the point of order?

If not, the Chair finds that section 621 explicitly supersedes other law. Section 621, therefore, constitutes legislation. The point of order is sustained, and that section is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 622. No funds appropriated in this or any other Act for fiscal year 1999 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: ''These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12356; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive order and listed statutes are incorporated into this agreement and are controlling.'': *Provided,* That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against section 622 on grounds that it, indeed, constitutes legislation on an appropriation bill and violates clause 2 of rule XXI.

The CHAIRMAN. Does any other Member wish to be heard on the point of order? If not, the Chair is prepared to rule.

The Chair finds that section 622 addresses funds in other acts. Section 622, therefore, does, as the gentleman has stated, constitute legislation. The point of order is sustained, and this section will be stricken from the bill.

The Clerk will read.

□ 1600

The Clerk read as follows:

SEC. 623. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 623 for reasons previously cited.

The CHAIRMAN. As was just stated, the Chair rules that this addresses funds in other acts, and section 623, therefore, does constitute legislation. The point of order is sustained and this portion will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 624. (a) IN GENERAL.—No later than September 30, 1999, the Director of the Office of Management and Budget shall submit to the Congress a report that provides—

(1) estimates of the total annual costs and benefits of Federal regulatory programs, including quantitative and nonquantitative measures of regulatory costs and benefits;

(2) estimates of the costs and benefits (including quantitative and nonquantitative measures) of each rule that is likely to have a gross annual effect on the economy of $100,000,000 or more in increased costs;

(3) an assessment of the direct and indirect impacts of Federal rules on the private sector, State and local government, and the Federal Government; and

(4) recommendations from the Director and a description of significant public comments to reform or eliminate any Federal regulatory program or program element that is inefficient, ineffective, or is not a sound use of the Nation's resources.

(b) NOTICE.—The Director shall provide public notice and an opportunity to comment on the report under subsection (a) before the report is issued in final form.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 624 for the same reasons.

The CHAIRMAN. Any other Members wishing to be heard on the point of order?

If not, the Chair finds that section 624 includes language imparting direction. Section 624, therefore, constitutes legislation. The point of order is sustained and the provision will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 625. None of the funds appropriated by this or any other Act, may be used by an

agency to provide a Federal employee's home address to any labor organization, unless the employee has authorized such disclosure or such disclosure has been ordered by a court of competent jurisdiction.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 625 for reasons previously cited.

The CHAIRMAN. Any other Members wishing to be heard?

If not, the Chair finds that section 625 addresses funds in other acts. Section 625, therefore, constitutes legislation. The point of order is sustained and this portion will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 626. The Secretary of the Treasury is authorized to establish scientific certification standards for explosives detection canines, and shall provide, on a reimbursable basis, for the certification of explosives detection canines employed by Federal agencies, or other agencies providing explosives detection services at airports in the United States.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 626 for the same reasons.

The CHAIRMAN. Any other Members wishing to be heard?

If not, the Chair finds that section 626 includes language conferring authority. Section 626, therefore, constitutes legislation. The point of order is sustained. The provision is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 627. None of the funds made available in this or any other Act may be used to provide any non-public information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the Committees on Appropriations.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 627 for reasons previously cited.

The CHAIRMAN. Any Members wishing to be heard on the point of order?

If not, the Chair finds that section 627 addresses funds in other acts and, therefore, section 627 constitutes legislation. The point of order is sustained and that provision will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 628. For purposes of each provision of law amended by section 704(a)(2) of the Ethics Reform Act of 1989 (5 U.S.C. 5318 note), no adjustment under section 5303 of title 5, United States Code, shall be considered to have taken effect in fiscal year 1999 in the rates of basic pay for the statutory pay systems.

AMENDMENT OFFERED BY MR. HEFNER

Mr. HEFNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEFNER:

On page 89, beginning on line 12, strike Section 628 in its entirety.

Mr. HEFNER. Mr. Chairman, last evening we had a very contentious debate on the previous question and on the rule on this legislation. It was pretty much of a stretch, but we had something that was passed out to Members from the National Republican Congressional Committee, the gentleman from Georgia (Mr. LINDER), to Democrats, saying:

''We will be watching whether you vote to increase your own pay. National Republican Congressional Committee chairman John Linder issued a strong warning to House Democrats: We will be watching how you vote tonight on the Treasury, Postal Service appropriation rule. Linder said anyone voting against a procedural motion is unequivocally voting to give themselves a pay raise. A raise, Linder noted, would not be taken well by constituents, too many of whom are juggling two jobs trying to make ends meet. If Democrats want to block this motion so they can get a raise, so be it, but tomorrow I guarantee every newspaper in their district will know about it.''

Now, I understand politics pretty good. I have been here some 24 years, and pay has always been a contentious issue in this body. We thought we had solved the problem a few years ago when we set in place a procedure that says we would get a cost of living like every other Federal employee. And when we had the last substantial pay raise, the gentleman from Georgia (Mr. NEWT GINGRICH) and Mr. Bob Michel stood in this well before the Democratic caucus and said, look, if everyone will all support this pay raise, it will not be a political issue; we will not bring it up in the elections. And guess what? Two weeks later, in my district, they were accusing me of being a big spender. But that is another story.

If we can make the stretch that voting for a procedural motion could be perceived as voting for a pay raise, I think it is only fair and fitting that Members in this House have a chance to express themselves as to whether they want to accept the raise, a cost of living raise that is in the bill, and take this section out of the bill. Then we will have the same stretch that we can make from the handout of the gentleman from Georgia (Mr. LINDER) that we had voted against a pay raise.

It is unfortunate that these kind of things take place in political campaigns. This, I would not say was hypocritical, but I would say that it is absolutely intellectually dishonest.

Mr. Chairman, I would like to point out another couple of things here. Last year the gentleman from Georgia (Mr. LINDER) voted for the conference report, which contained, incidentally, our cost of living last year. But he voted against the original bill. So he could have it both ways: He could be for it and against it.

So I think the Members should be entitled to have a vote on taking this portion out of this bill, where they can let people know where they stand on a pay raise. It is unfortunate that this has to be, with all the things that we are confronted with, that people have to apologize for what they are paid by the American people when we preside over the biggest corporation in the world. And we get paid far less than rock-and-roll performers, baseball players, or soccer players.

It is unfortunate that this has to be a political football but, Mr. Chairman, I would urge Members to vote for my amendment.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I understand the sentiments expressed by the gentleman from North Carolina. The gentleman from Maryland and I and others on both sides of the aisle in this body have worked very hard over the last couple of years to try to depoliticize the issue of Members' pay. This body did that, as a matter of fact, several years ago when we established a procedure whereby the increases, the cost of living adjustments in the salaries received by Members of this body, would be tied to that of other Federal employees, but with half a percent less than they would get. So we would never get the same amount as another Federal employee was getting.

The idea was to take it out of the process of forcing us to have votes on this one at a time, to have the gut-wrenching vote as to whether or not we should receive a pay increase. That process was established in law and we had, I believe, every hope that that process would work. Unfortunately, Members have realized that the rules of this House permit other ways of getting at a vote on the Members' pay raise, even when there is not really an increase in the pay; that we are talking simply about a cost of living adjustment.

So we have had this process, unfortunately, on this bill for too many years. It does not really belong at all on this legislation. We have had this provision added in on several years which would prevent Members from receiving the cost of living adjustment that other Federal employees have gotten.

In the strongest possible terms I deplore the use of this issue by anybody on either side of the aisle. Members ought to be allowed to consider this in the least politically obtrusive way possible. We ought to be able to consider this on its merits. Unfortunately, when we have Members and it has happened, I would remind the gentleman from North Carolina, on both sides of the aisle in the past who have attacked the cost of living adjustment for Members, it becomes, especially in an election year, a very difficult issue for Members to withstand what they perceive to be the heat that they will receive at home on this issue.

Therefore, this year, it was very clear from the statements that had been made in both the House and the Senate that there was going to be an

effort made to make sure that Members did not get a cost of living adjustment. It was the decision of the subcommittee that we simply put that decision into the bill before it got to the floor of the House. And that is why we see this provision in the legislation, and that is why the rule, which was adopted last night, protects this particular provision.

I wish that we did not have to go through this debate. I wish we did not have to have this kind of provision in the legislation but, nonetheless, it is there. It is, I think, the decision of the leadership on both sides of the aisle that we will not subject the Members to a vote on a cost of living adjustment, and I would certainly urge my colleagues to vote against the gentleman's amendment and leave this provision intact in the legislation when it leaves the House of Representatives.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I share the disdain of the gentleman from North Carolina for the scurrilous press release, the totally misleading press release which was issued last night by the Republican Congressional Campaign Committee. Everyone knows that the issue on the rule had nothing whatsoever to do with the congressional cost of living. It had everything to do with our disagreement about the abandoning of the effort to treat as an emergency the Year 2000 computer problems faced by virtually every agency of government, and it had everything to do with the decision of the Committee on Rules to, in effect, knock out the Lowey amendment on family planning.

I make no apology for the fact that the law provides that under normal circumstances, Members of Congress are entitled to a cost of living adjustment in their pay on an annual basis, minus one-half percent below the amount that has been given to other workers in this society in the previous year. That is what the formula provides. That formula provides that Members' salaries will be whatever private sector workers have received in the previous year minus one-half percent. That is simply a short COLA. I make no apology for that. I think that is a rational approach.

But to make clear how phony that press release was, I would urge Members to vote against the amendment offered by the gentleman from North Carolina. I appreciate the fact that he has given us the opportunity to make clear that that press release last night was totally off base and totally scurrilous, but I would simply say that those Members who are truly concerned about trying to prevent a COLA from taking place for Members, now is their chance; they can vote against this amendment and they will accomplish that fact.

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

Mr. OBEY. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I wish to say that the gentleman from Arizona (Mr. KOLBE) is one of the fairest in this Congress. I want to go on record saying that. But when he says the leadership made an agreement, the leadership went back on their agreement when they put out this press release threatening people that they are going to go to their local newspapers and say they voted for a pay raise when the pay raise was in the entire bill.

Let me urge my colleagues, if they want to vote against a pay raise, they should vote against my amendment. But if they think they are worth the money, and they think they are doing the business for their constituents, they should vote for my amendment. Those that we are talking about, that want to be on record as voting against a pay raise, they should vote against my amendment.

□ 1615

Mr. OBEY. Mr. Chairman, I simply want to say, this reminds me of an event that occurred a number of years ago when we were asked by the Reagan administration to vote for the IMF increase on this side of the aisle; and when we did, the Republican Congressional Campaign Committee then demagogued us and put out press releases attacking us for doing what the leader of their party asked us to do. I think the press release last night was just as unfair.

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

Mr. OBEY. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, to correct one thing that the gentleman from North Carolina (Mr. HEFNER) said I think in interpreting my remarks, my comment about the leadership agreement applied to the agreement that we reached last year.

There was an attempt made to reach an agreement this year on the issue of the COLA. Since it was not reached, we agreed to put in the prohibition. There was no other agreement beyond that about what would or would not be said this year by anybody on the other side.

Mr. OBEY. Mr. Chairman, reclaiming my time, I would simply again urge Members to make the situation and to make the facts as opposed to the propaganda perfectly clear, that we vote against the Hefner amendment. I thank the gentleman for offering it, and I thank the chairman of the subcommittee for accurately stating the situation.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I thank the gentleman from North Carolina (Mr. HEFNER) for offering this amendment. My experience has been, in the some 30-plus years that I have been in public office, that the constituents with whom I deal hate most hypocrisy. They can disagree with me from time to time, and they do, but it is when they know, and hopefully it does not happen very often, hopefully never, that I am saying something that I do not believe, that I am voting a way I do not act.

In 1989, this body, in a bipartisan way, with the leadership of the present Speaker, the then Speaker Tom Foley, the gentleman from Wisconsin (Mr. OBEY), the gentleman from California (Mr. FAZIO), many others, Mr. Michael in particular, I think even the presiding officer presently came together and said that we need to have a system that we believe is fair and the public will believe is fair.

We, at that point in time, for those Members who are new and do not recall, could take 30 percent of our salary from private-sector interests to enhance our salary. It was called honoraria.

I did not think that was right. This body did not think it was right and good policy. And we changed that. And in changing that, we said, we are going to set in place a system that will attempt to fairly reflect a salary that will, in effect, stay level. Because that is what cost of living is, of course, staying level, staying even. So that costs increase and salaries increase across the board, we escalate Social Security by a cost-of-living adjustment so that the value of the receipt of Social Security is approximately the same.

And so we did that. But as the gentleman from Wisconsin (Mr. OBEY) has correctly pointed out, we said that we are going to take the economic cost index, ECI, the private-sector wage information, determine what that average salary increase is, and we will then deduct half a point from that so that we will be getting less than that average in the private sector and adjust our salaries by that number.

Now, is it a raise? Yes, of course it is an increase. But is it a real raise? No, it is not. It is a staying even with the economy. That was, in my opinion, an honest, rational, common-sense approach. Members voted on that reform on this floor in public on the record at 4 in the afternoon, full light of day. And we did it before an election. And we said that that would not go into effect until we were reelected. In other words, we did not take it at that point in time.

And, in fact, I believe that every Member who sought re-election that was reelected, or even defeated, was not done so because of that provision. That is to say, citizens understood that. They thought it was fair. In fact, they thought it was reform and common cause, and many other citizens organizations endorsed it.

Now, for a number of years after passing that, we did in fact follow without debates; and if Federal employees and if private sector got a cost-of-living adjustment, we got a cost-of-living adjustment. It was not a controversial item among the citizens in America. They understand that that is

what, for the most part, they would like in their jobs and, for the most part, they get in their jobs.

We have, however, always been inclined to demagogue the institution and demagogue one another on institutional issues. That is a shame. It is a shame because it brings disrespect on this institution and disrespect on the individual Members.

Now, is that bad for the individuals? Of course. But, much worse, it is bad for America to lose faith and trust in its Members, who somehow give the impression that they are taking something that is either undeserved or unearned.

I would hope that every Member on the majority side, as I will tell my colleagues on my side, will tell the gentleman from Georgia (Mr. LINDER), this is not good policy. It may be good politics. It may adopt the premise of the Speaker that politics is war. But it is lousy public policy. It is demagoguery of the worst type.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. HOYER) has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 2 additional minutes.)

Mr. HOYER. Mr. Chairman, in point of fact, it was also dishonest. Because, as the gentleman from Wisconsin (Mr. OBEY) has pointed out, the vote yesterday was not on this issue; it was, in fact, on issues of import which we have debated on this floor at some length and was on the issue of whether or not we were going to fund in this bill the fixing of computers in the Federal Government so that they would be compatible with the change of the century.

Those were substantive issues. They have both been struck on this floor today by one Member because of the rule we adopted. I regret that it appears that the rule was specifically fashioned to facilitate this kind of demagoguery, this kind of threat, this kind of intimidation on the Members of this House.

Now, as every Member knows, I have been for this process and have been sometimes among 20 people, 30 people voting for the cost-of-living adjustment because I thought the American public deserved an honest response. The American public is not surprised that when we vote on this, sometimes half, maybe sometimes two-thirds, vote against the cost-of-living. And the American public is not surprised when, guess what, almost every Member who voted no on the ECI takes the money, takes the money, leading to further disrespect for this institution and the individual Members who they thereby perceive as dishonest with them.

I love this institution and respect it. It is in fact the people's House. But if we do not respect ourselves, if we do not respect this institution, we cannot expect the American public to respect us or this institution.

I am going to vote no on this amendment, which will probably be the first time since I have served in this body that I have voted against the cost-of-living adjustment. The reason I am going to vote against it is because I do not want to flimflam the public. We reported this out because it was the perception of the chairman and mine that this issue had been so politicized and would be so politicized that it would lead to further undermining of this institution's credibility.

But I want everyone to know that I am for the ECI. I think it ought to go into effect. Because I believe that was a reform that was good for America and this institution and was fair and honest.

I thank the gentleman for offering this amendment so that no one will be confused by the gentleman from Georgia (Mr. LINDER) or anybody else.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. And I realize that very few other people will support this amendment today, but I think it is important that some do.

I want to first commend the author of the amendment, and I want to commend the gentleman from Maryland (Mr. HOYER) for the very elegant statement that he just made. This issue has called forth much lack of candor over the years. And it is easy in a campaign to go say, ''my opponent voted for a pay increase for himself.''

As the chairman of the subcommittee and the ranking member both said, back in 1989, with support from all groups in this House, from both parties, from the leadership, from the present Speaker, a decision was made to take this issue out of politics and to serve it in a responsible way so that Members of the House and the Senate would get paid responsibly so that future increases would only be cost-of-living increases; and then, in return for foregoing the opportunity of earning money outside the salary of the Members of the House, they would be guaranteed a cost-of-living increase like other Federal employees, like most employees of major corporations in this country, with one difference, a half a percent less than the actual cost-of-living increase that everybody else gets. And this would be done automatically so we would not have the demagogic attacks on votes every year.

For those last few years, we have had those demagogic attacks because people have figured out ways of getting votes to the floor.

Now, in the absence of this amendment, there would not be a vote on the floor. Yet we have a demagogic attack on a different vote as if it were a vote on this. The fact is, with every election cycle, a greater proportion of the membership of this House are millionaires.

If we want ordinary men and women to continue to serve in this House, we have to allow the salary to increase with the cost of living, as all other Federal salaries do, as most government salaries do, as we should certainly want all salaries in the private sector to do.

So I do not expect or ask that many people vote for this amendment today. Because the real purpose of this amendment is to undo the political mischief that was done by that dishonest and demagogic press release that was talked about a few minutes ago.

The real purpose of this amendment is to enable a straight up-or-down vote on this cost-of-living increase in which most Members, because the judgment has been made that the political atmosphere is too poisoned to permit it this year, most Members will vote no.

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

Mr. NADLER. I yield to the gentleman from Texas.

Mr. DELAY. Mr. Chairman, I appreciate the gentleman yielding.

I was down in my office meeting with some constituents and I noticed that the gentleman from Maryland (Mr. HOYER) got up and spoke, and so I turned on my television.

I have got to tell my colleagues, I came down to the floor to associate myself with the comments of the gentleman from Maryland in many ways, maybe not all of them. But I do love this institution, as the gentleman from Maryland does.

I think that there is too much attack on this institution and its Members. It greatly disturbs me when Members and the media and otherwise claim that there is corruption in this Chamber. I have many times come down to this floor and challenged people that said there is corruption in this Chamber to show me and name the corruption that is in this Chamber.

And I, too, have voted for cost-of-living increases, and I am for them, and I think it is very important. In order to maintain the integrity of this body and making sure that Members can take care of their families in a reasonable way that reflects their abilities, we should be very, very careful when we attack this institution in this regard.

So I appreciate the gentleman from New York (Mr. NADLER), and I appreciate the gentleman from Maryland (Mr. HOYER).

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

Mr. NADLER. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I simply would ask the gentleman from Texas (Mr. DELAY) who just spoke, I am happy to hear he loves this institution. My question is, does he love it enough to tell the chairman of his campaign committee that he ought to quit issuing misleading press releases about this issue?

□ 1630

Mr. NADLER. Reclaiming my time, Mr. Chairman, I would simply say that I would hope in the future, and, as I said, I plan to vote for this amendment, I do not expect to urge many

others to do so, but I think some of us should. But I hope in the future, whoever is in charge of the committee and the leadership of this House, that when this bill comes to the floor next year and the year after and the year after, and it provides for the cost of living increase.

The CHAIRMAN. The time of the gentleman from New York (Mr. NADLER) has expired.

(By unanimous consent, Mr. NADLER was allowed to proceed for 1 additional minute.)

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

Mr. NADLER. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I want to make it clear the gentleman said ''this bill.'' This bill does not provide for any pay raise or cost of living adjustment for Members, with or without this provision. This provision prohibits what is provided for in the law that was passed in 1989 from going into effect so that when the bill comes those who demagogue the bill for being a pay raise are absolutely incorrect.

I know what the gentleman meant; I just wanted to clarify that.

Mr. NADLER. Mr. Chairman, I appreciate the clarification.

Let me simply express the hope that next year and the year after the cost of living increase is permitted to go into effect in the way it was intended without a specific piece of legislation or a vote and that the rule provides that an amendment that would come on the floor should not be permitted because otherwise the entire purpose of the 1989 law is nullified, and if we want this House gradually to become the House of millionaires that ordinary men and women do not run for, that is a good way to do it, and we should not permit that.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words for just a moment.

Mr. Chairman, I must say that as I sat in my office watching this discussion on television, I could not help but be moved to come and at least have my voice be heard in connection with the proposal being made by my colleague, the gentleman from North Carolina (Mr. HEFNER).

I must say that in the years that I have been in this body, I have seen on more than one occasion on both sides of the aisle a propensity to demagogue both salary adjustments as well as benefits for the Members of this House. It is most disconcerting to me that people would, on either side of the aisle, ever play politics for the sake of politics on issues such as this.

I am particularly disconcerted by this pattern because it has dramatically impacted over the years a number of younger Members who are serving very well in this body, who, because upon arriving here with young children, otherwise unaware of the incredible cost of living in this region and maintaining residence at home, et cetera, found themselves leaving the body long before their service was well completed.

It does not serve the body well or the American public well to simply demagogue an issue like this because somebody thinks it may be votes at home for someone that they might choose. I have never seen this issue make a difference in a significant congressional race, but people love to demagogue it.

Mr. Chairman, I not only applaud my colleague, the gentleman from North Carolina (Mr. HEFNER), I intend to support his position. I would urge as many Members in the House on both sides of the aisle who can stand the heat to do so as well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. HEFNER).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. KOLBE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 498, further proceedings on the amendment offered by the gentleman from North Carolina (Mr. HEFNER) will be postponed.

The Clerk will read.

The Clerk read as follows:

SEC. 629. No part of any appropriation contained in this or any other Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. OBEY. Mr. Chairman, back to the old business, I make a point of order against section 629 for reasons previously cited, ad nauseam ad nauseam.

The CHAIRMAN. Does any Member wish to be heard on the point of order that has just been raised by the gentleman from Wisconsin (Mr. OBEY)?

If not, the Chair finds that section 629 addresses funds in other acts, and section 629, therefore, constitutes legislation.

The point of order is sustained, and section 629 will, therefore, be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 630. None of the funds appropriated in this or any other Act shall be used to acquire information technologies which do not comply with part 39.106 (Year 2000 compliance) of the Federal Acquisition Regulation, unless an agency's Chief Information Officer determines that noncompliance with part 39.106 is necessary to the function and operation of the requesting agency or the acquisition is required by a signed contract with the agency in effect before the date of enactment of this Act. Any waiver granted by the Chief Information Officer shall be reported to the Office of Management and Budget, and copies shall be provided to Congress.

SEC. 631. None of the funds made available in this Act for the United States Customs Service may be used to allow the importation into the United States of any good, ware, article, or merchandise mined, produced, or manufactured by forced or indentured child labor, as determined pursuant to section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

SEC. 632. Notwithstanding any other provision of law, no part of any funds provided by this Act or any other Act beginning in fiscal year 1999 and thereafter shall be available for paying Sunday premium pay to any employee unless such employee actually performed work during the time corresponding to such premium pay.

SEC. 633. No part of any appropriation contained in this or any other Act shall be available for the payment of the salary of any officer or employee of the Federal Government, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any other officer or employee of the Federal Government from having any direct oral or written communication or contact with any Member, committee, or subcommittee of the Congress in connection with any matter pertaining to the employment of such other officer or employee or pertaining to the department or agency of such other officer or employee in any way, irrespective of whether such communication or contact is at the initiative of such other officer or employee or in response to the request or inquiry of such Member, committee, or subcommittee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any other officer or employee of the Federal Government, or attempts or threatens to commit any of the foregoing actions with respect to such other officer or employee, by reason of any communication or contact of such other officer or employee with any Member, committee, or subcommittee of the Congress as described in paragraph (1).

SEC. 634. Section 404(a) of the Government Management Reform Act of 1994 is amended by striking the period at the end of paragraph (2) and inserting ''; and'', and by adding at the end the following paragraph:

''(3) the Inspector General Act of 1978 (5 U.S.C. App.).''.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point or order.

Mr. OBEY. Mr. Chairman, I make a point of order against section 634 for reasons previously cited.

The CHAIRMAN. Is there any other Member wishing to be heard on the point of order that is being put forward by the gentleman from Wisconsin (Mr. OBEY)?

If not, the Chair finds that section 634 directly amends other law. Section 634, therefore, constitutes legislation, and the point of order is sustained, and section 634 will, therefore, be stricken from the bill.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rose a few weeks ago before we went on recess to give indication that I had a very serious problem with the Customs Department regarding a ruling that had to do with soft

lumber from Canada. I told the Customs Department that unless some action were taken, either yes or no, that I intended to offer an amendment reducing their appropriation.

Mr. Chairman, I am happy to tell those of my colleagues, especially the members of the Forestry 2000, who incidentally very generously had agreed each to give me 5 minutes to talk about the demerits of this bill unless Customs did something, so I was intending to speak for 8 hours on this bill, and thanks to the wisdom of the Customs Department who issued the ruling that very same day, no longer will my colleagues be subjected to that misfortune of having to listen to me for 8 hours.

So, as a result of Customs' brilliance and as a result of their decision, I am happy to tell my colleagues that I now support the bill, and I would urge my colleagues at the appropriate time to vote in favor of this bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 635. Notwithstanding section 611 of this Act and notwithstanding section 1346 of title 31, United States Code, funds made available for fiscal year 1999, by this or any other Act shall be available for the interagency funding of specific projects, workshops, studies, and similar efforts to carry out the purposes of the National Science and Technology Council (authorized by Executive Order No. 12881), which benefit multiple Federal departments, agencies, or entities.

POINT OF ORDER

Mr. SMITH of New Jersey. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point or order.

Mr. SMITH of New Jersey. Mr. Chairman, I make a point of order against section 635 of the bill. It violates clause 2 of rule XXI.

The CHAIRMAN. Does any other Member wish to be heard on section 635?

If not the Chair is prepared to rule.

Section 635 explicitly supersedes other law and applies to funds in other acts. The point of order is sustained, and the section is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 636. Section 626(b) of the Treasury, Postal Service, and General Government Appropriations Act, 1997, as contained in section 101(f) of Public Law 104–208 (110 Stat. 3009–360), the Omnibus Consolidated Appropriations Act, 1997, is amended to read as follows:

''(b) Until the end of the current FTS 2000 contracts, or September 30, 1999, whichever is sooner, subsection (a) shall continue to apply to the use of the funds appropriated by this or any other Act.''.

SEC. 637. (a) DEFINITIONS.—In this section—

(1) the term ''crime of violence'' has the meaning given that term in section 16 of title 18, United States Code; and

(2) the term ''law enforcement officer'' means any employee described in subparagraph (A), (B), or (C) of section 8401(17) of title 5, United States Code; and any special agent in the Diplomatic Security Service of the Department of State.

(b) RULE OF CONSTRUCTION.—Notwithstanding any other provision of law, for purposes of chapter 171 of title 28, United States Code, or any other provision of law relating to tort liability, a law enforcement officer shall be construed to be acting within the scope of his or her office or employment, if the officer takes any action, including the use of force, that is determined by the officer to be necessary to—

(1) protect an individual in the presence of the officer from a crime of violence;

(2) provide immediate assistance to an individual who has suffered or who is threatened with bodily harm; or

(3) prevent the escape of any individual who the officer reasonably believes to have committed in the presence of the officer a crime of violence.

SEC. 638. The Administrator of General Services may provide, from government-wide credit card rebates, up to $3,000,000 in support of the Joint Financial Management Improvement Program as approved by the Chief Financial Officer's Council.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. OBEY. Mr. Chairman, I make a point of order against section 638 for reasons previously cited.

The CHAIRMAN. Does any other Member wish to be heard on the point of order being raised by the distinguished gentleman from Wisconsin?

If not, the Chair is prepared to rule.

The Chair finds that section 638 includes language conferring authority. Therefore it constitutes legislation. The point of order is sustained, and section 638 is, therefore, stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 639. FEDERAL FIREFIGHTERS OVERTIME PAY REFORM ACT OF 1998.—(a) Subchapter V of chapter 55 of title 5, United States Code, is amended—

(1) in section 5542 by adding the following new subsection at the end thereof:

''(f) In applying subsection (a) of this section with respect to a firefighter who is subject to section 5545b—

''(1) such subsection (a) shall be deemed to apply to hours of work officially ordered or approved in excess of 106 hours in a biweekly pay period, or, if the agency establishes a weekly basis for overtime pay computation, in excess of 53 hours in an administrative workweek; and

''(2) the overtime hourly rate of pay is an amount equal to one and one-half times the hourly rate of basic pay under section 5545b (b)(1)(A) or (c)(1)(B), as applicable, and such overtime hourly rate of pay may not be less than such hourly rate of basic pay in applying the limitation on the overtime rate provided in paragraph (2) of such subsection (a).''; and

(2) by inserting after section 5545a the following new section:

''§ 5545b. Pay for firefighters

''(a) This section applies to an employee whose position is classified in the firefighter occupation in conformance with the GS–081 standard published by the Office of Personnel Management, and whose normal work schedule, as in effect throughout the year, consists of regular tours of duty which average at least 106 hours per biweekly pay period.

''(b)(1) If the regular tour of duty of a firefighter subject to this section generally consists of 24-hour shifts, rather than a basic 40-hour workweek (as determined under regulations prescribed by the Office of Personnel Management), section 5504(b) shall be applied as follows in computing pay—

''(A) paragraph (1) of such section shall be deemed to require that the annual rate be divided by 2756 to derive the hourly rate; and

''(B) the computation of such firefighter's daily, weekly, or biweekly rate shall be based on the hourly rate under subparagraph (A).

''(2) For the purpose of sections 5595(c), 5941, 8331(3), and 8704(c), and for such other purposes as may be expressly provided for by law or as the Office of Personnel Management may by regulation prescribe, the basic pay of a firefighter subject to this subsection shall include an amount equal to the firefighter's basic hourly rate (as computed under paragraph (1)(A)) for all hours in such firefighter's regular tour of duty (including overtime hours).

''(c)(1) If the regular tour of duty of a firefighter subject to this section includes a basic 40-hour workweek (as determined under regulations prescribed by the Office of Personnel Management), section 5504(b) shall be applied as follows in computing pay—

''(A) the provisions of such section shall apply to the hours within the basic 40-hour workweek;

''(B) for hours outside the basic 40-hour workweek, such section shall be deemed to require that the hourly rate be derived by dividing the annual rate by 2756; and

''(C) the computation of such firefighter's daily, weekly, or biweekly rate shall be based on subparagraphs (A) and (B), as each applies to the hours involved.

''(2) For purposes of sections 5595(c), 5941, 8331(3), and 8704(c), and for such other purposes as may be expressly provided for by law or as the Office of Personnel Management may by regulation prescribe, the basic pay of a firefighter subject to this subsection shall include—

''(A) an amount computed under paragraph (1)(A) for the hours within the basic 40-hour workweek; and

''(B) an amount equal to the firefighter's basic hourly rate (as computed under paragraph (1)(B)) for all hours outside the basic 40-hour workweek that are within such firefighter's regular tour of duty (including overtime hours).

''(d)(1) A firefighter who is subject to this section shall receive overtime pay in accordance with section 5542, but shall not receive premium pay provided by other provisions of this subchapter.

''(2) For the purpose of applying section 7(k) of the Fair Labor Standards Act of 1938 to a firefighter who is subject to this section, no violation referred to in such section 7(k) shall be deemed to have occurred if the requirements of section 5542(a) are met, applying section 5542(a) as provided in subsection (f) of that section: *Provided*, That the overtime hourly rate of pay for such firefighter shall in all cases be an amount equal to one and one-half times the firefighter's hourly rate of basic pay under subsection (b)(1)(A) or (c)(1)(B) of this section, as applicable.

''(3) The Office of Personnel Management may prescribe regulations, with respect to firefighters subject to this section, that would permit an agency to reduce or eliminate the variation in the amount of firefighters' biweekly pay caused by work scheduling cycles that result in varying hours in the regular tours of duty from pay period to pay period. Under such regulations, the pay that a firefighter would otherwise receive for regular tours of duty over the work scheduling cycle shall, to the extent practicable, remain unaffected.''.

(b) The analysis for chapter 55 of title 5, United States Code, is amended by inserting

at the appropriate place the following new item:

''5545b. Pay for firefighters.''.

(c) Section 4109 of title 5, United States Code, is amended by adding the following new subsection at the end thereof:

''(d) Notwithstanding subsection (a)(1), a firefighter who is subject to section 5545b of this title shall be paid basic pay and overtime pay for the firefighter's regular tour of duty while attending agency sanctioned training.''.

(d) section 8331(3) of title 5, United States Code, is amended—

(1) by striking ''and'' after subparagraph (D);

(2) by redesignating subparagraph (E) as subparagraph (G);

(3) by inserting the following:

''(E) with respect to a criminal investigator, availability pay under section 5545a of this title;

''(F) pay as provided in section 5545b (b)(2) and (c)(2); and ''; and

(4) by striking ''subparagraphs (B), (C), (D), and (E)'' and inserting ''subparagraphs (B)–(G)''.

(e) The amendments made by this section shall take effect on the first day of the first applicable pay period which begins on or after the later of October 1, 1998, or the 180th day following the date of enactment of this section.

(f) Under regulations prescribed by the Office of Personnel Management, a firefighter subject to section 5545b of title 5, United States Code, as added by this section, whose regular tours of duty average 60 hours or less per workweek and do not include a basic 40-hour workweek, shall, upon implementation of this section, be granted an increase in basic pay equal to 2 step-increases of the applicable General Schedule grade, and such increase shall not be an equivalent increase in pay. If such increase results in a change to a longer waiting period for the firefighter's next step increase, the firefighter shall be credited with an additional year of service for the purpose of such waiting period. If such increase results in a rate of basic pay which is above the maximum rate of the applicable grade, such resulting pay rate shall be treated as a retained rate of basic pay in accordance with section 5363 of title 5, United States Code.

(g) Under regulations prescribed by the Office of Personnel Management, the regular pay (over the established work scheduling cycle) of a firefighter subject to section 5545b of title 5, United States Code, as added by this section, shall not be reduced as a result of the implementation of this section.

COORDINATION OF SOUTHWEST BORDER COUNTERDRUG ACTIVITIES

SEC. 640.—(1) Not later than 180 days after the date of enactment of this Act, the Director of the Office of National Drug Control Policy shall conduct a review of Federal efforts and submit to the appropriate congressional committees, including the Committees on Appropriations, a plan to improve coordination among the Federal agencies with responsibility to protect the borders against drug trafficking. The review shall also include consideration of Federal agencies' coordination with State and local law enforcement agencies. The plan shall include an assessment and action plan, including the activities of the following departments and agencies:

(A) Department of the Treasury;

(B) Department of Justice;

(C) United States Coast Guard;

(D) Department of Defense;

(E) Department of Transportation;

(F) Department of State; and

(G) Department of Interior.

(2) The purpose of the plan under paragraph (1) is to maximize the effectiveness of the border control efforts in achieving the objectives of the national drug control strategy in a manner that is also consistent with the goal of facilitating trade. In order to maximize the effectiveness, the plan shall:

(A) specify the methods used to enhance cooperation, planning and accountability among the Federal, State, and local agencies with responsibilities along the Southwest border;

(B) specify mechanisms to ensure cooperation among the agencies, including State and local agencies, with responsibilities along the Southwest border;

(C) identify new technologies that will be used in protecting the borders including conclusions regarding appropriate deployment of technology;

(D) identify new initiatives for infrastructure improvements;

(E) recommend reinforcements in terms of resources, technology and personnel necessary to ensure capacity to maintain appropriate inspections;

(F) integrate findings of the White House Intelligence Architecture Review into the plan; and

(G) make recommendations for strengthening the HIDTA program along the Southwest border.

SEC. 641. (a) FLEXIPLACE WORK TELECOMMUTING PROGRAMS.—For fiscal year 1999 and each fiscal year thereafter, of the funds made available to each Executive agency for salaries and expenses, at a minimum $50,000 shall be available only for the necessary expenses of the Executive agency to carry out a flexiplace work telecommuting program.

(b) DEFINITIONS.—For purposes of this section:

(1) EXECUTIVE AGENCY.—The term ''Executive agency'' means the following list of departments and agencies: Department of State, Treasury, Defense, Justice, Interior, Labor, Health and Human Services, Agriculture, Commerce, Housing and Urban Development, Transportation, Energy, Education, Veterans' Affairs, General Service Administration, Office of Personnel Management, Small Business Administration, Smithsonian, Social Security Administration, Environmental Protection Agency, U.S. Postal Service.

(2) FLEXIPLACE WORK TELECOMMUTING PROGRAM.—The term ''flexiplace work telecommuting program'' means a program under which employees of an Executive agency are permitted to perform all or a portion of their duties at a flexiplace work telecommuting center established under section 210(l) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(l)) or other Federal law.

SEC. 642. (a) MERITORIOUS EXECUTIVE.—Section 4507(e)(1) of title 5, United States Code, is amended by striking ''$10,000'' and inserting ''an amount equal to 20 percent of annual basic pay''.

(b) DISTINGUISHED EXECUTIVE.—Section 4507(e)(2) of title 5, United States Code, is amended by striking ''$20,000'' and inserting ''an amount equal to 35 percent of annual basic pay''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998, or the date of enactment of this Act, whichever is later.

SEC. 643. (a) CAREER SES PERFORMANCE AWARDS.—Section 5384(b)(3) of title 5, United States Code, is amended—

(1) by striking ''3 percent'' and inserting ''10 percent''; and

(2) by striking ''15 percent'' and inserting ''20 percent''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998, or the date of enactment of this Act, whichever is later.

SEC. 644. (a)(1) Paragraph (1) of section 5303(b) of title 5, United States Code, is amended by striking ''If, because of national emergency or serious economic conditions affecting the general welfare,'' and inserting ''If, because of a declared state of war or severe economic conditions,''.

(2) Section 5303(b) of title 5, United States Code, is amended by adding at the end the following:

''(4) For purposes of applying this subsection with respect to any pay adjustment that is to take effect in any calendar year, 'severe economic conditions' shall be considered to exist if, during the 12-month period ending 2 calendar quarters before the date as of which such adjustment is scheduled to take effect (as determined under subsection (a)), there occur 2 consecutive quarters of negative growth in the real Gross Domestic Product.''.

(3) Paragraph (2) of section 5303(b) of title 5, United States Code, is amended by striking ''an economic condition affecting the general welfare under this subsection,'' and inserting ''economic conditions for purposes of this subsection,''.

(b)(1) Subsection (a) of section 5304a of title 5, United States Code, is amended by striking ''If, because of national emergency or serious economic conditions affecting the general welfare,'' and inserting ''If, because of a declared state of war or severe economic conditions,''.

(2) Section 5304a of title 5, United States Code, is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following:

''(b) For purposes of applying this section with respect to any comparability payments that are to become payable in any calendar year, 'severe economic conditions' shall be considered to exist if, during the 12-month period ending 2 calendar quarters before the date as of which such payments are scheduled to take effect (as determined under section 5304(d)(2)), there occur 2 consecutive quarters of negative growth in the real Gross Domestic Product.''.

(c) The amendments made by this section shall apply with respect to any alternative pay adjustments under section 5303(b) of title 5, United States Code, and any alternative level of comparability payments under section 5304a of such title 5, scheduled to take effect after 1999.

(d) The adjustment in rates of basic pay for the statutory pay systems that takes effect in fiscal year 1999 under section 5303 of title 5, United States Code, shall be an increase of 3.1 percent, unless otherwise provided for under such section.

POINT OF ORDER

Mr. LARGENT. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. LARGENT. Mr. Chairman, I make a point of order that section 644 violates clause 2 of rule XXI.

The CHAIRMAN. Does any other Member wish to be heard on the point of order being raised by the gentleman from Oklahoma (Mr. LARGENT)?

Mrs. MORELLA. Mr. Chairman, I object to the substance of the point of order. Federal employees deserve to be paid according to the Federal Employees Pay Comparability Act which we passed, signed into law. Striking this section would deny Federal employees their just pay.

The CHAIRMAN. Does the gentleman wish to be further heard on this? Anyone else wishing to be heard on the

point of order being raised by the gentleman from Oklahoma?

Mr. DAVIS of Virginia. Mr. Chairman, let me just ask my friend from Oklahoma who has raised this objection, Federal employees, as my colleague knows, have been on some very difficult times through the years, and the Federal Employee Pay Comparability Act which was signed into law by President Bush has called for annual cost of living allowances that can be waived by the administration under severe economic circumstances, and we find ourselves this year with a stock market at an all-time high, unemployment at a generation low.

The CHAIRMAN. The Chair requests the gentleman from Virginia (Mr. DAVIS) to address his remarks to the Chair and to the point of order that is being raised by the gentleman from Oklahoma.

Mr. DAVIS of Virginia. Mr. Chairman, it would seem under these circumstances that, if the gentleman could reconsider and allow perhaps this to move through to the conference where it could be more fully debated at this point, I think he would be doing all Federal employees a great service.

The CHAIRMAN. Is there any other Member wishing to be heard on the point of order being propounded by the gentleman from Oklahoma (Mr. LARGENT)?

Mr. HOYER. Mr. Chairman, I would hope, too, that the gentleman would withdraw his point of order, not because, as he knows, his point of order is not well taken, because the Committee on Rules failed, as it did on so many other instances amenably to protect items that were important but were technically not consistent with existing the rules.

The CHAIRMAN. Again the Chair would ask the gentleman to confine his remarks to the point of order that has been propounded by the gentleman from Oklahoma (Mr. LARGENT).

Mr. HOYER. Again I would reiterate I would hope that the gentleman would withdraw his point of order. This is, as the gentleman from Virginia said, an important effort that ought to be there for conference so that we can discuss it further.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order offered by the gentleman from Oklahoma (Mr. LARGENT)?

If not, the Chair is prepared to rule.

The Chair finds that section 644 directly amends existing law. It, therefore, constitutes legislation, and the point of order is sustained, and the section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 645. (a) None of the funds made available in this or any other Act may be obligated or expended for any employee training that—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

(4) contains any methods or content associated with religious or quasi-religious belief systems or ''new age'' belief systems as defined in Equal Employment Opportunity Commission Notice N–915.022, dated September 2, 1988;

(5) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace; or

(6) includes content related to human immunodeficiency virus-acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

POINT OF ORDER.

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. OBEY. Mr. Chairman, I make a point of order against section 645 for reasons previously cited.

The CHAIRMAN. Does any other Member wish to be heard on the point of order that is being put forward by the gentleman from Wisconsin?

If not, the Chair is prepared to rule.

The Chair finds that section 645 addresses funds in other acts, and, therefore, it constitutes legislation, and the point of order is sustained, and that section 645 will, therefore, be stricken from the bill.

□ 1645

The Clerk will read.

The Clerk read as follows:

SEC. 646. (a) INTERNATIONAL POSTAL ARRANGEMENTS.—Section 407 of title 39, United States Code, is amended to read as follows:

''§ 407. International postal arrangements

''(a) The United States Trade Representative shall be responsible for the formulation, coordination, and oversight of foreign policy related to international postal services and international delivery services, except that the Trade Representative may not negotiate or conclude any treaty, convention, or other international agreement (including those regulating international postal service) if such treaty, convention, or agreement would, with respect to any class of mail or type of mail service, grant an undue or unreasonable preference to the Postal Service, a private provider of international postal services, or any other person.

''(b) In carrying out the responsibilities set forth in subsection (a), the Trade Representative—

''(1) shall coordinate with and give full consideration to the authority vested by law or Executive order in the Postal Rate Commission and the Department of Commerce; and

''(2) shall consult with the Postal Service, private providers of international postal services, users of international postal services, the general public, and such other persons as the Trade Representative considers appropriate.

''(c) The Postal Service may enter into such commercial and operational contracts relating to international postal services as it considers necessary, except that the Postal Service may not enter into any contract with an agency of a foreign government (whether under authority of this subsection or otherwise) if it would grant an undue or unreasonable preference to the Postal Service with respect to any class of mail or type of mail service.''.

(b) TRADE-IN-SERVICES PROGRAM.—The second sentence of paragraph (5) of section 306(a) of the Trade and Tariff Act of 1984 (19 U.S.C. 2114b(5)) is amended by inserting ''postal and delivery services,'' after ''transportation,''.

POINT OF ORDER

Mr. TORRES. Mr. Chairman, I make a point of order against section 646. I do so because it proposes to change existing law and constitutes legislation in an appropriations bill, and, therefore, violates clause 2 of rule XXI.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order being offered by the gentleman from California (Mr. TORRES)?

The Chair recognizes the gentlewoman from Kentucky (Mrs. NORTHUP).

Mrs. NORTHUP. Mr. Chairman, I wish to be heard on the point of order. In fact, I want to urge my colleague to withdraw his point of order.

The provision the gentleman wants to strike is a step towards fairness. I want to just follow up by saying if the point of order is not withdrawn, I have an amendment at the desk that I am prepared to offer that will contain the language that was negotiated to try to create fairness. It will strictly prohibit the use of funds by the Post Office at the Universal Postal Union convention next year.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order of the gentleman from California (Mr. TORRES)?

If not, the Chair is prepared to rule. The Chair finds that section 646 directly amends existing law. It therefore constitutes legislation.

The point of order is sustained, and the provision is therefore stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 647. (a) LIMITATION.—No funds appropriated for the United States Postal Service under this or any other Act may be expended by the Postal Service to initiate new nonpostal commercial activities or pack and send services.

(b) DEFINITION.—For purposes of this section, the term ''nonpostal commercial activities'' includes services such as volume retail photocopying, notary public services, and the sale of office supplies or novelty items.

(c) RULES OF CONSTRUCTION.—Nothing in this section shall be considered—

(1) to affect any governmental function or any services in support of a governmental function;

(2) to be applicable to the extent contrary to statute or any treaty or international agreement; or

(3) to have any force or effect before October 1, 1998, or after September 30, 1999.

POINT OF ORDER

Mr. TORRES. Mr. Chairman, I make a point of order against section 647. Again, I do so because it proposes to change existing law and constitutes

legislation in an appropriations bill. Therefore, it violates clause 2 of rule XXI.

The CHAIRMAN. Are there any Members wishing to be heard on the point of order of the gentleman from California (Mr. TORRES)?

If not, the Chair is prepared to rule.

The Chair finds that section 647 addresses funds in other acts. The gentleman is correct, it therefore constitutes legislation. The point of order is sustained and that section of the bill will be stricken.

AMENDMENT OFFERED BY MRS. NORTHUP

Mrs. NORTHUP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. NORTHUP:

On Page 109, after line 24, insert the following:

SEC. 648. None of the funds appropriated by this or any other Act may be used to fund United States Postal Service participation in the Universal Postal Union.

Mr. KOLBE. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentlewoman from Kentucky (Mrs. NORTHUP) is recognized for 5 minutes.

Mrs. NORTHUP. Mr. Chairman, I am offering this amendment mostly as a placeholder in order to allow the conference to reinsert the language that was stripped as a result of a point of order. The fact is that every 5 years the Universal Postal Union meets to negotiate international mail processes.

The United States Postal Service is right now in control of all of these negotiations. We all know what they want. They would want what any business wants, and that is special arrangements that would help them assume a monopoly in the services they wish to offer.

The problem is, these services are not a monopoly. They offer the same services that private carriers offer. Right now, because of these special arrangements that have been negotiated, Japan has 60 percent of the current package market. The fact is that this coming February there will be a new negotiation in which the Universal Postal Union will negotiate the next 5 years' mail processes. For that reason, I hope to reinsert the language that was stripped on a point of order.

Some people will try to claim that the Post Office should continue to have this role and use these services as a way to offset the cost of universal mail. Nothing could be further from the truth. The fact is that universal mail is a monopoly, and it is covered by all of first, second and third class rates. There is not 1 cent that is gotten in the competitive market that the Postal Service contributes to offset Americans' cost of stamps. In fact, there is more evidence that they use the revenues they get from the cost of stamps to offset the cost of their package delivery service in Japan.

The point is that in today's world, we may lose on a point of order what was just stricken, but what we will not lose is the fact that the American people believe in fairness, and they do not believe that the United States Government should be able to use a quasi-government organization to go and provide for them certain services that the competitive market, the private carriers, cannot provide.

In my district, Mr. Chairman, the UPS and the Teamsters work very hard. They pay taxes, they pay property taxes, they pay workers' compensation, they comply with OSHA requirements, and they are competing with the Post Office that has none of those things. Plus they donate millions of dollars into our schools and schools all across this country. All this amendment would have done, all the language in the bill would have done, was to make sure that when we go into this international organization to negotiation, that we have fairness.

Since that was stripped out, I ask that we pass an amendment that says that the Post Office cannot spend any money at this organization next year. I think then what we will find is in conference people will agree to the fair restrictions and the fair negotiating authority and will give everybody equality.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTHUP. I yield to the gentleman from California.

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

Mr. LEWIS of California. Mr. Chairman, I appreciate of the gentlewoman yielding. I asked her to yield simply to say it was my intention to give support to the gentlewoman's position regarding the language that has been stricken from the bill.

Indeed, there is little question that the Postal Service currently is in a very unusual position of paying no sales taxes, no income taxes, no property taxes, and, ofttimes, find themselves competing with organizations using that advantage to essentially take the marketplace away from that which could be served at least as well in the private sector.

I appreciate the gentlewoman's work in this connection, and look forward to continuing to work with her.

Mrs. NORTHUP. Mr. Chairman, reclaiming my time, I thank the gentleman from California.

I would conclude, Mr. Chairman, by saying that this is the only way in which we can ensure that we will have this negotiation in the conference committee. I have no intention to take away from anybody the ability for fairness, particularly not the postal employees in my district nor the postmasters. But I do believe that we can all find fair ground here so that every carrier that wishes to deliver packages overseas will all deal with the same fair rules. I think that the American people eventually will resent terribly if the Post Office is not held to the same rules.

POINT OF ORDER

Mr. KOLBE. Mr. Chairman, now that I have had a chance to see the amendment, I do make a point of order against the amendment, because it does, Mr. Chairman, propose to change existing law and constitutes legislation in an appropriation bill, and, therefore, violates clause 2 of rule XXI. The pertinent part of that rule says, ''No amendment to a general appropriation bill shall be in order if changing existing law.''

This amendment goes beyond funds in this act. It has the words ''none of the funds appropriated by this or any other act may be used to appropriate.'' Therefore, it violates clause 2 of rule XXI, and I would make the point of order.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Mrs. NORTHUP. Mr. Chairman, I would like to point out that the current law of the U.S. Code, section 2401, provides a permanent appropriation to the U.S. Postal Service, and, as such, this amendment is within the jurisdiction of the appropriations bill. The fact is that every dollar that the Postal Service collects for stamps comes into the U.S. Treasury and then is appropriated out by us.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order raised by the gentleman from Arizona?

If not, the Chair is prepared to rule.

The Chair finds that the amendment addresses funds in other acts, and it therefore does constitute legislation, and, therefore, the point of order is sustained, and the amendment is therefore out of order.

AMENDMENT OFFERED BY MRS. LOWEY

Mrs. LOWEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. LOWEY:

Page 109, after line 24, add the following:

SEC. 648. (a) None of the funds appropriated by this Act may be used to enter into or renew a contract which includes a provision providing prescription drug coverage, except where the contract also includes a provision for contraceptive coverage.

(b) Nothing in this section shall apply to a contract with any of the following religious plans:

(1) SelectCare.
(2) PersonalCaresHMO.
(3) Care Choices.
(4) OSF Health Plans, Inc.
(5) Yellowstone Community Health Plan.

Mr. KOLBE. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentlewoman from New York (Mrs. LOWEY) is recognized for 5 minutes in support of her amendment.

Mrs. LOWEY. Mr. Chairman, as my colleagues know, the Treasury-Postal bill originally contained the Lowey contraceptive coverage language providing Federal employees with contraceptive coverage. I offer now an amendment that allows this House a fair and open debate on contraceptives.

This amendment, if passed, will restore language providing contraceptive coverage for Federal employees. My amendment also respects the rights of religious plans that as a matter of conscience choose not to cover contraceptives. The amendment clearly exempts those plans.

Although all but one of the FEHBP plans covers sterilization, only 10 percent cover the five most basic, most widely used forms of contraception, and 81 percent only cover some of the five methods. Contraception, Mr. Chairman, is basic health care for women. It allows couples to plan families, have healthier babies when they choose to conceive, and it makes abortion less necessary.

Currently women of reproductive age spend 68 percent more in out-of-pocket costs than men, partly because of the cost of contraceptives. Plans refuse to cover contraceptives because they know that, if forced to, women will pay for it themselves. On average, women using the pill pay $25 a month. That is $300 a year for their prescriptions.

It is important to understand what we are talking about when we talk about contraceptive methods. We are not talking about abortion. We are not talking about RU–486 or any other abortion method. No abortions will be covered by this amendment. We are talking about the range of contraceptive options that women need.

It is crucial that plans cover the range of choices, because some methods do not work for some women. For example, many women cannot use any of the hormone-based methods, such as the oral contraceptive pill, because it causes migraines or because they have been advised not to by their physician because it may increase the risk of stroke or breast cancer. Let us be clear, my colleagues. This is not a mandate on private plans. What we are discussing here is what the United States as an employer should provide to its employees. The United States Government should be a model for other employers.

A myriad of health groups support the provision, including the American Medical Association, the American Academy of Family Physicians, the American Academy of Pediatrics. It is also supported by the AFL-CIO and the American Federation of Government Employees.

Finally, my colleagues, a recent Congressional Budget Office analysis determined that this improved coverage for Federal employees would not have any impact, no impact on the budget totals for fiscal year 1999.

I want to repeat that again. This will have no impact for fiscal year 1999 on the budget.

This issue is absolutely essential to millions of American women, Democrat and Republican, pro-life, pro-choice. I truly hope, my colleagues, that after many of the debates that are very difficult for all of us, we can come together now to support contraceptive coverage and prevent abortions. I would ask my colleagues to vote for the Lowey amendment.

Mr. KOLBE. Mr. Chairman, I reserve a point of order.

POINT OF ORDER

Mr. SMITH of New Jersey. Mr. Chairman, I would like to make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriations bill, and therefore, violates clause 2 of Rule XXI.

The rule states, in pertinent part, that ''No amendment to a general appropriations bill shall be in order, if changing existing law.''

Let me make it very clear that this gives affirmative direction, in effect, and very importantly, it does impose additional duties. Whether it be the OMB director or whoever makes the final decision, additional duties will be imposed as a result of this amendment.

So I hope the ruling of the Chair, as consistent with the other amendments, will rule this out of order.

Mr. KOLBE. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

The gentlewoman from New York (Mrs. LOWEY) is recognized.

Mrs. LOWEY. Mr. Chairman, the point of order raised by the gentleman is not well-founded. The amendment is a limitation on funds contained in the bill and does not place any duties upon Federal officials. The amendment merely limits the types of Federal Health Benefit Programs that can be funded in the bill to those that contain certain benefits. The programs exempted from the requirements under the limitation are currently known, and again, do not place additional affirmative duties on Federal officials.

The CHAIRMAN. Are there other Members wishing to be heard on the point of order raised by the gentleman from New Jersey (Mr. SMITH).

Mr. OBEY. Mr. Chairman, I would simply like to reiterate the last statement made by the gentlewoman from New York (Mrs. LOWEY), that all of the plans specified in this amendment are already known to the administration. There are no additional duties involved whatsoever in identifying them, and I think the amendment is clearly in order, under the rule.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order?

Mrs. MORELLA. Mr. Chairman, I just want to point out that I think that this amendment makes a great deal of sense. If we are, in fact, united in trying to reduce abortions, this is the way to do it, and the Federal Government should lead the way.

The CHAIRMAN. The Chair will state that that had nothing to do with the point of order; the Chair is now hearing arguments on the point of order.

Mrs. JOHNSON of Connecticut. Mr. Chairman, on the point of order, this amendment has been modeled precisely on the passage of the bill that says no funds basically shall be expended to cover abortions. This is no funds; none of the funds appropriated by this act may be used, and basically to pay for a health care plan that does not provide contraceptives.

So this is modeled exactly on the underlying bill, the language in the bill that has been acceptable, and so I would hope that the Chair would rule favorably.

Mr. SMITH of New Jersey. Mr. Chairman, just to point out that this would mandate, this would require, and as a precondition of receiving funds from the Federal Government, one would have to be provided services. Right now, this is permissible, this would make it mandatory. That certainly imposes a duty.

The CHAIRMAN. The Chair is prepared to rule.

The Chair finds that the amendment is in the form of a limitation on the use of funds in the bill to pay for Federal health plans which do not cover contraceptive prescription drugs with certain exceptions for specified plans. The amendment does not affirmatively mandate coverage or require new determinations by the FDA of equivalency or of outpatient availability. This amendment is a proper negative limitation denying funding for contracts without specified terms.

The point of order is overruled on the amendment.

Are there any Members wishing to be heard on the Lowey amendment?

Mrs. TAUSCHER. Mr. Chairman, I rise in support of the Lowey amendment to this bill.

This language would require that Federal Employee Health Benefit Plans cover prescription contraception, just as they cover other prescription drugs.

Prescription contraception is like any other prescription medication or device that is now covered by Federal plans. It is taken or used under the guidance of a physician with the clear purpose of protecting and promoting women's health.

Contraception is absolutely essential if a woman wants to prevent unintended pregnancies, and if this Congress is truly committed to reducing the number of abortions in the United States, then the use of and affordable access to contraception is imperative in achieving that goal.

Prescription contraception methods have health benefits that go beyond preventing pregnancy. Birth control pills, for example, have been shown to be effective in reducing the risks of disease such as uterine cancer. Yet, despite the clear advantages that prescription contraception offers, women covered under Federal plans are not guaranteed affordable access to them.

Mr. Chairman, 81 percent of Federal employee plans do not cover all 5 of the widely used and effective methods of reversible contraception. Ten percent of FEHB plans do not cover any type of

contraception. The undue financial burden of preventing pregnancy through contraception is placed on women who now spend 68 percent more in out-of-pocket health care costs than men. This is largely due to the cost of purchasing prescription contraception, because most health insurance companies will not cover the 5 most effective methods of birth control.

The Federal Government health plan is a model for all other health plans. Because of the poor example set by this plan, less than 20 percent of traditional indemnity plans and PPOs cover all types of prescription contraception. Less than 40 percent of HMOs cover all types of contraception.

Recently, the administration ordered the Medicaid programs in all 50 States to cover the cost of Viagra. This drug has been hailed as the medical miracle for men who have suffered from impotency for years. But if we are going to cover the cost of medication that helps the reproductive functions of men, then it seems ironic that we are not willing to offer the same protection to women. By not requiring FEHB plans to cover prescription contraception, we are essentially placing it in the same category as a drug which has only cosmetic purposes.

Women should not be forced to assume total financial responsibility for contraception outside of these plans. We must support the Lowey amendment to this bill and require that all Federal health benefit plans cover the contraceptive methods that women need for their health and well-being.

Mr. SMITH of New Jersey. Mr. Chairman, I rise in very strong opposition to this amendment.

I hope Members pay close attention in reading the amendment. This amendment does not define the term ''contraceptive.''

Now, one might think that the meaning of the term is self-evident, but this is not so. The term ''contraceptive'' is not defined in Federal law. Moreover, the debates on this very issue on the floor of this very body in recent times demonstrates that there is clearly a sharp disagreement, even among Members of this body and among groups promoting this type of amendment, regarding what the term actually means.

For example, the abortion pill RU46 is used to chemically induce abortions between 5 and 7 weeks into pregnancy, yet some groups refer to it as a contraceptive in their literature. The original Lowey amendment contained a definition which, in my view, is flawed, but this version contains no definition at all. Therefore, it imposes a complex and perhaps impossible new duty on the FDA officials, and so we have a situation where it will be in the eyes of the beholder.

Let me also point out to my colleagues that this is a mandate. Mr. Chairman, if we read the language of this legislation or of this amendment, an HMO or a provider of services under the Federal Employees Health Benefits Program would not even get reimbursed for an antibiotic that they wanted to write as a prescription, penicillin or any other kind of prescription, unless they provided a provision of contraceptive coverage, and again, that is not defined.

So I believe this does open up a Pandora's box. It leaves open the possibility of abortifacients, those chemicals that kill and destroy a newly formed human life, and will indeed be mandated if this legislation or this amendment becomes law.

So I hope that Members will vote ''no.'' It is certainly ambiguous; it does not define what the word ''contraceptive'' means, and while indeed a way has been found to get this offered today, there is not really a nickel's worth of difference between this and the other, except that it gained muster in terms of parliamentary procedure.

I urge Members to vote ''no.'' This mandates right now in the Federal Employees Health Benefits Program contraception, however one may define it, is permissible. It is up to the individual HMOs, and many of them provide it, but it is not mandated. If I as an HMO want to provide, or a provider of services, these kinds of things, one can do it, but one is not told that they have to do it, and they do not risk losing everything else in the prescription area as a result of not being willing to provide these methods of birth control, which also will include abortifacients.

So I hope Members will vote ''no'' on the amendment.

Ms. MILLENDER-McDONALD. Mr. Chairman, I rise in strong support of the Lowey provision within the Treasury-Postal Appropriations bill. The vast majority of FEHB plans do not cover the full range of prescription contraceptives which prevent unintended pregnancies and 10 percent of the FEHB plans do not even cover any of the five major contraceptives.

We all know that the FEHB program serves as a model for the nation's private health insurance plans. If we do not even cover such basic and essential prescription drugs that can decrease the number of abortions in this country, then what kinds of message are we sending the American people?

Eighty-one percent of FEHB plans do not cover all five leading reversible methods of contraception. (Oral contraceptives, diaphragm, IUD's, Norplant, and Depo-Provera). Many women have medical conditions that prevent them from even having the option to use certain forms of contraception. Women deserve to be able to choose from all 5 of the major forms of contraception not only for their specific medical needs, but because she and her mate should be able to determine the form of birth control that is right for them. This should not and cannot be based on the lack of funds, which far too often results in unwanted pregnancies.

Currently, women of reproductive age spend 68% more in out-of-pocket health costs than men. We need to narrow the gender gap in insurance coverage—not widen the disparities between those who have and those have not, and further expand the chasm that has hurt far too many women and families throughout the country already.

The Lowey provision is a critical, yet basic necessity that has a ''negligible'' cost according to the Congressional Budget Office. I urge my colleagues to join me in making sure that we do all that we can to reduce the likelihood of abortion in this country, do all that we can to help women obtain the prescription drugs they need, and do all that we can to make this health care system more equal for women and men.

Ms. JACKSON-LEE of Texas. Mr. Chairman, thank you for the opportunity to speak today. I rise to strongly support the Lowey Amendment to the FY 1999 Treasury Postal Service general government appropriations bill. The Rules Committee voted not to protect Representative LOWEY's language on H.R. 4104.

Representative LOWEY's amendment required Federal employee health benefits to cover contraceptive drugs and related services to individuals and their families. However, with her amendment on the floor, I believe we cannot deny American women to select their own contraceptive methods.

Currently the Federal employee health benefit plan uniformly offers prescription drug coverage, but the majority of such health plans discriminate against women by failing to include coverage for the full range of prescription contraceptives. Such Federal health insurance must cover these FDA approved contraceptives.

In fact, 10% of Federal employee health plans fail to cover reversible contraceptives.

In some cases, plans only cover one method of prescription contraception. Overall, 81% of Federal employee health benefit plans do not cover all five leading reversible methods of contraception, which of course, prevent unintended pregnancy and reduce the need for abortion.

The Federal program should be a model for private plans, and as an employer, it is shocking that the Federal Government does not provide this basic health benefit for women and their families insured through FEHB.

Women of reproductive age spend 68% more of their own money for health care than men, with contraception and related health services accounting for much of the difference. If their Congress can include Medicaid coverage for Viagra—why should women be denied needed health coverage.

Making the full range of contraceptive options available to our Federal employees is not only an issue of fairness, but is an issue of women's health and reproductive choice.

We must remember that increased access to contraceptives is critical to the effort of reducing the number of unintended pregnancies. Contraceptive use is an appropriate family planning method.

Increasing access to contraceptives through insurance coverage will help Federal employees obtain the methods and services they need to plan their families. Poll show that 90% of the American voting public supports family planning.

I hope that my colleagues will take this opportunity to support family planning. Let's make sure every child is a wanted and cared for child.

I urge my colleagues to support Ms. LOWEY's amendment.

Ms. WOOLSEY. Mr. Chairman, I rise in strong support of the Lowey amendment to include contraceptive coverage under all Federal Employee Health Benefit plans, allowing,

of course, exceptions based on religious beliefs.

It seems like the beginning of the appropriations process signals the beginning of hunting season on a women's reproductive rights.

Figure it out—contraception means prevention of pregnancy . . . rubbers, gels, pills, IUDs . . .

Unwanted pregnancy and abortion rates drop when women have access to the preventive reproductive health care they want and need.

Voluntary family planning gives mothers and families new choices and new hope . . . increasing child survival and safe motherhood by offering choice in their method of birth control . . . providing choice of contraceptive options.

Prohibiting Federal workers from using their health care coverage for prescription contraceptive coverage as they see fit discriminates against women just because they work for the Federal Government!

This is a disgrace!

Mr. Chairman, I urge a no vote on the rule.

Mr. FAZIO of California. Mr. Chairman, I rise today to set the record straight.

It's time for an open and honest dialogue regarding government's message to a couple's right to exercise choice.

My colleagues from the other side of the aisle argue that contraception shouldn't be included in the Federal Employees Healthcare Benefit Plan.

Why!? It's time that government takes responsibility about what we tell the American people.

On one hand you say no abortion and then hypocritically turn the cheek and say no contraception.

Well, we can't have it both ways.

Come-on. Let's level with the American people.

To refuse to provide basic medical service to a woman, what we are really saying is that we don't trust her to make a responsible choice.

The FEHB program should be a model for private plans.

We need to narrow the gender inequity with regards to women's health.

Abortion makes us all uneasy.

Voting to strike the Lowey language guarantees an increase in the practice of abortion—period.

Ensuring that the Lowey language stands reiterates Congress's commitment to make abortion less common and less necessary.

I urge my colleagues from both sides of the aisle to respect a woman's decision and maintain the FEHBP plans provide contraception.

Mr. POSHARD. Mr. Chairman, I rise today in support of Representative LOWEY's amendment, which would require Federal Employee Health Benefit Plans to cover prescription contraceptives as they cover other prescription drugs. This amendment will guarantee contraceptive coverage to more than a million women and will help bridge the unfortunate gap between the out-of-pocket health care expenses of women and men.

As I have stated in many occasions, it is my personal view that the miracle of procreation is the greatest gift we are given, and it should be accorded the utmost respect and protection. Although I am deeply committed to this belief, I have always recognized that certain exceptions exist where compassion and morality dictate that abortion is the only humane choice. For this reason, I have consistently favored an exception to abortion restrictions where it is necessary to save the life of the mother, and I have voted to allow states to use Medicaid funding to perform abortions in cases of rape or incest.

Furthermore, I have always believed that women should have access to contraception. I recognize that this is a critical component of comprehensive women's health care and is an important means of preventing unintended pregnancies. Perhaps most importantly, increasing the availability of contraceptives can reduce the need for abortion, a goal which I believe all of my colleagues join me in supporting. It would indeed be hypocritical to condemn abortion while simultaneously denying women access to methods of contraception which can help make this tragic practice a less common occurrence.

Mr. Speaker, I urge my colleagues on both sides of the abortion debate to join me in supporting the Lowey amendment. Despite the controversy surrounding this issue, I would hope that we might come together in support of improving women's health while reducing the need for abortions.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Mrs. LOWEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mrs. LOWEY. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House resolution 498, further proceedings on the amendment offered by the gentlewoman from New York (Mrs. LOWEY) will be postponed.

Are there further amendments?

AMENDMENT OFFERED BY MRS. NORTHUP

Mrs. NORTHUP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. NORTHUP:

Page 109, after line 24, insert the following:

SEC. 648. None of the funds appropriated by this Act may be used to fund United States Postal Service participation in the Universal Postal Union.

Mrs. NORTHUP. Mr. Chairman, I again rise to talk about the importance of fairness.

In this country we have given the United States Postal Service a monopoly on delivery of mail and universal mail service. None of us disagree with that. In fact, all of us appreciate the wonderful gains that have been made over the past years in terms of customer friendliness and in terms of efficiency, and we are not here to jeopardize that today.

But, in fact, the United States Postal Service has decided that they are going to expand their operations and get into services and provide services in which the private market already exists. As they do that, they have used, in the international forum, special prerogatives that they have to negotiate sweetheart deals with other countries in order to bypass Customs, both saving time and money.

What does that mean? That means that our hard-working Americans here in this country, members of the teamsters, that deliver the packages around this country and that depend on the solvency and the growth and the opportunities that our private carriers are providing, that their jobs are in jeopardy.

So as the Postal Service gets into competitive services, we ought to make sure that whoever negotiates the arrangements between this country and other countries, that all of those arrangements are the same, regardless of whether one is a private carrier bringing that package, or the United States Post Office.

□ 1715

All we ask is that the trade negotiator have an opportunity to be in that room and ensure that the same arrangements that are available to the postal service are available to the private carriers.

That is what the language was that was in the bill. It was struck on a point of order. So now I bring an amendment on which I have checked with the parliamentarian, and understand is not authorizing on appropriations. It is meant to hold a place so in the conference committee we can restore the very popular language that is supported by so many Members of this body to ensure that we have fairness.

It would be great if we could do it another year, but the fact is, these negotiations are going to go on this February, before we have another chance to pass a bill to bring this fairness. So if we do not put this in this bill, then all the Americans who have jobs in this country, all the union jobs for companies that provide package delivery service, all of those jobs and their ability for their companies to compete internationally will be in jeopardy.

It is important that we pass this amendment so that we have the fairness that all American employees deserve.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTHUP. I yield to the gentleman from California.

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

Mr. LEWIS of California. Mr. Chairman, I appreciate the gentlewoman yielding. I certainly would not repeat the exhilerating speech I gave earlier.

Because there is a possibility that when the gentlewoman's former amendment was stricken, our language might have been stricken, I would like to make sure that the world does not miss the opportunity of reading these wonderful remarks.

Mrs. NORTHUP. Those were remarks we would not want anybody to miss. They were very helpful. I thank the gentleman from California.

Mr. KOLBE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentlewoman is quite correct. As drafted, this amendment is quite germane, because it is

simply a funds limitation to this act, as I think she knows, and as is suggested by her comments that she is looking for a placeholder.

There are no funds appropriated in this act for the Postal Service for this purpose, or virtually any other purpose, for that matter, except for a very small appropriation that we give for the overseas mail and for mail for the blind.

Therefore, it does not have any real effect on the bill, but would certainly sustain or keep her position in the conference committee.

Mr. Chairman, I have no objection to the amendment.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not favor this amendment because I do not believe that the United States ought to be involved in this agency on terms that enable us to less effectively defend our national interests than we are under the present circumstances.

In substance, I think the amendment is wrong. I would say, however, that this amendment does absolutely ''nothing to nobody,'' as my friends in the old neighborhood used to say. It has no real effect.

It reminds me what Congress does on foreign policy sanctions. This Congress passes item after item which places sanctions on some foreign country on something that the Congress does not like, and then it gives the President a waiver so the President can waive the sanction limitations. That means Congress as an institution gets to pose for political holy pictures. We get to pretend that we have done something. Then the President has to wrestle with the real world.

That is sort of, in mini scale, what this amendment does. This amendment is simply an institutional press release which says that we want Federal Express and United Parcel Service to be cut in on the deal, rather than having the U.S. post office.

Because, as the chairman indicates, this bill carries no funds for that purpose, and because the post office has plenty of funds it gets elsewhere, the practical effect of this amendment is nil. So Members can pass this if they want, they can pretend they have done something if they want, but it has no real effect.

If it did have an effect, it would be negative, in my view, so I, for whatever good it will do, would oppose this amendment, but I recognize what is going to happen here.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Kentucky (Mrs. NORTHUP).

The amendment was agreed to.

AMENDMENT NO. 16 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

Mr. OBEY. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mr. SANDERS:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 648. None of the funds made available in this Act may be used to make any loan or credit in excess of $250,000,000 to a foreign entity or government of a foreign country through the exchange stabilization fund under section 5302 of title 31, United States Code.

Mr. SANDERS. Mr. Chairman, this amendment aims to stop the Exchange Stabilization Fund from making loans to foreign countries without the approval of Congress.

This amendment has wide tripartisan support, and is being cosponsored by the gentleman from Alabama (Mr. BACHUS), the gentleman from Oregon (Mr. DEFAZIO), the gentleman from Florida (Mr. STEARNS), the gentlewoman from Ohio (Ms. KAPTUR), the gentleman from Indiana (Mr. BURTON), the gentleman from California (Mr. GEORGE MILLER), the gentleman from California (Mr. ROHRABACHER), the gentleman from Ohio (Mr. KUCINICH), the gentleman from Texas (Mr. PAUL), the gentleman from California (Mr. STARK), and the gentleman from New York (Mr. OWENS).

Mr. Chairman, the Exchange Stabilization Fund was created in 1934 to allow the government to buy and sell currency in order to stabilize the dollar. Unfortunately, it has become, in recent years, a slush fund for anything the Secretary of the Treasury considers necessary. This is wrong. It must be changed. That is what this tripartisan amendment is all about.

Mr. Chairman, in 1995 the House passed a very similar amendment to what I am offering today by a very strong vote of 245 to 183. It passed that amendment then for the same reason that I hope and believe the amendment today will pass. That is that Members of Congress do not believe that the President of the United States, any President, no matter what his or her politics might be, should unilaterally be able to commit billions of taxpayer dollars without congressional approval. That is the major issue that we are discussing today.

As a result of compromise within the conference committee in 1995, a diluted version of this original amendment was eventually passed into law prohibiting more than $1 billion for any future bailouts for longer than 6 months without congressional approval. That was the law up until a few months ago. Unfortunately, this provision expired after 2 years, which is why we are here today.

I should add that days after this legislation expired, President Clinton committed at least $3 billion to Indonesia and $5 billion to South Korea through the Exchange Stabilization Fund as part of the East Asian financial bailouts. These billions of dollars of taxpayers' money were, once again, placed at risk without any debate or any vote in the United States Congress.

My amendment will simply restore some limited and modest restraints on the ESF similar to restraints that have won congressional approval in the past, and have worked out well in practice.

Mr. Chairman, let me explain exactly what this amendment does, because there has been some confusion about this. This amendment will limit the use of the Exchange Stabilization Fund for loans and credits in excess of $250 million to foreign governments, banks, or investors unless authorized and approved by Congress. Our amendment will not, underlined, not, stop the Treasury Department from using the ESF for its original purpose, which is stabilizing U.S. currency.

For example, the recent $2 billion yen purchase would not be blocked by our amendment. This amendment will not affect over 90 percent of ESF loans, credit, and currency purchases.

What this amendment does address are the relatively rare but highly controversial multibillion dollar loans which put billions of dollars of taxpayer money at risk without one minute of debate on the floor of the Congress. Not until 1995 was this fund ever used for loans in excess of $1 billion to any one country, or for longer than 6 months.

Mr. Chairman, if the President of the United States wants to come before the Congress and propose a bailout of a foreign country, that is fine. Let him come. If the Congress wants to approve that appropriation, that is fine. But what this amendment says, very straightforwardly, is that the President of the United States may not unilaterally place at risk billions of taxpayer dollars without the approval of the Congress.

That is the right way to deal with these issues, and in fact, that is the constitutional way to address these issues, consistent with article 1 of the U.S. Constitution, which invests Congress with the power of the purse. The Exchange Stabilization Fund is a classic example of how powers granted to the executive for one purpose are perverted to other uses.

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(By unanimous consent, Mr. SANDERS was allowed to proceed for 2 additional minutes.)

Mr. SANDERS. Mr. Chairman, it is wrong and it was wrong for the President of the United States to put at risk $20 billion in the Mexican bailout, to put at risk $3 billion providing credit to Indonesia, and $5 billion to South Korea, without discussion, debate, or approval of the Congress.

Now, there are some Members here who thought that was a good idea. That is fine. But if we are here to represent the taxpayers of this country on major foreign policy and financial issues, we cannot simply sit back and allow a slush fund which is estimated to have $30 billion to be used whenever the President of the United States, any President, wants to do that.

I personally, for example, would have fought vigorously against the bailout to Indonesia, which went to General Suharto, a well-known dictator, who has the blood of hundreds of thousands of people on his hands. Should we have sat back and said, no problem, let Suharto have that money, or do we have a right to debate that issue?

In terms of Mexico, we have a letter that I will submit for the RECORD signed by the leader of the 126-member bloc in the congress of Mexico which says that the Exchange Stabilization Fund, plus the IMF, resulted in disastrous policies for Mexico, higher unemployment, lower wages, the collapse of small business.

Should that issue be discussed on the floor of the Congress? Of course it should. Some may say it was a good idea. That is fine. Some may have opposed it. That is fine. But we cannot abdicate our responsibility and sit back.

To conclude, Mr. Chairman, this amendment in many ways is similar to the amendment that was overwhelmingly passed several years ago, and I would urge my colleagues to support this concept once again.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. OBEY) insist on his point of order?

Mr. OBEY. Mr. Chairman, I withdraw my point of order.

Mr. KOLBE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment. I am not sure, quite frankly, in trying to read this amendment, whether it really has any impact at all, since it states that no funds in the act shall be made available or shall be used to make any loan or credit in excess of $250 million.

□ 1730

Since we do not appropriate money for the loans or credit in this act, it is not clear to me at all, without a further limitation on salaries of the personnel of the Department, whether or not this really has any impact. But on the assumption that it will indeed have an impact, let me just say that I am very opposed to putting such a sweeping and substantive amendment on this legislation.

If the gentleman's intent is correct and it is worded correctly, he would prevent them from administering funds for the Economic Stabilization Fund but it does not spell out any conditions for turning the funding back on. So it is just nothing in excess of $250 million which, as we know, in modern day times is not a lot of money when you are looking at trying to stabilize the currency of a country.

This is an overreaction, Mr. Chairman. It is an overreaction to the concerns about legislative oversight of the ESF, which is considerable, but it should not be a part of this bill.

The primary purpose of the fund is to give the Department of Treasury, which has the expertise, the training and the institutional knowledge to deal with an economic crisis, the ability to respond to unforeseen shifts in currency markets.

Now, this is not new. The ESF has been around for over 60 years as a vital tool for defending the American dollar and protecting U.S. economic and security issues. It was critical in stopping the dollar turbulence from 1987 to 1990, and the fund continues to be the Department of Treasury's main currency stabilizing force. It has been used again, as was mentioned by the gentleman from Vermont, in Mexico. It has been used again in the crisis in Asia.

While it is important that Congress continue its oversight function to ensure that taxpayer dollars are being properly administered, it is completely unrealistic and unworkable for the U.S. Congress to preapprove each and every use of this fund. Let me just give you an example of this.

At this time, we have 37,000 troops stationed in South Korea. The border area between the North and South is constantly on the verge of conflict. The North Koreans certainly want to take advantage of any weakness that they would see in South Korea, and that would include economic weaknesses. Our troops, our men and women who are stationed in Korea, would be in jeopardy from a national security standpoint if there was a complete financial breakdown, an economic breakdown in South Korea.

There is no way that Congress can convene to determine whether or not to stabilize that economic situation on the spur of the moment. Given the current economic crisis that we are seeing in Southeast Asia and the recent saber rattling between Pakistan and India, this is not the time to take away this important economic tool that the administration has.

I cannot think of anything that we would be more ill-advised to do on an appropriations bill, something as sweeping as this, as far-reaching as this, and one which would have such an enormous economic impact. I would hope this body would reject firmly and decisively the Sanders amendment.

Mr. OBEY. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I want to thank my friend, the subcommittee chairman, for his very sober and realistic comments on this amendment.

Let me start by saying that I have a very high regard for the gentleman from Vermont. I am very fond of him personally. I think he is one of the few Members in this institution who really cares about poor people and working people. And if everybody had his heart in putting them first, this country would be a far better place.

But I have to say I think he is profoundly wrong on this amendment. I opposed NAFTA. I opposed GATT. Because I thought the way that they were structured made workers of this country cannon fodder in the way this country dealt with the pressures of globalization. But I have to say that to require the Congress to have to preapprove every single action taken by any executive before they could use the Exchange Stabilization Fund would be a profound recipe for disaster.

Let me explain why. All you have to do is take a look at this morning's newspaper, the first page of the business section, and you will see that our economy in the last quarter has slowed almost to zero. The reason for that is not because of anything that has happened in this country. The reason for that is because of something that has happened in a faraway place called Asia. And what we had there is a series of currency collapses which have resulted in our inability to export our goods to that market because they are in such a panic they cannot buy things. And it will also result in the future in underpriced goods coming into this country from those same countries, taking away American jobs.

The best way to deal with that is to try to stabilize currencies.

Now, when the administration did that a number of years ago with respect to Mexico, I had great doubts about it. At one point I even cast a vote on this floor expressing those doubts. But I was wrong. The fact is that even though I would have done it differently, we wound up making money on that transaction.

I would point out that there would have been no way that we could have responded to the emergency in South Korea if we had had to have the prior approval of Congress before we did that. And the Asian collapse and its effect on the U.S. economy today would have been far, far worse.

The gentleman mentioned Indonesia. I, for years, have wanted the United States to get rid of its relationship with the previous dictator in that country. I supported amendments on both the Republican and Democratic side of the aisle to eliminate military aid to Indonesia, because I thought that that army was nothing but a butcher's dream. But I would say that it is not wrong to try to stabilize the economy in that country before their instability washes over our workers and causes American workers to lose jobs.

I would make one further observation. I think anybody knows that if we had to preapprove every executive action on this issue, that decisions about the use of the Exchange Stabilization Fund would be made primarily on the basis of politics and not economics. I do not think that that would be a very great credit to this Congress or a very great contribution to the country.

The Great Depression was caused not by the collapse of the American stock market but by the fact that you had a successive collapse of banks and currencies around the world, and the result was that our Federal Reserve itself was frozen, as FDR said, in the ice of

its own indifference. And the result was a mess for years in this economy and the world economy.

I think the amendment is well meaning, but I think the amendment would be highly destructive if it were ever put into place. I would urge the rejection of the amendment so that our Treasury Department retains the capacity to move quickly to contain currency problems before they become major crises.

Mr. LAFALCE. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I know this amendment is well intentioned, but I think if it were to become the law of the land it would truly be disastrous. The only thing that gives me some consolation is that it would not become the law of the land because the President would veto any bill that would contain such a limiting amendment. So I stand with the chairman of the Committee on Banking and Financial Services, the gentleman from Iowa (Mr. LEACH), in the strongest possible opposition to this amendment.

Rather than simply give my own words, what I would like to do is read from a recent letter from the Secretary of the Treasury, Robert Rubin. Secretary Rubin wrote to the Chairman of the Appropriations Committee with specific reference to this amendment.

He said,

> Such an amendment would constitute an unacceptable limitation on the Executive Branch's ability to protect critical United States economic interests, and I would be forced to recommend a presidential veto if the final bill contains such restrictions.

□ 1745

The original Economic Stabilization Fund statute deliberately provided the executive branch with the flexibility needed to respond expeditiously and effectively when justified by important national economic interests. Because the nature of financial crises sometimes requires urgent action to stabilize markets and protect the United States' economy, it is necessary to act more quickly than is permitted by the deliberative procedures of the legislative branch. This is particularly true in today's large, fast-moving financial markets.

To take just one recent example, the Economic Stabilization Fund permitted the United States, with broad international cooperation, to participate in a critical, highly time-sensitive Christmas Eve effort to forestall financial default in Korea, where 37,000 American troops are stationed. The economic and national security consequences of a Korean default were clearly unacceptable risks for the United States, and the availability and flexibility of Exchange Stabilization Fund resources were indispensable to our stabilization efforts.

Let me make clear that we fully accept our responsibility to account to Congress for our actions under the ESF statute. Treasury submits detailed monthly reports on ESF transactions to the banking committees, and the President submits an annual report to the Congress. We believe strongly that our past use of the ESF, as well as any potential use as intended in the Asian crisis, is prudent and consistent with the spirit and letter of the law.

He urges then the Congress to preserve the ESF statute and reject this amendment.

My colleagues, this is not only the position of this Secretary of the Treasury, this is the position of every single past Secretary of the Treasury, regardless whether conservative, Republican, or liberal Democrat, and every single President.

We are not talking about the IMF now, we are talking about the Exchange Stabilization Fund. This is an essential tool. We would no more send our troops into combat saying that they could not expend more than $250 million in a military action without congressional approval than we would say, when it comes to an economic crisis, the administration is prevented from acting unless there is prior congressional approval. That simply would not work. We would be the laughing stock of the world. But more than being the laughing stock of the world, we could precipitate an even worse international crisis than anything we have ever encountered.

We are the world's not only military superpower, we are the world's only economic superpower right now and we need the weaponry of the ESF, the Exchange Stabilization Fund, to fulfill this important role. Please reject this amendment.

Mr. STEARNS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

My good friend, the gentleman from New York (Mr. LAFALCE), should read the amendment. The amendment says that we cannot give $250 million in a giveaway or a loan. We can still go out and prop up the currency. So I do not know if the gentleman perhaps did not read the amendment, but what we are talking about is should our government have a slush fund and go out and give away money; make loans. That is what we are talking about. So I rise on behalf of the amendment, an enthusiastic cosponsor.

Basically, let us take this analogy. Let us say that tonight we decided to form a limited partnership or a corporation. We all sat down and we each put up $100. We elected a president and a secretary. And for tonight, that case would be President Clinton, would be our President, and our secretary would be Rubin. We would put all our money in a pot.

Well, after about 10 years we find that the President and the secretary have a slush fund beyond the money that was reported to us, and they want to use this money as a giveaway. Not only do we have the President and the Secretary of Treasury doing this, in terms of just giving the money as a loan, or giving it away as foreign aid without approval from us or Congress, they now have a slush fund which he accumulated to a point when it is $38 billion.

So the question we are talking about tonight, do we want our Congress, that represents the people, to control giving away more than $250 million? Do we want our Congress to control loans of more than $250 million? I submit the answer is yes.

That is all we are asking tonight. We are not saying that the Exchange Stabilization Fund cannot prop up currencies. Good Lord, the President has the IMF; he has the World Bank. Is it not proper for representatives of Congress, who are elected by the people, to control money as foreign aid; and as loans? Should we not, before we give away $300 million, a billion dollars, have the approval of the taxpayers; or in this case this little group of people that meets tonight to form this limited partnership or this corporation?

So I rise in strong support of this amendment. Our colleague here on our side offered this amendment in 1995. It passed overwhelmingly, and then, of course, it expired. So what we are asking tonight is not a big deal. We are just asking to reinforce our past policy and to extend this policy. This is what this amendment does.

I think it was mentioned earlier that the ESF was established in 1934. Let us go back to what its purpose was: to give the U.S. adequate financial resources to counteract the activities of the European fund. Now, the fund was established with $2 billion appropriated from profits realized from the revaluation of U.S. gold holdings. But slowly, through history, this limited partnership, this corporation, this country in this case, was successful, and they have more and more money, and they have perverted the original idea of just using it for stabilizing funds. They are now the supreme power today and now just give away our money. They have their own foreign aid slush fund. Their own bank which operates without U.S. citizens consent.

All we are saying is, listen, if we are going to give away money to a sovereign nation, or we are going to make a loan, just come back and ask the taxpayers for approval. Because this little group that meets, or these 260 million Americans, would like to know what you are doing. It is constitutional in fact. The Exchange Stabilization Fund, when it gets this big, $38 billion, its mission is going to change. It will be all over the park. It will be doing all kinds of things that are not in the original mission. We are just going to ask for a little control here tonight. It is an important principle.

And if the gentleman from New York (Mr. LAFALCE), and others, are really, really worried, what Mr. Rubin is able to do, he can still loan $250 million today, then a month later he can do another $250 million, and he can keep

doing this without coming back to Congress. Now, that is not the intent of this amendment, but he can skirt the process.

Now, the proponents will counter and they will say no nation has ever defaulted on such loans. Well, do we bail out nations in order to pay us back? Is that what we are trying to do tonight? Those nations go to other sources and borrow more money. Is this an effective means to help nations? The use of the ESF in this manner is truly unproductive and repetitive. Not only is there IMF funds to help nations, there is also the World Bank and, as I mentioned, the private sector. Most of us believe in the free market. Why can't the private sector make the loans and provide credits? Why does Secretary Rubin have to bail out nations with an illegal slush fund?

Tonight, I believe we have an opportunity to change this habitual practice, and I ask all my colleagues to support this amendment because, in so doing, they are going to put a little control in this slush fund so that no longer will the administration have their own foreign aid program where they give away money. They will have to come back to Congress. They can continue to balance the exchange rate in case of emergencies, like the gentleman from New York mentioned in Korea on Christmas Eve, but they cannot go out and just give money gratuitously hoping to influence policy.

So I urge my colleagues to support the amendment.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I strongly oppose this amendment. Many of my colleagues have pointed out in the process that the Economic Stabilization Fund has changed since 1934, and I think that that is true. The world has changed, and the role of the United States today, as the leading economic power in the global marketplace, is very important.

I would think that my colleagues would be looking at the global economy and looking at our mixed economy and the free enterprise system and marketplace values that we have advocated, and the success that they are having on a global basis, and have a very great interest in maintaining them. To adopt this amendment would be the military equivalent of a unilateral disarmament.

The fact is I understand that many of my colleagues would advocate such a free market situation that we would leave some of the countries that are experiencing these economic downturns and turmoil to proceed to economic ground zero. The fact is that almost anyplace we look at the utilization of the Economic Stabilization Fund, as exercised authority by the Treasury, with the approval of the President and past Presidents and past Secretaries of the Treasury, anyplace we look at that we find a lot of pain, economically, as is the case that has been pointed out with regards to Mexico and the bankruptcy and problems that have occurred. The ESF isn't loaning funds where it isn't needed.

But the question that one must ask themselves is what would it have been like if we had let the hand of sort of an Adam Smith level the entire country of Mexico and then start over. I am certain that none of my colleagues are so duty bound to the ideological proposition or theories of a free market that they want to see that type of suffering occur in Mexico.

The fact of the matter is we are not just doing this to help the Mexicans or the Korean government, as many of my colleagues talked about the U.S. and IMF intervention since last December, but, in fact, we are doing it to help ourselves that is the U.S.A. too. In other words, this is the evolution in terms of how the U.S.A. intervenes and how to assist a global economy and help our own exchange rates and help other economies that has also evolved since 1934. We have a better understanding of the global economy. And, of course, this Economic Stabilization Fund plays a key role, along with other multinational financial institutions that exist, which, of course, we are debating broadly.

And, of course, there is great debate over whether or not the IMF ought to receive the type of funding that has been requested by the President. But this amendment of ESF is not just a new funding. This attempt in this particular amendment is to renege, is to renege on the existing powers and the existing authority and the existing tools that the Secretary of the Treasury and that this President have in terms of trying to deal with a tumultuous economic circumstance that basically surrounds us in four different directions. That is what the effect of this amendment is to deny and frustrate the ability of the U.S.A. to play a vital economic role.

And, of course, to portray that we could deal with those particular problems in $250 million increments is, of course, not a serious effort. The fact of the matter is that countries right today, right this week, as we pick up the paper and read about the type of loans and the type of financial structure that had to be dealt with to prevent the default of the entire country of Russia, I would think would bring a little bit to reality; would bring us down to a little bit of terra firma, right down to the ground, to where we can feel and experience what is going on rather than being up here where we would pull the tools away and let the chips fall where they may.

Is this a perfect tool? Is the IMF a perfect tool? I think the answer is no. But the gentleman is offering to take this away and to substantially reduce it to the point of being ineffectual and not putting anything in its place. And, of course, I think one can point out that some employees used this for dinners or did other things that this money was not to be used for, but we get monthly reports on this now. There has been an accounting and is an accounting that needs to be the subject of our oversight committees.

But to pull this ESF down is to, in fact, set a course for an economic spiral, a downturn, that would greatly hurt this Nation. So the gentleman's amendment is not offering improvement, it is offering pulling the plug out. Stop the world, I want to get off. I want to stop this U.S. economy. We have to accept more responsibility than that, and we ought to exercise good judgment by resisting and soundly defeating this amendment.

□ 1800

This amendment deserves to be defeated. We should not let them unilaterally disarm our economic capacity. We ought to leave those tools in place. We ought to be debating the IMF and trying to improve on what the programs do and how they operate.

Yes, there is a lot of pain where the IMF is involved or where the economic stabilization fund is involved, but not because of it. These programs are the solutions to the economic difficulties, not the problem.

Mr. BACHUS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all, and this has been said several times but let us say it one more time, this Exchange Stabilization Fund was created by this Congress, by an appropriation by this Congress in 1934. And our Nation, our Treasury, our taxpayer, that is taxpayer money, that is money that belongs to the citizens of the United States. It is not the Treasury's money. It is not the Congress's money. It is not the President's money. It is the people's money. And presently it is $38 billion.

What this amendment says to this money which we can oversee, it says that we will not loan more than $250 million of this money at any one time to a foreign country. It does not place any limitations on us using this fund for currency transactions. In fact, we had a currency transaction 2 weeks ago by the Treasury. This fund is a fund to strengthen the U.S. dollar.

And what did we use this fund for 2 weeks ago? We used it to drive down the U.S. dollar and drive up the yen to enable Japan to be able to export cheaper to the United States. That is what we used it for 2 weeks ago. We used it to help the Japanese economy and to help people that compete against our businesses.

I was told, in opposing this amendment, the chairman of the subcommittee said $250 million is not a lot of money. Well, let me say this about the economy. Let me say this about protecting our economy. And when the gentleman has time, I will let him yield to me and we will debate. Let me say this about our economy.

Senator E.B. McLean came to my office today. He and I served in the Alabama legislature. He told me that a company that had been in Birmingham for over 100 years, employed 400 people, had gone out of business 3 months ago, a coke plant. There were no Federal funds available to help this coke plant. Had it been in Korea, we could have taken money out of this fund I guess and propped it up because it would have helped the Korean economy and that would have helped our economy perhaps. But it failed. And he said it failed because of cheap coke coming into our country from the Pacific Basin.

So I am not saying that we should not use all this money to go around the country. And the President said we want to use $5 billion to loan to South Korea; we want to loan $3 billion of this money to Indonesia. I am simply saying, I do not think we ought to continue to loan this money. It is not strengthening the U.S. dollar. It is strengthening those economies. It strengthens their economies. And, yes, there is a residual of benefit for us. But what if we had gone to Birmingham, Alabama, and used some of that money to have assisted that coke plant with 400 people that worked there? Would that not have helped our economy? Would that not be a more direct way?

We can turn our backs on all this and we can say this is not under our control and this $38 billion can be loaned all over the world. Or, as representatives of the people, we can vote for this amendment and say, if they are going to loan this money to foreign countries, which was not the original intent of the Exchange Stabilization Fund, at least vote yes or no.

They are giving away money, billions of dollars. They are proposing it. If this amendment does not go on, the President has already announced $8 billion worth of loans out of the Treasury.

Somebody talked about the Constitution, what is appropriate and what is not. Let me quote section 9 of Article I of the Constitution. ''No money shall be drawn from the Treasury but by appropriation made by law by this Congress.''

What happened to the Constitution when we gave $20 billion to Mexico? I do not care whether it was paid back or not. It was given to Mexico. Did it help Mexico? No. Their GNP is worse than it was before the loan. They owe $160 billion today. They owed $40 billion then.

We can continue to loan money to every country around this world, Russia, China, Japan; and one day we are not going to have a fund to bail out our own dollar.

Mr. Chairman, let me say this in conclusion. I am saying let us vote on this. If we want to loan money to these foreign countries, take a stand, vote on it. Do not turn our backs and let the President do it without consent.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Sanders amendment. I do so for many of the reasons that have already been articulated by some of our colleagues; and that is, simply, we are being told that this stabilization fund cannot do business if it has to get engaged in a little bit of democratic process. And that is that we have a fund here with $38 billion that was originally designed for the stabilization of currency. We have had interventions time and again, many of which have not been certainly questioned by the Congress, many of which have been unsuccessful, some of which have been successful when they are coordinated on a multilateral basis. But the fact of the matter is now what we have is we have a means by which we circumvent whether or not some of the activities that the IMF is able to do or not able to do or willing to do or not willing to do and we are now making investments of substantial amounts of the American taxpayer dollars. And we ought to have disclosure of that, we ought to have debate of that, and we ought to have approval of that.

Because we have moved out of the minor leagues in this day and age. We are moving into now the movement and the quick movement of billions of dollars. And depending upon the timing of that movement, sometimes it is wise and sometimes it is not. And sometimes, as we see, the early decisions about the commitment of those monies have turned out to be the wrong decision. I think that it is time that this Congress have some ability to have some say in this process.

This money is getting moved further and further away from the people that provide this money, the taxpayers of this country. It is getting moved further and further away from the decision-making process within the Congress of the United States, who should be making the decisions about the utilization of these funds.

That is what the Sanders amendment requests. This is not a unilateral economic disarmament. It is nothing of the sort. This is not surrendering. This is not recognizing that we do not have problems around the world in various economies, whether it is in Asia or Russia or elsewhere. All of that is still on the table.

What this suggests is that we ask people to come and be accountable to the Congress for the decisions they make about the commitments of these resources. Why do we do that? Why do we do that? Because if we do not do this properly, even as we look at Asia and as we look at Russia, if we do not look at this properly, what we become, we become the enablers, we become the enablers of the flow of capital for people who now go beyond reasonable risk, go beyond a reasonable return, go beyond speculation. They head deep into greed. They head deep into greed with the commitment of money by private sources; and then when it goes wrong, they come back to the IMF, they come back to the Economic Stabilization Fund, and they say they have got to bail them out. They have to take our private decisions, many of which in the late stages of these games in Indonesia or Malaysia or Korea or Russia were driven by greed. They were not driven by economics. They were not driven by cost-benefit studies. They were not driven by determination of market or cash flow. They were driven by greed.

Now they want to make those debts, those private decisions, public. But in order to do that, they need a partner, and that partner becomes the U.S. taxpayer. I think the U.S. taxpayer has a right to ask us, as though sitting on the board of directors, what the hell is going on and what do you know about this.

Now, there is private meetings. The Secretary of Treasury and others move through the corridors of Congress and they talk to this group and that group and they say this is what they are going to do. But what they do not do is they do not come out here and debate it on the floor.

Now maybe we are going to have that debate when the IMF comes up in the next appropriations. But the Economic Stabilization is part of that debate, because this fund has become something for which it was not originally intended.

I appreciate we can put a very expansive decision on currency stabilization. But most people understood that to be the kind of traditional interventions. We are going way beyond that at this stage. We are talking about loans being made to stabilize countries, many of which I appreciate money has not been lost, but there is also a great prospect that it will not be recovered on a timely basis for a considerable period of time.

And it is about our job as Members of Congress, as elected delegates of the people to have some say, to have some review, not just in reports submitted to us months afterwards, but up front and before the determinations are made about the commitment of money.

Maybe this fund should be reduced. Maybe there is another use for the billions of dollars here. That is part of the debate, too. Because this is about priorities. I think we all understand that we are going to have to have commitments around the world to help stabilize the world economy. But the size of that commitment, the timing of that commitment and whether or not that is a wise plan, we should be able to exercise some judgment, too.

That is part of democracy. That is part of democracy. They are going to have the debate in the Russian Duma whether or not they want to accept this plan and whether or not they think this is good for Russia or is not. But we are already going to commit the money. We already are going to commit the money. If we meet with enough people from the Russian Duma, we wonder if any of this would be possible.

So the Sanders amendment is about democratization of this process.

Mr. PAUL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support this amendment. I would have to say this amendment is a very modest approach to a serious problem. I see no reason for the Exchange Stabilization Fund to exist. There is no constitutional authority for it. There is no economic benefit for it. It is detrimental to the people.

The reason why we have to support this amendment is it is a modest, just a small step in the direction of openness in government, a little bit of accountability, a little bit of oversight.

The idea that we can create a fund in 1934 and have essentially no oversight for all these years, I just wonder how many billions, probably hundreds of billions, of dollars that have come and gone in and out and all the mischief it has caused. It was originally set up to stabilize the dollar. And what does it do, as the gentleman from Alabama mentioned earlier, stabilizes the yen.

Where did the money come from? It came from confiscation, not through taxation, but confiscating gold from the American people, revaluing the gold, taking the net profits, putting it into the Exchange Stabilization Fund, as well as the initial financing of the IMF.

They tried to reassure us and say, well, this is not an injury to our appropriations process. We do not appropriate money. We do not lose money. Well, that is precisely the problem. We are supposed to have responsibility. It is not the kind of amendment I want.

We should be talking about this in terms of a free society. Certainly, if we had a sound currency, under a sound currency we do not have all this kind of mischief going on. And certainly, if we had a lot of respect for the Constitution and actually knew something about the Doctrine of Enumerated Powers, we would say, where do we get this authority to prop up other countries and other currencies at the expense of the American taxpayers?

This amendment, if we want to give a lot of foreign aid away, this does not preclude it, it just slows us up a little bit and makes us think about it.

Yes, we can get into the currency markets to the tune of billions of dollars. They say, well, there is only 38; they might not be able to do any mischief. But my strong suspicion is that the line of credit to the Federal Reserve is endless in the time of crisis.

This is why we need more openness. Because, ultimately, this is a threat to the dollar. The dollar, when it is devalued, it hurts the American taxpayer. It is a hidden tax. When we devalue the dollar, we are spending money indirectly. We take away wealth and purchasing power from the American people. And it is a sinister tax. It is the most sinister of all taxes.

That is why the Exchange Stabilization Fund should either be abolished or put on the appropriations process. If we cannot do that or will not do that, we have to at least pass this amendment. Pass this amendment and say, yes.

If we are going to give away $250 million per country for propping up a foreign currency or foreign country or propping up some banks that made loans overseas or propping up our competitors to our own industries, we have to at least know about it.

I do not think this is much of an amendment. The fact that the President threatens to veto this bill just because we are acting responsibly, this is just a small step in the right direction. I see no reason why we cannot pass this amendment.

We talk a lot about supporting the currency. On a day-to-day basis, $1.6 trillion are transferred over the wire service. There is not one reputable economist in this country that I know of that really defends currency intervention as being productive and being able to change the course of events. Because although $38 billion is a lot of money and intervention does cause sudden shocks, causes some bond traders, currency traders to lose money quickly, it has no long-term effect.

□ 1815

So the original purpose under fixed exchange rate no longer exists. There is no need to prop up a dollar under floating currencies. This is used precisely to bail out special privileged people who have made loans overseas, special corporations around the country, special countries that are our competitors, and it is a way of getting around the Congress, it is a way of devaluing the dollar, putting more pressure on the dollar and hurting the American people.

If for no other reason, if my colleagues disagree with all the economic arguments, there should be nobody that should disagree with the fact that we have a responsibility for open government. That is what this issue is all about, and that is what this amendment makes an attempt to do is try to at least get it back to where we will be responsible for our acts.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment and would like to try to get the debate back on the facts.

Let us remember for a moment that the original ESF statute deliberately provided the executive branch with the flexibility needed to respond expeditiously and effectively when justified by important national economic interests. That was done in 1934 for a very real purpose; it is just as valid today.

Two nights ago we in this body in 40 minutes time deliberated a bill that was critical to making a multi-million-dollar sale of benefit to American agriculture, wheat-producer-specific, yesterday. Forty minutes we debated it. Thank goodness we did. We expeditiously handled it. That is something that is getting overlooked now.

Many times, as we have heard the explanation of the international currency market, we do not have the time to respond. We can talk about our philosophical differences, which we are doing today, and I respect those. But since the law's enactment in 1934, this flexibility given to the President has served the United States well by enabling it to respond to emergencies.

Consistent with this original purpose there is no need to amend the statute because the nature of financial crisis sometimes requires urgent action to stabilize markets and protect the United States economy. It is almost always necessary to act more quickly than is permitted by a deliberative procedure of this legislative branch.

Now the slush fund language a moment ago, I wish we would not use terms like that unless colleagues are willing to say that the detailed monthly reports on ESF transactions which are submitted to our Committee on Banking and Financial Services monthly and the President's submission of an annual report to the Congress constitutes a slush fund. Do not use that kind of language unless searching for sound bites for 20-second commercials. It is not a slush fund. The appropriate committees are responsible for that. Mr. Chairman, I am not on the Committee on Banking and Financial Services, but I trust those on both sides who are.

U.S. pledges of second line of financial support during the Asian financial crisis have been an integral part of the international response to the region's financial instability. It mobilized billions of dollars in multilateral support, spreading the burden among many nations, not just us. Japan has committed well over twice what we have committed, for example, as the use of this ESF funding.

As in all such emergencies, the U.S. must be ready to act quickly and nimbly to protect our interests.

We have talked about Mexico for a moment. Let us talk again about Mexico. The use of the ESF during the Mexican financial crisis served critical U.S. national interests by containing a rapidly escalating financial meltdown that directly threatened the U.S. economy and the stability of international financial systems. The use of the ESF was not only instrumental in the ending of the crisis, but it resulted in a profit of $580 million for U.S. taxpayers.

Now U.S. agriculture has benefited from the recovery in Mexico, and I am here speaking primarily on behalf of U.S. agriculture, but it affects all of our national interest. In the wake of the recent peso devaluation and its aftermath, U.S. agricultural exports dropped by only 11 percent, and they surged back with a 34 percent gain. And we have heard all the anti-NAFTA et cetera, et cetera, but from the standpoint of the facts, from fiscal

year 1995 to 1996, U.S. farm and food exports to Mexico climbed by $1.3 billion.

So to characterize ESF as somehow being a slush fund, a boondoggle, as a benefit to everybody but the United States, I say to my colleagues who are making this argument they are not dealing with the facts.

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

Mr. STENHOLM. I yield to the gentleman from Vermont.

Mr. SANDERS. What I would say to the gentleman from Texas (Mr. STENHOLM), Mr. Chairman, is that in terms of Mexico between 1995 and 1997, after the so-called bailout, more than a third of Mexico's businesses declared bankruptcy. We have one-third of the work force is unemployed or in imminent danger of unemployment, nearly 2 million peasants have been forced to migrate in search of work, real wages have fallen almost 25 percent. If my colleague went to the Mexican Congress today, they would not tell him that it has been a successful bailout. They would tell him it was a disaster.

Mr. STENHOLM. Mr. Chairman, I am happy for the point the gentleman makes. I am here on behalf of American interests. What he is saying is what Mexico should or should not be doing. That was a question for their legislative body to, in fact, address. I am talking about what we ought to be doing, and I am making the argument it is in our best interests to provide the President of the United States with the flexibility needed whenever crises are involved and need to be addressed; that is all that I am saying today. And I believe the facts, as they have pertained to Southeast Asia, to Mexico and to Korea last December all bear out the wisdom of the original congressional act of 1934, and I hope we continue that.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe the amendment is a mistake. Yes, we have the power to do this, but it is not sensible to exercise indirectly every ounce of power we have. There are times when we may decide to get our purposes accomplished better by some delegation.

One of the problems we have is we are talking here about emergency situations. In emergency situations it is useful for this government to have the power to react.

Now it could come to Congress, but let us be clear about one of the major principles of legislation. The ankle bone is connected to the shoulder bone. There is a pattern here of an important bill coming to this body, and even more to the other body, and remember, this amendment does not say the House will decide, it says Congress will decide. So this means that nothing will happen unless it has gone through this body and the other body. The fact is that it can then become tied up with all matter of other issues. If, in fact, we think there ought to be a capacity to act on the merits or not in the particular financial situation, then saying there has to be an issue-by-issue vote in both the House and the Senate makes that very unlikely.

Now we have heard all kinds of terrible things that could happen from this fund, but the opponents of the fund, the advocates of the amendment, have said noticeably we have had this since 1934. Well, where are the horror stories? Where are all the terrible things that happened? We have had people say, well, billions could have been taken, this could have happened. We got a lot of ''couldas'' and a lot of ''mightas'' and a lot of possibles, but we have no horror stories. And one thing that body is good at is giving the horror stories. If there had been abuses, we would have heard about them.

Now my friend from Texas, who is intellectually honest and coherent, says that he is against the whole fund, he is a supporter of the gold standard, he does not like this whole notion of currency. He is a logical proponent of the amendment. But I would suggest that others less fiercely devoted to the gold standard than he probably are not as on solid logical ground.

I will say my friend from Texas was, I thought, uncharacteristically a little inconsistent when he said on the one hand it is a terrible idea because it propped up other currencies, but then he also noted that according to him it is impossible to do that. So it may be guilty of trying to do the impossible, but it could not be guilty of having done the impossible.

The gentleman from Alabama complained because we use it to prop up the yen. We propped up the yen because we wanted to stop the drain on American exports. The yen was reaching such a dangerously low level that it was threatening American jobs and jobs elsewhere.

Yes, it was very much in America's interest to prop up the yen. Using the funds to prop up the yen was a very pro-American thing to do. And does anyone think that we could have done that by saying, oh, we have to have this emergency deal, and we are going to try and foil the speculators; I know what we will do, let us have a Senate hearing, and by the time we are through with this Senate hearing we will have foiled the speculators. Of course it would not work. We cannot do that.

And then we have the gentleman from Florida, and he gave what I thought was the strangest argument for an amendment I have ever heard: Vote for it because it will be meaningless. Remember the gentleman from Florida said, well, he can lend 250 today, and 250 next week, and 250 the week after. So that is a pretty odd argument for an amendment: Vote for this amendment, it will not mean anything. It will just be more game playing.

We are in a difficult world. I agree with my friend who pointed out that the aftermath in Mexico was bad. But, as my colleagues know, what we are forgetting when we deal particularly in the international world, the most important principle of a great philosopher, Henny Youngman:

''Whenever you are measuring the effect of any particular policy in this area, you have to remember the key question: Compared to what?''

Yes, there were terrible problems in Mexico after that problem when we responded, but would they have been worse or better without this? Is Kim Dae Jung and Boris Yeltzin, two men, and in one case there is some imperfections, but two men who I believe are great devotees of democracy, are they better off if we have to go through a Senate filibuster before we get through?

Mr. Chairman, I will yield if the gentleman from Vermont (Mr. SANDERS) is asking me to yield, or is he just going to look puzzled?.

Mr. SANDERS. Mr. Chairman, the gentleman from Massachusetts (Mr. FRANK) took the words out of my mouth. I appreciate his yielding.

Here is the point: The gentleman asks what might have happened. He does not know what might have happened, I do not know what might have happened. But this I do know; that the so-called global economy, of which the ESF is an integral part, has helped lower the standard of living of workers in the United States, lowered the standard of living of Mexican workers, lowered the standard of living of the people in Canada, has been disastrous.

Mr. FRANK of Massachusetts. Mr. Chairman, I take back my time. The gentleman was not responding to my question, and I have to say the gentleman is articulate and thoughtful, and I take his nonresponse as an example of the fact that no response is possible because my question was the gentleman cited the problems in Mexico. My question was would it have been worse or better? Yes, I am very critical of aspects of the global economy, but the question is does the existence of ESF make it worse or better, and I believe it helps.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Sanders amendment. This amendment prevents the President of the United States from using the Exchange Stabilization Fund to bail out corrupt and incompetent regimes throughout the world without so much as a vote of Congress.

We engage in this body in heated debates, heated debates, and we have votes that put us on the record as the elected representatives of the people of the United States on expenditures that just are in the millions of dollars, just in the millions. We expect that each and every one of us, because we are the elected representatives of the people, must accept the responsibility of where those millions of dollars are being

spent, and we will call for a vote to make sure that our colleagues are on the record and so that the American people can make their judgment about the job that we are doing in overseeing their resources, the American resources, the use of Federal resources. Those are the resources the American people.

That is the way it is supposed to be, that is what our Founding Fathers expected, that is what representative government is all about.

Those who oppose the Sanders amendment want the President of the United States to have, yes, a slush fund which he will be able to spend up to $38 billion, as much as he wants, to send that overseas to whatever regimes, whether they are corrupt or incompetent, whether they are friend or foe, whether we believe it is in the best interests of the United States or not, without so much as a vote in Congress by the elected representatives of the people. This is absurd. I am shocked, I think the American people should be shocked, to learn that we have given the President of the United States that power in the past.

This is the most antidemocratic element that I have discovered among the current procedures of our government, and I commend the gentleman from Vermont (Mr. SANDERS) for trying to do something to put accountability back in this democratic system and make it a democratic system.

□ 1830

What we have now with this stabilization fund is an invitation to corruption and sculduggery. No, I cannot give you specific examples, but I am sure they are there. But, often enough, we can rest assured that this bailout money that is going to foreign regimes does not even help the people of the countries who are in crisis.

Instead, like in Mexico, where billions of dollars were being spent to supposedly get them out of a crisis, instead it got them further and deeper in debt. And who was helped by that bailout? Much of that money went to very powerful financial interests in this country, perhaps a few powerful financial interests in Mexico as well. The victims are the Mexican people and the people of the United States, who are put on the hook without so much as a vote of the Members of Congress.

In recent years we have seen the stabilization fund, this stabilization fund that was meant to protect our currency, used to bail out Mexico to the tune of $12 to 20 billion, Indonesia, $3 billion, South Korea, $5 billion, and, now, how many billions of dollars will they want to take to bail out Russia? And where does this money go?

I am a member of the Committee on International Relations, and I can tell you in Russia alone, not to mention Indonesia, we are not talking about honest people over there. We are talking about people that would have a tough time getting elected and reelected here, with freedom of speech and freedom of press and some scrutiny. But, instead, we want to grant the President of the United States the ability to send billions of dollars over to those people, without so much as a vote in Congress? This is absurd.

This is a fund, as I say, that is supposed to protect the American dollar. It is not and was never intended to be a slush fund for the whims of the President, so he can send it to people across this world at his discretion.

This amendment makes sense. If the President is going to spend more than $250 million of our money, we should have to approve it. I hope the American people who are listening to this debate will take note of who in this body is suggesting that they do not want to have the responsibility to have a vote up and down on where billions of dollars of our money is being spent. And when it goes overseas, these billions of dollars, what does it do and who does it help? We are being told for the stabilization of the world, this global economy requires us to grant this power to the President, this power to give away billions of dollars and to loan billions of dollars without the approval of Congress. Who does it help? It does not help the American people.

I agree with the gentleman from Vermont (Mr. SANDERS). In the end, it has helped people who compete with the United States for jobs. This is a total violation and betrayal of the American people. Vote for the Sanders amendment.

Ms. KAPTUR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Sanders-Bachus-Miller-Stearns-Kaptur-Burton-DeFazio-Rohrabacher Kucinich-Paul-Stark-Owens amendment, and I do so for several reasons.

First of all, the amendment restores proper Congressional constitutional prerogatives over the spending of U.S. taxpayer dollars. These are our people's dollars. We have a legitimate role here to play in the Congress.

This is a eminently reasonable amendment, because it basically says the administration has latitude up to $250 million, not small change by anyone's measure, but when you go over that limit, then you have to come and seek approval by this Congress, simply because those dollars are then used in order to assist foreign governments, banks, investors, many who have no role in electing the Members here. There are serious issues that we may have with those who would benefit from this type of wealth exchanging hands.

Let me mention that this particular fund, the Economic Stabilization Fund, was established by law in 1934, and its purpose, its legislative purpose as written by Congress, is to buy or sell currency in order to stabilize our dollar in current short-term crises. The fund was never meant to be used for medium-term loans or long-term loans or to prop up foreign governments, which is what it has been doing of late, to the magnitude that is currently being used just in the last couple of years, $20 billion, into the billions. It was never, ever intended for that purpose. We have back-doored our way into this practice.

This amendment basically prohibits any administration from putting billions of taxpayer dollars at risk in loans to other countries without the explicit approval of this Congress. And we well know what has been going on, whether we are talking about Korea or Russia or Mexico. We are talking about speculative investment that has fueled export-led development in those nations that cannot be sustained over time.

I think the gentleman from Minnesota (Mr. VENTO) talked about the need for IMF reform. I completely agree, because we end up getting in these currency crises because the fundamental development policy is wrong. It is unsustainable internally in these countries, and it cannot be maintained.

We fight always to get a vote here on declarations of war, and it has been hard for the legislative branch over the decades to maintain its prerogatives under the Constitution. But that is not to say we should not do it. The same is true with economic policy. Yes, we may have to fight for our day in the sun, but, under our Constitution, we have that constitutional responsibility.

This amendment passed before in 1995 by a wide margin. Two hundred forty-five Members voted in favor of it. In fact, since that time it has not blocked any kind of assistance where it was essentially needed. So we are not trying to reinvent the wheel here.

I always wanted to say that it is very, very important that Members think about where these dollars go, and is it not as important for us to have oversight over billions of dollars that goes beyond our borders in the same way as we have oversight of millions that flow within these borders? We have GAO studies, and we have Congressional oversight committees, and we have all kinds of staff studies to take a look at where every single dollar goes in our health care financing programs and so forth, our food stamps, our defense spending. Why should we be any less rigorous when the money goes for foreign purposes?

We have received letters from leaders in the Parliament, for example, in Mexico City, talking about the serious financial problems Mexico currently faces because of the fact that the fundamental development policy was never changed. But we end up trying to bail out the speculators that prop up the real estate market and make investments that are not creditworthy. We then end up using the ESF fund to try to prop up a house of cards that cannot stands on its own.

In closing, I just want to read a couple lines from the letter that came

from this particular Secretary of Treasury.

The CHAIRMAN. The time of the gentlewoman from Ohio (Ms. KAPTUR) has expired.

(By unanimous consent, Ms. KAPTUR was allowed to proceed for 1 additional minute.)

Ms. KAPTUR. Mr. Chairman, I just wanted to say one of the arguments that the Secretary of Treasury uses in the materials he sent to us today say, ''The administration and any President needs these dollars because of today's large, fast-moving financial markets.''

I want to say that that is exactly the reason that this Congress should have oversight; that because in fact so many powerful global financial interests have an impact on this marketplace, we in Congress have got to be in tandem with those movements. We cannot absent ourself from that process, and, in fact, we have to gain some leverage over these major financial decisions that end up being political decisions in the end, when we end up supporting certain financial interests in other places.

The Secretary says, ''Treasury fully accepts its responsibility to account to Congress.'' I would say Congress ought to accept its responsibility to account to the American people. I urge the Members to support the Sanders-Bachus amendment.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we arm wrestle every day back and forth across the aisle on domestic spending. We have got budget caps, and we have some serious problems in this country. Even though the economics are supposed to be good, as many of you believe, and I do, too, there is a big difference between Wall Street and Main Street. There is probably not a handful of times in the past 8 years that I have agreed with the gentleman from Vermont (Mr. SANDERS). Two times in one day, I am starting to question my own rationalization.

Mr. SANDERS. Mr. Chairman, if the gentleman will yield, me, too. We will not tell anybody.

Mr. CUNNINGHAM. We will not tell anybody outside of this.

But the gentleman's idea is good. I also agree with the gentlewoman on the fact concerning declaring war, there ought to be a limit, and this Congress needs to have its position based on the Constitution, and this is a good constitutional issue.

I thank the gentleman from Vermont. I think it is a very good amendment.

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

Mr. CUNNINGHAM. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Chairman, I will not talk about the merits of it, but earlier today we talked about a pay raise, and it gets so political. If you think that it is political for the pay raise and demagoguery, this amendment is tailor-made for demagoguery.

The gentleman from California just a moment ago said we are going to be looking at how people vote on this amendment. So there is room for a lot of mischief. I am not speaking to the merits of it, but this is something that could take forever if you had to go through the House and the Senate. It is just a cautionary observation.

Mr. CUNNINGHAM. Mr. Chairman, reclaiming my time, I understand what the gentleman is saying. To me this is not demagoguery. This is good economic sense and good policy, as the gentlewoman from Ohio (Ms. KAPTUR) just said. I ask for support of the Sanders amendment.

Mr. LEVIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this proposed amendment, proposed proposition, puts its finger on the pulse of a problem, but it is at this juncture very much the wrong prescription.

We have a new set of problems in this world economically. Fifteen years ago globalization meant our trade with Europe and Japan. In the last decade it has meant our trade relations with developing economies, and that is increasingly so since we voted on this 3 years ago.

It has created all kinds of new issues. We do need new rules of competition. We are dealing with economies that are very different from our economy, and they have all kinds of subsidies, and they have all kinds of different labor market rules. They have all different kinds of rules, period. We need to face up to this, and we have not fully. But a piecemeal or potshot approach to these serious problems is not the answer.

We need a comprehensive set of policies, and we do not need slogans like ''slush funds'' or ''giveaways'' or ''loans'' thrown all together. The proposition with Mexico was not a slush fund or a giveaway, it was a loan, under certain strict conditions, and the loans were repaid. We made money on them.

We need to take a serious look at this. Three years ago we passed this, but a lot has changed since then. We have lots of currency problems with developing economies, a lot of them. Now Mexico is cited.

Look, we need more than just a few minutes of discussion here. I am not sure history is going to judge the Mexico loan one way or another, but I will tell you, I think there is a good chance it is going to be judged as having been a good move by the United States. This is coming from someone who feels deeply about the problems in terms of competition with Mexico and what was their rigged economy and rigged labor market conditions.

But to simply say we should not allow use of a stabilization fund when the currency of another country threatens to go whacky and undermine jobs in this country and because their currency becomes so weak it is tempting to export even more their way out of their problems, that is not the way to handle this. Contrary to some of the debate here, we acted on the yen to strengthen the value of the yen, not to weaken it; to make sure that they were less tempted to export their way and flood the American market with cars and other products.

One gentleman from Florida said, well, the Secretary of Treasury can skirt this by $200 million every week. What kind of an amendment is this that can be skirted by the Secretary doing the $250 million a week?

□ 1845

Now, we in Congress need to look at this seriously. This amendment is totally a piecemeal approach. It would handicap us when we need to act. Currency problems are serious problems, and this would handicap us.

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

Mr. LEVIN. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, does my friend understand that this amendment has nothing to do and does not change in any way our ability to deal with stabilizing U.S. currency?

Mr. LEVIN. Mr. Chairman, reclaiming my time, that is not true. It does not limit all of our interventions in terms of the currency, but it does limit us. It would have limited us in terms of action on Mexico where there was a tremendous peso problem and there was a danger of such weakening of the peso that it was going to have major ramifications not only for the investors in Mexico, and I do not want them to come out without some pain, but people in America who were producing goods in competition with Mexico and did not want the peso to drop so much in value it would be impossible to compete.

We need new rules of competition, not amendments that are piecemeal, that are potshots, that may be good populist rhetoric, and I love the gentleman's motives, the gentleman is serious about this. This is not the way to attack the problem. I oppose this amendment.

Mr. DEFAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would agree with the previous speaker in the well that we do need a comprehensive approach, but we are always told, this is not the time.

The IMF fund has been languishing without replenishment from this Congress because many of us have genuine concerns about the activities of the IMF, and now we are being told we are in a crisis, we have to fund it. We have been told that for months now. We are in a crisis, we must fund it, but do not worry, we will reform it after we give them another $18 billion when they do not need us for another couple of years. Well, we know what will happen. Nothing will happen. This has gone on time and time again.

The same thing here with the Economic Stabilization Fund. It is always the wrong time to deal with this issue, we are being told. The Secretary of the Treasury said, we are confronted with large, fast-moving financial markets. He is right, and we need to do something about hot money going around the globe, attacking everybody's currency and destroying economies so a few people on Wall Street or in London or some other financial center can get filthy, stinking rich. But we are not dealing with that. It is not time to deal with that. Just pump some more money into the existing system so that they can continue to become incredibly wealthy, but do not worry, some day we will deal with it.

There are things we could do immediately. The U.S. could take steps through the World Bank with conditions upon additional money to the IMF to deal with hot money, requiring other nations around the world to put in place steps to deal with hot money. The Tobin tax, a tiny tax on this hot money moving in and out of countries, billions of dollars in a single day, just putting a tiny tax on that could fund all of the activities of the IMF, all of the activities of the World Bank, dampen speculation, and stop tapping the taxpayers of the United States to pay for all of the bailouts of all of these wealthy people, these speculators around the world.

That is what this debate is about here on the floor. It is not about the stability of the United States dollar.

This amendment leaves the President total authority to use that $29 billion any way he wishes to support the United States dollar or to devalue the United States dollar, as was done recently by an intervention by the United States Treasury. That is still here. Although we have had people rise here on the floor and say, this would impinge upon the capability; it would not. All it says is one cannot lend the money directly, one cannot go around the Congress.

How did we get into this debate? Because the President was going to come to the Congress for $8 billion for Mexico, they counted heads and found out under those conditions there were not a majority of Members in the House of Representatives who wanted to use $8 billion of taxpayer money to bail out the Mexican speculators, both Mexican and U.S. speculators who were in there getting incredible rates of return; 50, 100 percent rate of return on short-term investments, and they wanted all of their capital back, too. They had already made 100 percent profit, but they wanted the capital back.

When Congress was a little reluctant to do that, concerned that we ask the speculators to take a hit, not just the people of Mexico and not just the taxpayers of the United States, the Secretary of the Treasury went and took the money out of the Economic Stabilization Fund, without the authority of the Congress. They say that they can do that.

We are just trying to say now that we want to renew the provisions we put in effect 3 years ago that says, if they are going to take more than $250 million out of the Economic Stabilization Fund, our money as United States citizens, that if it is going to be for purposes other than defending or supporting or weakening the United States dollar, as is seen fit by the Secretary of the Treasury and the President, that they get prior authorization from Congress. That is not going to threaten our troops in Korea. It is not going to threaten the stability of Israel in the case of a war. It is not going to cause all of this economic calamity. What it would do is begin to force people to reform this system.

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

Mr. DeFAZIO. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I would pick up on a point my friend made. Does my friend know what the interest rates in Russia right now are when people are buying Russian bonds?

Mr. DEFAZIO. Mr. Chairman, they went to 150. I do not know what they are now.

Mr. SANDERS. Mr. Chairman, they are over 100 percent. These people who are lending the money are running to the Congress and saying, fund the IMF. Give the money to Russia so that we can make sure we get back our money at 100, 125 percent. The gentleman is absolutely right.

Mr. DEFAZIO. Mr. Chairman, reclaiming my time, I thank the gentleman.

I also have a letter from a member of the PRD party in Mexico, and he goes on at great length about the conditions that came out of the Mexican bailout and the disaster it has been for the people of Mexico; the fact that it did only bail out a few very wealthy people in Mexico and banking interests and wealthy people in the United States and yet has caused 20,000 small businesses to collapse and, I am told, economic calamity.

We need to change these policies. If we do not adopt this amendment tonight, we will never get them changed.

Mr. KUCINICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. The Exchange Stabilization Fund is being misused by Treasury to bail out foreign investment failures. When some aspect of corporate foreign investment policy fails, Treasury taps the ESF to cover over the failure.

Here is a recent example. In Indonesia, the International Monetary Fund caused a run on Indonesian banks when it directed the closure of 16 banks there. A confidential internal IMF memo even acknowledged the failure. The IMF caused the panic by making a bad situation worse.

So what does the ESF, Foreign Investment Failure Fund, do? Without congressional approval, Treasury dispatched a credit line of $3 billion to cover the mistake; $3 billion, without a vote of the Congress, and we have long debates here over $2 million, $2 million as opposed to $3 billion, and this is just one example.

NAFTA caused a flood of U.S. investors to abandon their investments in the U.S. for higher rates of return in Mexico. Then, the already overvalued Mexican currency collapsed. Guess what? The ESF's Foreign Investment Failure Fund was used again without congressional approval to cover the multibillion dollar failure. Indeed, the ESF was used in this way because Congress refused to pass a $20 billion package to benefit the Mexican few at the expense of the Mexican people. The use of the ESF by Treasury thwarted the will of the Congress.

What is this House all about, except being the government of the people? The Constitution puts the legislative power in our hands. The Constitution puts the power of the purse in our hands. The Founders could not have envisioned a condition where the Congress of the many would forfeit its constitutional power, its financial prerogatives to an elite few. We are the government of the people, and we have a constitutional responsibility to take control over a fund which is out of control, and the ESF billions are way out of control.

The ESF's Foreign Investment Failure Fund is used to accomplish policy changes that often make international financial conditions worse. In Korea, important consumer and labor standards and regulations were overturned as conditions for $5 billion in Exchange Stabilization Fund monies from the U.S.

Koreans now talk about IMF suicides to characterize the wave of suicide among jobless and hopeless Koreans. Korean labor unions are conducting massive protests and strikes. Without Congress's approval or involvement, global economic policy is being forged for the benefit of the few, with the funds of the American people as leverage.

This amendment, the Sanders amendment, will correct abuses, but it will not tie Treasury's hands. If Treasury needs to stabilize another country's currency, it will be able to use the ESF to do so, unilaterally and without Congress's approval. The amendment allows Treasury to do currency swaps and other currency stabilization aids without congressional approval, but if Treasury is making a large loan to another country, they will have to come to Congress, which is the only appropriate process, given the American system of checks and balances.

This amendment is nearly identical to one that Congress passed in 1995. Many of my fellow Democrats voted for that amendment then. Unfortunately, the authority of that provision lapsed in October, 1997. Today, we need to repeat the corrective action.

So long as the ESF is used to extend credit or to give loans to foreign nations without Congress's approval, these foreign investment failures will get larger, and they will become more frequent. More of the U.S. Treasury will be exposed to paper over them, benefit foreign elites, bail out global banks and underwrite austerity, joblessness and hopelessness for a majority of ordinary people around the globe.

Congress, take back your authority. Vote ''yes'' on the Sanders amendment.

Mr. BENTSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the opportunity to sit and listen to all of the debate this afternoon on this issue.

This has been a debate dealing with really two issues. One is process and the other is policy.

With respect to the process, it is really unworkable, but if we are going to apply it to this, we should apply it across the board. We should apply it to the Federal Reserve, which my colleague may actually support, and what they do to enter the market to support the dollar and to effect interest rates, and the excess funds of the Federal Reserve, which is an entity of the U.S. Government and thus the taxpayers. So perhaps we should do it with that.

Perhaps we should look at every loan guarantee made by OPIC and the Eximbank and have every single loan guarantee approved by Congress; every action taken by the commodity credit corporation approved by Congress.

The fact is, it would be unworkable; and the fact is that we already have the process in place. As a member of the authorizing committee, along with the sponsor of the amendment, we have the opportunity to review what the Exchange Stabilization Fund is doing, or what the Treasury Department is doing, what the ESF, just as the appropriators do, just as we do with every other type of function that we have.

With respect to policy, this was a bad idea in 1995, and it is a bad idea today.

I think we need to also clear up some of the rhetoric that has been said on the floor. Some of it has bordered on xenophobia, but I think that the sponsor of the amendment is very sincere in his approach, and while we disagree on this, I think that his is a question of policy over global economics and where we are going, some of which is in our control and some of which is not.

□ 1900

Let me address some of the rhetoric that was said. Our colleague, one of our colleagues from California, talked about corruption in the ESF program. Here is a report dated July 1, 1998, from the Congressional Research Service. That is part of our operation here.

It says that there is no evidence to suggest that the Economic Stabilization Fund has abused its authority. Previous ESF loans to foreign governments were all repaid in a timely way, which goes to a second piece of rhetoric that was stated about slush fund and giveaways. It is very clear that always the process that has been used, particularly in terms of loans, it has been loans. There have been no giveaways to any countries, and in fact, if anything, the loans have been above market.

There is a complaint as to why the interest rates are so high on some of these loans. It is because these countries cannot get loans in the private market because they have no liquidity, because there is no confidence in their currency. That is why their loans are above market, because it is the lender of last resort.

Then the question comes, why should we be doing this in the first place? Why should we not be more concerned about a coke factory in Alabama? I think we are concerned about the coke factory in Alabama, because we are concerned about whether or not that factory is going to be able to sell our product overseas.

Right now we have a situation in Asia which represents more than a quarter of our exports. The fact that the GDP for the second quarter is probably around zero, and potentially a contraction, is because we have had a dropoff in our export business, and we have seen an increase in our trade imbalance. So the last thing we want to do is to cut our clients off.

If there is a currency crisis anywhere in the world, it affects the value of the dollar. What is done with the ESF fund through the loans that are made is part of exchange stabilization. It either directly, through market intervention in supporting the dollar, or indirectly, through market intervention in supporting the world economy and how that affects of the dollar, moves in helping the American worker.

So this is really a bad idea. I think that it will probably pass because it sounds good. It makes good politics, and the closer we get to November, good politics tends to be more important than good policy. But if the House was wise, it would reject this amendment, because imposing this type of policy on the administration, the only thing that we would be doing is saying that we are going to erect a mercantilist policy in the United States at the expense of the American work force.

Mr. DOOLEY of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to bring this debate down to one which I think is very simple. The reason we need to oppose the Sanders amendment and maintain the flexibility with the Exchange Stabilization Fund is because it is important to protect U.S. working men and women.

It is without contention that in our economy, so many more of our jobs in this country are becoming more dependent on international market opportunities. We only have 4 percent of the world's population in the United States. Ninety-six percent live outside our borders. Yet, we produce 26 percent of the world's gross domestic product. It is very clear that we are becoming increasingly dependent on the ability to export our products, export the labor of the working men and women of this country.

The Exchange Stabilization Fund plays a very important and critical role there, because it can move rapidly to respond to financial crises, which can restore confidence in those international markets, which can restore confidence to those currencies and maintain their values.

That is important, because when we see the decline in the value of the yen, that has the potential to make their exports more competitive with U.S. exports. If we do not find ways to stabilize the yen and other currencies, we are in fact jeopardizing the ability of the product of the labors of U.S. men and women to be competitive in the international marketplace.

I would also state that here we have a program that has played a critical role, again, in protecting jobs in this country. It is one that has not cost taxpayers one dime. We have not lost money on utilization of the Exchange Stabilization Fund. In fact, when it responded to the crisis in Mexico, it contributed to our budget by adding $500 million that we derived from interest on those loans.

I ask Members to please oppose this amendment, in the interests of the U.S. working men and women.

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

Mr. DOOLEY of California. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I would just like to take this opportunity to thank all of those people who have supported this amendment, and show my respect for those people who have been in opposition. It has been a good debate. It has been an important debate. We need more debates like this.

It seems to me, Mr. Chairman, there are three basic points that I would like to make. Number one, I hope everybody understands that this amendment does not stop the Treasury Department from stabilizing U.S. currency. That remains, absolutely, as has been the case for so many years.

Number two, I think there is an important constitutional issue. That is, should we sit back and allow tens and tens of billions of dollars from U.S. taxpayers being placed at risk without debate, without discussion?

The third point that I would make is that if we pass this amendment, it allows the Congress to become more involved in debates over the global economy that my friend, the gentleman from California (Mr. DOOLEY) has touched on.

I would simply suggest that if we look at the global economy, the standard of living of American workers has declined over the last 20 years. People are working longer hours for lower wages. We have lost millions of decent jobs.

Mr. DOOLEY of California. Reclaiming my time, Mr. Chairman, just to bring my comments to a close on my own time, it is clear that this amendment would work against the interests of the working men and women of this country.

When people talk about the standard of the working men and women in this country declining, that is wrong. When we start evaluating in terms of how many hours an average worker has to spend in order to afford a house, to afford a car, to afford a college education, it is much less today than it has ever been in the history of this country. In part it is because of our ability to access international markets.

This measure, if it is successful in passing, will reduce our ability to ensure that U.S. workers have the ability to be as competitive as possible in the international marketplace, because it will allow this country the tools to maintain currency values, which is absolutely critical to our economic interest.

Mr. MORAN of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in listening to the proponents of this amendment, Members would think that we were a self-sufficient economy; that it does not really matter what happens to other economies around the world, whether it be Asia or Latin America or even Europe, and that, in fact, our leadership role, such as it is, is dispensable, not necessary.

Nothing could be further from the truth. We are all enjoying the benefits of a booming economy, an unparalleled level of prosperity. But how many people understand that at least a third of the economic growth that we are benefiting from is due to international trade, and that international trade is dependent upon the confidence of capital investors in our global economy?

If they are not confident in the economies of other nations, they are not going to invest, they are not going to put their money into those economies in such a way that those economies will be strong and stable. If those economies are not strong and stable, they will not be able to buy our products. In fact, they could fall into such a desperate situation that they will be forced to dump their products on our marketplace.

If there is anything that could jeopardize the strength of our current prosperity, it is an international currency crisis. If that happens, it will be because we did not sufficiently respect and appreciate the role that the United States is currently playing in the global economy.

We are the leaders of the global economy. One of the reasons that we are the leaders of the global economy is precisely because we have these kinds of stabilization funds. Investors all over the world understand that before an economy is allowed to collapse, the United States is going to take the lead to stabilize their currency, to build up their economy, to ensure that the rest of the international economy does not collapse, because we understand our own vested interest.

I hope they are not giving us too much credit. I would hope that the Congress of these United States fully understands what is at stake; how important, how dependent the welfare of our constituents is on a healthy global economy. If we vote for this amendment, it will reflect a lack of understanding, truly an ignorance, of the role the United States must play as the leaders of this global economy.

This is a terribly important amendment, not just because of the specifics of the amendment itself, but because of the signal it sends to the rest of the world. We have to send that signal. We have to be the leaders of the global economy. We have to assume our responsibility.

Not only have we the strongest military, a military greater than all the other militaries in the world combined, but the principal reason we are the global leader is because of the strength of our economy, and the fact that we are prepared to do what is necessary to ensure the sustained prosperity of the rest of the world, which is the marketplace for our products today and whose economic stability will be the source of our security tomorrow.

Ms. STABENOW. Mr. Chairman, I rise in favor of the Sanders' amendment to earmark $6 million of the appropriation in this bill for the National Archives and Records Administration for the National Personnel Records Center.

I am particularly pleased that this amendment is going to address an issue that has been brought to my attention by the county Veterans Affairs offices in my district. The issue relates to the timely processing of medal requests which are critically dependant upon documentation for military service. The National Personnel Records Center is part of the National Archives and Records Administration and houses all veterans records.

My office has been contacted by several veterans requesting an original or a replacement set of medals, who have had to wait in excess of two years for their request to be answered. The county offices have had similar experiences. While my office advocates on behalf of individual veterans and their families, and is happy to do so, there appears to be a general pattern of problems in this area. Those providing direct services to veterans on a daily basis in my district are very frustrated and feel very strongly about the need to address this unacceptable delay.

Let me give you three examples: (1) Wells E. Elston has been waiting 3 years for assistance from the National Records Center. (2) Edward Hendy has been waiting for 4 years for assistance from the Records Center. He is a World War II Veteran in poor health, and is entitled to a Good Conduct Medal, an American Theatre Service Medal, and a European-African-Middle East Service Medal with 5 bronze stars. (3) Randy Marwede, Director of Ingham County Veterans Affairs, sent in a request for a copy of his DD 214 and has yet to hear back—the request was dated July 1996.

Our veterans gave us far better service than this—and risked their lives to do it. They deserve far better from this country and the government agencies who serve them. I urge my colleagues to join me in supporting this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 498, further proceedings on the amendment offered by the gentleman from Vermont will be postponed.

AMENDMENT OFFERED BY MR. WICKER

Mr. WICKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WICKER:

At the appropriate place in the bill, insert the following:

SEC. ___. LIMITATION.

No funds appropriated for the United States Postal Service under this Act may be expended by the Postal Service to initiate new nonpostal commercial activities or pack and send services.

Mr. WICKER. Mr. Chairman, I will be brief. The chairman of the subcommittee has advised me that he will accept the amendment if I am brief, and I intend to comply with that request.

Mr. Chairman, this amendment deals with competition by the Postal Service in nonpostal commercial activities, such as the pack and send activities. The gentlewoman from Kentucky (Mrs. NORTHUP) had an amendment that was closely related to it that was accepted by the Committee of the Whole a few hours ago now. It dealt with fairness globally.

This amendment, Mr. Chairman, deals with fairness as it relates between the Postal Service and small business, where, for example, a small business has taken out a loan, it is a mom and pop operation, they are raising their kids, paying their taxes, and here comes the big behemoth Postal Service coming in to compete with them.

This certainly is not as strong as the committee language which was stricken by a point of order, but it does send a message. It does say that no funds under this act shall be used to initiate new commercial non-postal services. I urge the adoption of the amendment.

Mr. KOLBE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will be very, very brief on this. The gentleman is correct, I do accept this. As he knows, and he and I have had considerable discussions, I have considerable concerns about the substance of his amendment, which was adopted in Committee. He did win that fair and square.

This amendment has no real effect because it only effects funds in this bill

dealing with the Postal Service. It simply maintains its place for the conference. But I do have real concerns about the substance of the amendment, and the gentleman knows that. But I accept this amendment.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a proponent of the United States Postal Service it would be, I think, unseemly to oppose sending a message, and I will not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. WICKER).

The amendment was agreed to.

AMENDMENT NO. 18 OFFERED BY MR. SAXTON

Mr. SAXTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 18 offered by Mr. SAXTON:

Page 109, after line 24, add the following:

SEC. 648. (a) EXCEPTION TO IMMUNITY FROM ATTACHMENT OR EXECUTION.—Section 1610 of title 28, United States Code, is amended by adding at the end of the following new subsection:

''(f)(1)(A) Notwithstanding any other provision of law, including but not limited to section 208(f) of the State Department Basic Authorities Act (22 U.S.C. 4308(f), and except as provided in subparagraph (B), any property with respect to which financial transactions are prohibited or regulated pursuant to section 5(b) of the Trading with the Enemy Act (50 U.S.C. App. 5(b)), section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), sections 202 and 203 of the International Emergency Economic Powers Act (50 U.S.C. 1701–1702), or any other proclamation, order, regulation, or license issued pursuant thereto, shall be subject to execution or attachment in aid of execution of any judgment relating to a claim for which a foreign state (including any agency or instrumentality of such State) is not immune under section 1605(a)(7).

''(B) Subparagraph (A) shall not apply if, at the time the property is expropriated or seized by the foreign state, the property has been held in title by a natural person or, if held in trust, has been held for the benefit of a natural person or persons.

''(2)(A) At the request of any party in whose favor a judgment has been issued with respect to a claim for which the foreign state is not immune under section 1605(a)(7), the Secretary of the Treasury and the Secretary of State shall fully, promptly, and effectively assist any judgment creditor or any court that has issued any such judgment in identifying, locating, and executing against the property of that foreign state or any agency or instrumentality of such State.

''(B) In providing such assistance, the Secretaries—

''(i) may provide such information to the court under seal; and

''(ii) shall provide the information in a manner sufficient to allow the court to direct the United States Marshall's office to promptly and effectively execute against that property.''.

(b) CONFORMING AMENDMENT.—Section 1606 of title 28, United States Code, is amended by inserting after ''punitive damages'' the following: '', except in any action under section 1605(a)(7) or 1610(f)''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to any claim for which a foreign state is not immune under section 1605(a)(7) of title 28, United States Code, arising before, on, or after the date of enactment of this Act.

□ 1915

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. OBEY. Mr. Chairman, the amendment is clearly legislation on an appropriation bill. It violates the same rule that I referred to so many times today. While this may be a meritorious issue, it needs to be dealt with in conference by Members who understand it, and it does not fit the rule under which we are operating today.

The CHAIRMAN. Are there any other Members who wish to be heard on the point of order?

Mr. SAXTON. Mr. Chairman, would it be in order for me to request the gentleman to reserve a point of order in order that the gentleman from New Jersey (Mr. PASCRELL) and I, who offer this amendment together, might at least have the opportunity to explain the provisions of the amendment?

Mr. OBEY. Mr. Chairman, with all due respect, under ordinary circumstances I would agree with that, but we have gone on this bill for most of the day. We still have another bill tonight. Many Members are going to be home. We are still going to be here dealing with legislation until the wee hours. Under the circumstances, I feel constrained to insist on my point of order.

Mr. SAXTON. Mr. Chairman, we can deal with it in a very short order tonight or, having talked to leadership about this, we can go into a series of hearings on this measure to try and determine why it is that the administration is taking a position against the American people and in favor of the government Iran.

Mr. OBEY. Regular order, Mr. Chairman.

The CHAIRMAN. Are there any other Members who wish to be heard on the point of order? If not, the Chair is prepared to rule.

The amendment offered by the gentleman from New Jersey directly amends existing law. As such, the amendment constitutes legislation in violation of clause 2 of rule XXI.

Accordingly, the point of order is sustained.

Are there further amendments to the bill?

Mr. SAXTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the amendment that I would have offered, which I would have done in a more substantive way, is an amendment which is intended to correct a grave injustice that is being carried out by this administration.

Mr. Chairman, on April 9, 1995, a terrorist act took place against an American family in which an American lady died in Israel. Her name was Alisa Flatow. She was an American student studying in Israel. She was riding in a bus on a holiday in Israel. This wonderful lady is no longer with us.

This is the vehicle in which she road. Hardly recognizable as a vehicle of mass transit today.

The Flatow family came to me and to the gentleman from New Jersey (Mr. PASCRELL) and to the gentleman from New York (Mr. ENGEL) and to others and asked for help, because the American statute that governs the activities of the Federal courts did not permit the latitude for them to seek redress in court.

Due to the great cooperation of the chairman of the Committee on the Judiciary and the chairman of the Committee on International Affairs, we changed the statute to give the Flatow family the ability to sue. Subsequently they did, and subsequently the Federal district court here in Washington granted them a judgment in the amount of $247 million against the Islamic Republic of Iran.

That was step one. It was important, but it was step one. And it said to the Islamic Republic of Iran, if you commit acts of terrorism, there is a price to pay. The Flatow family went back to court to perfect their judgment, identified three Iranian-owned properties in Washington, D.C. owned by the Iranian government, began to perfect the judgment and get liens against the properties. And along came our own State Department and our own Treasury and said to the judge, stop. You cannot perfect this judgment in the form of liens against those properties because there is another statute that gives us the ability to stop you and we will.

And so this administration, in acting against the Flatow family and for the government of Iran, is standing in the way of the will of this body, which just a year or so ago amended the statute to give the Flatow family the ability to sue, and is protecting the assets of the State sponsor, proven in court to be the State sponsor of the death of Alisa Flatow.

Now, the amendment, Mr. Chairman, that I would have offered would have quietly taken care of this whole deal. As a matter of fact, the Senate has already made it part of their Treasury, Postal appropriations bill. And for the life of me, I cannot imagine why the minority ranking member of the Committee on Appropriations would want to side with the administration on the side of Iran against the Flatow family in complete and utter defiance of the law that this body passed and the President of the United States signed known as the Effective Death Penalty and Anti-terrorism Act.

If it seems as though I am unappreciative of the treatment that we have received here tonight, it is so. I believe this administration is creating a grave injustice, and to some extent, at least by the actions of the minority member, that injustice has been carried through here in this body tonight.

I will have more to say on this in the days ahead.

Mr. PASCRELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when I looked at the government's response to this particular case in July of 1998, where lawyers for the Department of State and the Treasury advised the court that the government would file motions to quash each of the writs of attachment, we must rise against the injustice.

In April of 1995, Alisa Flatow, who was then a student at Brandeis University, from my district of West Orange, New Jersey took a semester off to study at Jerusalem Seminary. She was driving on a bus, riding on a bus in the Gaza strip when a militant suicide bomber drove a van loaded with explosives into the side of the crowded vehicle. Sadly, Alisa and eight other innocent people were killed by this act of terrorism.

Alisa was a woman of great character, both in life and in death. And those who received her organs can attest to the kind of generous woman she was. Her heart was transplanted to a 56-year-old man who had been waiting more than a year for one. Her liver was donated to a 23-year-old man. Her lungs, her pancreas, her kidneys to four different patients. Her corneas were donated to an eye bank.

We will not forget Alisa Flatow or the struggle and trauma her family have gone through as a result of this heinous act. State-sponsored terrorism cannot be tolerated. Not just in words we speak, but in action. That is what the gentleman from New Jersey (Mr. SAXTON) was talking about. It simply requires that the Secretary of the Treasury help victims locate assets of the Nation that sponsored the terrorist act, whomever they are. It entitles victims to seize property so that they can be liquidated in order to pay any judgments issued by a U.S. court, and we have a judgment here, do we not? We have a judgment.

The measure is a good first step we took in 1996. We need to build upon it so we can wage a real war on terrorism, not just of words.

In 1997, we passed another law that allowed victims of terrorism or their families to sue for punitive damages, another step, another action taken; not just words.

We heard the gentleman from New Jersey (Mr. SAXTON) speak about the rule that Iran must pay $247.5 million. Frankly, I would say to the gentleman from New Jersey (Mr. SAXTON) I am not interested on this side of the aisle in kowtowing and boot licking those people who we think some day will be our friends while they tolerate acts of terrorism and do not do anything about it. Frankly, I am not interested in that. I am interested in now, to send a clear message to the administration, to the courts, to our friends and those who are not our friends, that we mean business.

These are our citizens. These are our brothers and sisters. These are our relatives we are talking about here.

This amendment, whatever form it takes, and it will take form, will allow the Flatows to seize Iranian property, as the courts have decided.

Those nations who sponsor terrorism must know that if they are found guilty in a U.S. court, their assets will be liquidated in order to serve justice.

Mr. Chairman, let justice be served today.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, since the proponents of an amendment that is not even before us choose to discuss why they want to offer it, I want to explain with all due respect why I objected to their offering it in violation of House rules.

The story that they tell is a very disconcerting one, and there is not a member of this body who would not like to do something about it, but the fact is that this proposal has already been added to the Senate bill. That means the opportunity to deal with this issue will be fully present in conference and that means that there is no need to have it added to this bill in the House in order to have this problem considered.

There is a serious problem, however, if we had chosen to add it in the House. It would have then been in both bills. It would not have been subject to conference, and the problem is that there are significant national security problems associated with providing this amendment.

I would point out, for instance, that in a letter from the administration, the letter indicates that this amendment would substantially undermine the President's ability to use such assets as leverage when economic sanctions are being used to modify the behavior of a foreign state or in negotiations with that state. It said, for instance, that if private claims were allowed to execute judgments ahead of these assets, the President would be deprived of their use as leverage to gain concessions from the North Koreans in the negotiating process, because in their judgment this amendment does not just apply to Iran. It applies to all kinds of other countries, including Cuba.

The administration also points out that the Supreme Court has recognized the importance of the administration retaining this authority in states. Quote, ''Such blocking orders permit the President to maintain the foreign assets at his disposal for use in negotiating the resolution of a declared national emergency.''

□ 1930

They also point out that with respect to Cuba there are 5,911 claims totaling $1.9 billion, but there are only $148.3 million in Cuban government assets available to justify those claims. This proposal would contribute to a first-come, first-serve approach, which would not be equitable to those people who are left out.

So I would say that despite the distressing story that these gentlemen are telling tonight, the responsible thing to do, since this is already in the Senate bill, is to simply deal with it in conference, when we will have an opportunity to measure whether or not the administration's claims are in the national interest or not, and whether or not it is wise to proceed to do what the gentlemen want to do or whether we ought to do something else.

That is why I objected, because I think that is the most responsible way to deal with it. I defy any other Member of this House to tell me whether they have sufficient information to deal with all of the legal questions involved in this issue. Obviously, they do not. And given that fact, this is the time-honored way that we have to make certain that if we make a foreign policy decision, we make it in a considered way.

Besides that, I would simply point out that if the gentleman did have an urgent request, he could have gone to the Committee on Rules and asked the Committee on Rules to make this amendment in order under House rules. It is not in order under House rules, and I did not vote for the rule today, which made a lot of other legitimate issues beyond the ability of this House to deal with at this point.

So for those reasons, I did the responsible thing and I make no apology for it.

Mr. ENGEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I thank my friend and colleague for deferring to me, and I just wanted to rise in support of what the gentleman from New Jersey (Mr. SAXTON) was attempting to do. I very much regret that we will not have an opportunity to have his amendment on the floor.

I listened intently to my friend from Wisconsin saying that it is in the Senate bill and, therefore, we will have ample opportunity in the conference to debate that. I would hope that in the conference we would have ample opportunity and that we would adopt the Senate version and bring it back to this floor with the Senate version so that the Flatows can get what is rightfully due to them.

I am, frankly, not impressed with the language that this would undermine the President's ability to use the assets as leverage. This is the same sort of gobbledygook we hear all the time from many different administrations or from the State Department whenever they want to throw cold water on an idea. They always say it somehow undermines the ability to have the President do this or that, or undermines the ability of anybody to do anything.

We are the United States Congress and we make policy. We decide what is right. And I certainly think that it is right that the Flatows, who have gotten a judgment, I mean absolutely they

have gotten a judgment, this is not some theoretical thing that has happened, they have gotten a judgment, and it is a disgrace that somebody would prevent them from getting the judgment fulfilled.

As was pointed out by the gentleman from New Jersey (Mr. SAXTON), we changed the law so that the Flatows would have the right to sue. We did that. They sued and they won. There are three Iranian owned properties in D.C. And I do not want to hear State Department gobbledygook or any kind of gobbledygook. I want to deal in the real world. The real world is that there was a terrible injustice that happened.

We say we are against state-sponsored terrorism. This is a chance to put our money where our mouths are. It is all very nice to talk about platitudes and just say things, but here is where we can make a concrete difference. So I do support my colleague, the gentleman from New Jersey (Mr. SAXTON), in his amendment and what he is trying to do. And I want to commend him for doing it, because it takes a lot of courage to do this, and he is doing the right thing.

I would hope that when we sit down with the Senate at the conference and iron this out, that on both sides of the aisle, Democrats and Republicans, we will agree that that Senate language ought to be in so that the Flatows can go after that judgment and go after the Iranian owned properties. We should not be protecting the Iranians. This Congress has spoken a number of times in terms of Iranian assets and the types of things that the Iranians have been doing, and there is no way that we should condone this kind of nonsense.

So, again, I do not want to hear gobbledygook, I do not want to hear nonsense, I do not want to hear about undermining the President's ability. We are the Congress. We have the ability to pass laws and say what is right, and we are not undermining anyone if we are saying simply that a judgment has been declared and these people have the right to exercise that judgment, which they won based on the right to sue, which we in the Congress gave them.

So, again, I hope that on both sides of the aisle we can agree that the gentleman from New Jersey (Mr. SAXTON), and what he is trying to do, should prevail if the Senate language is in, and I hope we will all agree to it.

Legislating on an appropriation bill. We hear that all the time, and all of us know, on both sides of the aisle, that there is a lot of legislating on appropriation bills. Sometimes we look the other way and everyone is quiet and nobody says anything, and other times, when we want to use that to get legislation out, to get language out, we use it. It is very, very selective. It is not very uniform. And as far as I am concerned, it is a bunch of nonsense. So we ought to put it back in after we negotiate with the Senate so that the Flatows can get their justice. And I want to commend my friend New Jersey for bringing this to the floor.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

I want to say to the gentleman from New Jersey (Mr. SAXTON), and the gentleman from New Jersey (Mr. PASCRELL), and the gentleman from New York (Mr. ENGEL), and others who have worked on this case, that this is a compelling case. There is no doubt about it. And I have spent substantial time talking about it. I have in turned talked with the Treasury Department about it tonight very briefly, and not fully, but I want to say that we are all agreed that this is a compelling case. And although the language is not finally in the Senate yet, it is in the committee reported bill.

There are some other issues involved. However, I am hopeful, and I have talked to the chairman about this, I am hopeful that we can, as the gentleman from New York said, and the gentleman from New Jersey (Mr. PASCRELL) said, and the gentleman from New Jersey (Mr. SAXTON) said, resolve this so that the family, who has been grievously injured, will have redress of that grievance. And I look forward to working with the gentlemen from New Jersey over the next few weeks and the gentleman from New York and the chairman toward that end.

Mr. FOX of Pennsylvania. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I also rise with my colleagues to again discuss the fact that we are unified in our bipartisan support in opposition to state-sponsored terrorism. It is consistent with the Anti-terrorism and Effective Death Penalty Act of 1996, as amended by the Foreign Service Immunities Act, that we move ahead and make sure the verdict in favor of the Flatow family moves forward.

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

Mr. FOX of Pennsylvania. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Chairman, I would just take a minute to say that the arguments brought forward by the ranking member relative to negotiations and relative to equity to perhaps other future litigants are nice to talk about but have very little real meaning in this situation.

With regard to negotiations by the administration, the administration never was negotiating for these families. The negotiations that have been taking place may have some other broader meaning, but they have nothing whatsoever to do with the law we passed nor with the families that have been affected by terrorist actions.

With regard to equity, unfortunately, in our system of jurisprudence, as various types of cases come forward, whether they be bankruptcy or other types of liability cases, there are people who choose to enter into litigation early and there are people who do not. And those who enter into litigation early, in our court system, are granted awards. And perhaps assets are used up and are, therefore, not available to others. So there is nothing unusual about this.

I would just like to conclude by saying this issue is not going to go away. And I am speaking, yes, in terms of the Flatow case, but I am also speaking in terms of the statute we passed which this State Department is not enforcing and, in fact, is standing in the way of the courts who wish to enforce it.

At the earliest opportunity, I intend to introduce a freestanding bill to take care of this problem. I obviously intend to work with Senator LAUTENBERG from the other body and Senator STEVENS, who agree with our position and have included it in their appropriation bill. And I intend to take whatever other actions we may deem as necessary and appropriate to affect the action that is just and due the Flatow family.

In addition to that, I would just conclude by making one final point. Terrorists operate around this world, and there is seldom a price to pay. I thought in 1996, when we passed this law, we took a step in the right direction in creating a price to pay. Whether it is the Khobar Towers, explosions that occur in England or France or in the Middle East or in this country, terrorists walk away scot-free in most instances. This is a tool for us to use as a civilized society to prevent acts of terrorism by letting would-be terrorists know that there is a price to pay.

I regret deeply that the administration is standing in the way of the law we passed and not permitting it to work. And I regret just as deeply that we have not been able to affect a step in the direction of correcting that inequity here tonight.

AMENDMENT NO. 6 OFFERED BY MRS. MORELLA

Mrs. MORELLA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mrs. MORELLA:

At the appropriate place in the bill, insert the following:

SEC. __. (a) An Executive agency which provides or proposes to provide child care services for Federal employees may use appropriated funds (otherwise available to such agency for salaries) to provide child care, in a Federal or leased facility, or through contract, for civilian employees of such agency.

(b) Amounts so provided with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using or seeking to use the child care services offered by such facility or contractor.

(c) The Office of Personnel Management shall, within 180 days after the date of enactment of this Act, issue regulations necessary to carry out this section.

(d) For purposes of this section, the term ''Executive agency'' has the meaning given such term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

Mr. OBEY. Mr. Chairman, reserving the right to object, this amendment is clearly, again, legislating on an appropriation bill, and I am reluctant to do so, but I do not feel that I have any choice under the same rule I cited many times today on legislating on an appropriation bill.

The CHAIRMAN. Does the gentleman insist on making his point of order at this time?

Mr. OBEY. Mr. Chairman, I will reserve the point of order, but, again, we are going to be a long time tonight. And if we are going to spend hours debating amendments that the majority has helped make nongermane in the first place, I do not see much sense in it. So I would reserve for 5 minutes a point of order.

The CHAIRMAN. The point of order is reserved.

The gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes in support of her amendment.

Mrs. MORELLA. Mr. Chairman, I respectfully note that when we talk about debating issues, I have waited 6 hours because I think this is important, this particular amendment, which is at the desk. It is very simple and I would like to explain it. It would allow agencies to use their own salary, their own expense accounts, to help Federal employees pay for child care.

I have worked with the Office of Personnel Management to develop this legislation, and I have been requested to do that because several agencies, including the Social Security Administration, the Department of Justice, the Department of Defense and the Office of Personnel Management, have requested such authority from OPM. OPM cannot grant this authority so we must legislate this very simple change.

Now, this amendment does not require any additional appropriation. It would be up to individual agencies to determine whether or not to use funds from their salary and expense appropriations to help to provide child care. Agencies, and not the employees, would make payments to child care providers to help lower-income Federal employees pay for their child care.

□ 1945

Such child care benefits are already being provided to military employees with a separate line item, which is more than what my amendment would provide.

The Department of Defense, one of the agencies seeking such authority to help its employees with child care costs, has pointed out that they can provide child care benefits to their military employees but not the civil servant working side by side with them.

Many Federal employees are caught in a serious child care crunch. A recent study showed that one-quarter of all Federal workers had children under the age of 6 that need care at some time during the workday. And during a recent hearing in the subcommittee of the gentleman from California (Mr. HORN), testimony revealed that some Federal child care facilities charge up to $10,000 or more per child per year. Many Federal employees just cannot afford that kind of quality child care, and yet the demands we make on them are enormous.

So by giving the agencies simply the flexibility to help their workers meet their child care needs, we will be encouraging family-friendly workplaces and higher productivity. I hope that that will not be ruled out or order.

This is an amendment that has been approved by the chairman of the Subcommittee on Civil Service as well as the chairman of the Committee on Government Reform and Oversight. I went to both of them. They both feel that this is an appropriate opportunity to simply put in an authority that is so important.

Decisions have been made today about what is in order and what is not in order. To me this is a very simple, noncontroversial amendment that is very important, that really is going to help in this country with the productivity of our Federal employees. I hope that we not rule it out of order.

Mr. GILMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I rise in support of the Morella amendment. I think it is a worthy cause to give our Federal employees the opportunity to use funds that have not been depleted in our Federal budgets, to use it for tuition, for day-care, for our Federal employees who find it very difficult on many occasions to find credible day-care facilities. And I think that this is an outstanding method for helping our Federal employees, and I want to urge my colleagues to support it. I hope the chair will not rule it out of order.

Mr. Chairman, I rise today in support of the amendment proposed by my colleague, the gentlelady from Maryland, Ms. MORELLA. This amendment allows funds appropriated to executive, legislative, or judicial agencies which provide child care, to establish a tuition subsidy program for Federal employees whose dependents are enrolled in child care.

I have been working on a legislation that would require Federal child care centers to at least meet the standards of the State in which they are located. Representative MORELLA's amendment is a significant step in the positive direction toward increasing the availability of quality child care for Federal employees.

If the already appropriated funds are not fully depleted, there is no better way to use the excess money than in assistance for Federal employees. Many Federal employees find themselves in a difficult situation when it comes to finding affordable day care, especially when some Federal child care centers charge up to $10,000 or more per child per year. Many categories of workers simply cannot afford to send their children to an accredited center and this puts their children at serious risk.

There have been too many incidents of injury and death due to inadequate child care. A subsidy program would allow the dependents of Federal employees to be in a safe, affordable environment in accredited centers, while staying within the financial parameters established by the already appropriated funds.

The Department of Defense already has a similar program. Military employees are provided child care benefits, but the civil employees working beside them cannot receive these same benefits. We should provide a model for private industry by enabling our Federal agencies to assist their employees with the evergrowing costs of child care. This amendment will send a clear message to families, businesses, and day care providers across the country that we are committed to protecting our children and providing them with safe, affordable, and quality day care. Accordingly, I urge my colleagues to support the Morella amendment.

Mrs. MORELLA. Mr. Chairman, I would like to comment, the gentleman from New York (Mr. GILMAN) has been here all afternoon also because he feels this is such an important amendment.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. OBEY) insist on his point of order?

Mr. OBEY. Mr. Chairman, I continue to reserve my point of order.

Mr. MORAN of Virginia. Mr. Chairman, I move to strike the requisite number of words.

I am sure that there are some people who are being hoisted on their own petard when they insist on points of order only to subsequently realize that there are some things that they really want added to an appropriation bill and are not able to add due to the same point of order problem.

The gentlewoman from Maryland (Mrs. MORELLA), however, voted against the restrictive rule on this bill and I know has consistently supported child care, I doubt she has ever voted to cut child care. And I strongly agree with the intent of this amendment. I think we should allow Federal agencies the discretion to use their administrative expense money to provide child care for their employees.

Between 1975 and 1994, over the last 20 years, the number of women in the labor force with children under the age of 6 increased from 39 percent to 60 percent. And more than half of all the children in this country under 1 year of age and more than 12 million children under the age of 5 are regularly in the care of someone other than their parents. Think about that. Most of the children in this country under 1 year of age do not have their parent at home because their parents need to be in the workforce.

A recent study shows that one out of every four Federal employees needs child care daily. Access to quality, affordable child care has become a number one issue for many parents across the country, including Federal employees. As a responsible employer, the Federal Government should be working to improve access to, and the affordability of, child care for its employees.

In Congress, we have been working to find ways to encourage private businesses to do just that. If we look at our

own record, we are doing a pretty good job. There are 1,400 private-employer-provided child care centers throughout the United States. But, by comparison, the Department of Defense has 850 centers for its enlisted employees, another 200 more for DOD civilian employees. But we can do much better by allowing all Federal agencies to provide child care assistance to all their employees.

In exchange for being a responsible employer, we have the added bonus of increased productivity because available child care will decrease the number of missed work hours that are lost due to child care crises. We also have the lure of quality, affordable child care that we can use in acquiring and retaining the best possible employees to work for our Federal Government.

DOD has been successful in providing sliding-scale fee care on location to parent employees. But other Federal agencies have been strictly prohibited from funding such a program even by simply providing an on-site facility with electricity and furnishings. They are prohibited.

That is the reason for this amendment. The Morella amendment would not force agencies to provide child care but would allow agencies to use their own administrative funds at their own discretion to provide care or tuition assistance. Because the amendment does not require an additional appropriation, it does not impact the budget at all.

In addition, any profits that a facility might be able to acquire could be used to make child care more affordable for lower-income employees. Over the past several years, we have made tough choices, along with great progress, in cutting Federal expenditures and achieving fiscal responsibility in the budget. But along with this responsibility, we have asked the private sector to do their part in being responsible citizens, particularly as employers, by providing benefits such as health care and child care to their employees.

It is time for the Federal Government to step up to our responsibility as employers by allowing Federal agencies the discretion to provide child care to their employees. And, for that reason, this is a good amendment, and I would hope that we could find a way to make it in order to allow Federal agencies to exercise their discretion for the benefit not only of their employees but for all the people who will be better served by their Federal employees.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. OBEY) insist on his point of order?

Mr. OBEY. Mr. Chairman, I continue to reserve my point of order, and I move to strike the requisite number of words.

Mr. Chairman, I would very much like to support this amendment. I happen to agree with the substance of it. And I very much would like to have had a rule on this bill today which would have allowed us to consider many issues that were in the interest of the country to consider.

The rule that was adopted today on this bill eliminated our ability to deal with one of the most serious emergencies we have had domestically in a long time, the computer problem in the year 2000, which threatens the ability of the Government to deliver Social Security checks, Medicare checks, veterans checks to millions of deserving and entitled Americans.

The rule that was adopted by the majority today is a lousy way to do business. It meant that 80 percent of the dollars in this bill were made vulnerable to points of order. It meant that we could not consider in a fair way the amendment that the committee had adopted on a bipartisan basis on family planning.

Every Member has an amendment which they think is so important it ought to be an exception to the rule. But I would simply say to my friends on the majority side of the aisle, when you live by the sword, you die by the sword.

It just seems to me that it is not fair, after the majority has imposed on this House a rule which has precluded us from dealing with many serious issues that should have been dealt with today, it is not fair for Members to then get up and say, oh, but I have one that should be made an exception.

Now, I wish I could support this amendment, but the fact is that, under the rule adopted by the majority, this amendment violates the rules of the House. And I would say that at the same time that this offers token support for expanded child care, the majority has largely ignored the President's entire child care initiative, which would have greatly expanded the affordability and the quality of child care for all working families, not just Federal employees.

The Subcommittee on Labor, Health and Human Services, and Education, the majority in that subcommittee, did not provide any of the President's funds requested to improve child care quality under the child care block grant program. They funded only one-quarter of the Head Start slots of the President's requested program. And they level-funded the child care development block grant, despite the fact that only one in eight eligible children are served.

So, I take a back seat to no one in my concern about child care. But if I am to be consistent, I have to apply the rules to all Members. I did not make this rule. I asked the House not to adopt it. But they did, and now it seems to me they have no choice but to live with the consequences.

Even in the United States Congress, people need to occasionally have to live with the consequences of their own actions. And while I recognize that the gentlewoman from Maryland (Mrs. MORELLA) did not vote for that ill-advised rule, it was imposed on us by her party.

And under those circumstances, Mr. Chairman, I do make a point of order against this amendment. I continue to reserve the point of order momentarily.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment is a good amendment. I wish that it were in order, and I would vote for it. And I wish perhaps that we were not going to object. But we are. And I understand the ranking member's position. I, too, was adamantly opposed to this rule.

I am concerned, as I know the gentlewoman from Maryland (Mrs. MORELLA) is concerned, that we are designating salaries as the funding source here because we are squeezing salaries. And the gentlewoman from Maryland and I regretted that we lost a very important part of this bill as a result of an objection from one of the Members, over her objection and mine.

But we need to pursue this issue. We need to make sure that the Federal Government, as the gentleman from Virginia and the gentlewoman from Maryland have pointed out, is in fact a model employer.

My district is, I do not know the most but one of the most child-care-dependent districts in America because we have a lot of parents with a number of children who are either a single mother working or a single dad working or both parents working, so that child care is a necessity. And, of course, the Federal Government is the largest employer in our area.

So this is a critical necessity, not a luxury, not an optional requirement for families not just in this area but around the country. So that I congratulate the initiative that has been shown here, regret that I cannot vote for it at this point in time and hope that we will be able to support it and have it on the floor as soon as possible, and certainly we will support it at that time.

Mr. OBEY. Mr. Chairman, I regrettably, but nonetheless, continue to reserve my point of order.

Ms. LEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support this amendment. Let me just say that one of the most important parts of raising my two sons to become productive young men was the ability to find affordable and quality child care. But let me tell my colleagues, it was very, very difficult to find such services. The waiting lists were too long. The child care facilities were so far away from school or work, and the costs were barely affordable.

□ 2000

Now this was in the 1960s and in the 1970s. Here we are in 1998, and rather than improving the availability of child care, it has become very, very difficult because, of course, wages have not kept up with inflation. We still have not figured out a way to ensure good and affordable child care for our Nation's children.

It is a truism and a cliche, but nevertheless it is an universal truth, that our children are our future. Treat them well, treat them with love, attention and respect, and they have an excellent chance to become solid citizens of tomorrow.

When we abandon our children to inadequate and substandard child care because we cannot obtain or pay for the appropriate care, we disadvantage and even incapacitate young people. We also run the high probable risk that we raise adults who have little commitment to their parents and to their society.

It is a persistent national problem that continuing low wages, especially for child-bearing-age women, coupled with understandably high cost of child care, quality child care, produces a terrible dilemma within which mothers and fathers are too often caught. In 1996, 62 percent of mothers with young children were in the work force; in 1990 it was 58 percent; in 1980 it was 47 percent; in 1970 it was 32 percent, and these numbers will continue to grow. But reliable professional teachers and nurturers of young children are not available for the substandard wages that we pay our child care providers, nor should they be.

So this amendment is a significant step that we can take to really help begin to alleviate this pressing need. It is an all-around winner. It matches the willingness of the Social Security Administration, the Department of Justice, the Department of Defense and the Office of Personnel Management to use their salary and expense accounts to help Federal employees to pay for child care. It is very simple.

So I ask my colleagues, Mr. Chairman, to vote yes on this amendment.

Mr. Chairman, I rise in support of the Morella amendment to the FY 99 Treasury-Postal appropriations bill. I commend the gentlewoman from Maryland, Representative MORELLA, for her efforts here today in assisting our Nation's Federal employees with the high cost of quality child care. Although the amendment has been stripped on a point of order I hope that the final version of the bill will contain the childcare provisions.

Currently, child care costs for the average family can range between $4,000 and $10,000 a year—the same amount as college tuition at some public universities. In fact, some Federal child care facilities charge up to $10,000 or more per child per year. Most Federal employees simply cannot afford child care at these high prices.

The Morella amendment would allow Federal agencies to make payments to child care providers to help lower income Federal employees meet their child care needs. Since it is the decision of the individual agency to determine whether to use funds from their salary and expense accounts, this amendment does not require any additional appropriation. These same child care benefits are already being provided to military employees.

While finding affordable, quality daycare is a basic concern and serious dilemma for most working families, it is of special concern to Federal employees, who often work in service to the public for low pay and long or unusual hours. I urge my colleagues to vote "Yes" on the Morella amendment.

Ms. DEGETTE. Mr. Chairman, the Denver Federal Center is situated comfortably at the foot of the Rocky Mountains, about one-half hour away from downtown Denver, Colorado. Roughly 5,500 federal employees are employed at this facility, many of whom are raising small children. The Morella amendment would make a simple but profound change in the lives of these individuals—it would make quality child care for their children more affordable.

The amendment before us today would permit the Office of Personnel Management to redraw its regulations so that all federal agencies could use existing funds to subsidize child care costs for federal employees. In the case of this amendment, a little would truly go a long way. Lower-income employees all around the country could get the necessary assistance to seek out and pay for local area child care programs. At a time when child care costs often exceed $10,000 per child per year, and at a time when employers are fast becoming aware that good child care means higher productivity on the job, this amendment is good government. By passing this measure, we not only recognize the importance of quality child care to the positive development of our children, but we also encourage productive, family-friendly government.

This amendment does not legislate new child care programs or require new appropriations. It is simply an opportunity for Congress to make a straight-forward, administrative change to government practice. It's a small, but important change.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, for the fifth time, I think, now, I regrettably renew my objection and simply make the point of order against this provision on the same grounds that I have raised all day, that it is legislation on an appropriation bill, it is not in order under House rules and, therefore, should not be before us.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order?

If not, the Chair will rule.

The amendment offered by the gentlewoman from Maryland (Mrs. MORELLA) places new duties on the Office of Personnel Management that are not contemplated in existing law. As such, the amendment does constitute legislating in violation of clause 2 of rule XXI.

Accordingly, the point of order is sustained.

AMENDMENT OFFERED BY MR. MANZULLO

Mr. MANZULLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MANZULLO:

Page 109, after line 24, insert the following new section:

SEC. 648. INFORMATION REPORTING REQUIREMENTS RELATING TO HOPE SCHOLARSHIP AND LIFETIME LEARNING TAX CREDITS.

(a) PROHIBITION ON USE OF FUNDS.—None of the funds appropriated or otherwise made available under this Act may be used to enforce section 6050S of the Internal Revenue Code of 1986 (relating to returns relating to higher education tuition and related expenses).

(b) WAIVER OF LIABILITY.—

(1) IN GENERAL.—No person shall be liable under part II of subchapter B of chapter 68 of such Code (relating to failure to comply with certain information reporting requirements) for failing to file an information return or payee statement required by section 6050S of such Code.

(2) PERIOD OF APPLICABILITY.—Paragraph (1) shall apply only with respect to information returns and payee statements required to be filed after September 30, 1998, and before October 1, 1999.

Mr. MANZULLO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. OBEY. Mr. Chairman, I reserve a point of order against the amendment.

Mr. MANZULLO. Mr. Chairman, I will take my 5 minutes and then withdraw the amendment.

Mr. Chairman, I rise today to offer an amendment to the Treasury appropriations bill that would simply delay for 1 year the implementation of the reporting requirements related to the HOPE Scholarship and lifetime learning credits. There is a strong need to pass this amendment.

As part of last year's Taxpayers Relief Act, Congress rightfully included the HOPE Scholarship and lifetime learning tax credits. These credits represent an opportunity to expand much needed access to higher education. By helping make college more affordable for eligible students, the tax credits lower the burden on families sending children to school. But while students apply to receive this tuition assistance, the new law unfortunately imposes costly reporting requirements on colleges and universities.

What do these reporting requirements entail? Colleges and universities and trade schools, 7,000 in number across this country, must collect the name, address, Social Security number of the student. However, under the new reporting requirements colleges and universities must now collect and report to the IRS for each student, regardless of whether the student takes advantage of the credit, the name, address and Social Security numbers of anyone claiming the student as a dependent for tax purposes; the name, address and employer identification number of the educational institution; contact name and phone number; whether the student was in attendance at least half the time for any academic period beginning in 1998; the gross amount of tuition the student is expected to cover in a calendar year from any other source except tuition remission; and whether the student has completed 2 years of schooling prior to January 1 of 1998.

This is very disheartening. This is a very costly unfunded mandate that has been placed upon our 7,000 trade colleges, community colleges and universities in this country.

We have stipulated that schools must collect all sorts of very personal information, not only for students that want the credit, but on all students. We have been working with six national organizations that represent these 7,000 higher learning institutions, and it is expected that this unfunded mandate by Congress will cost these higher institutions upwards of $150 million to implement alone. Public and private higher education institution in Illinois will have to spend $18 million. Northern Illinois University will pay 200,000. The college community system of California has 107 schools and 2½ million students, and their unfunded mandate share is $20 million a year.

Now the Senate passed a form of relief, holding back many of the reporting requirements for at least a year. However, Mr. Chairman, the reporting requirements are still going to require a tremendous amount of money to be spend by the universities in this country. These institutions enroll 23 million students with expenditures that exceed $200 billion a year.

Mr. Chairman, what we are trying to do here is to simply make available to the IRS a form similar to the child dependent care expense form for 1040 filers. It is called Schedule 2 that is formed on 1040 A, and what this does, it says the taxpayer that claims the credit has the onus of responsibility to fill in the documentation necessary as opposed to this horrible mandate that is placed upon our 7,000 schools.

I have a letter here from the Eastern Connecticut State University talking about how much it is going to cost; from the Allegany College of Maryland; and the letter I have also, Northern Arizona University; McHenry County College; and a letter from John LaTourette of Northern Illinois University where he says, ''Let the schools be in the business of educating students as opposed to being in the business of furnishing IRS different types of information.''

Mr. HOYER. Mr. Chairman, would the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I want to thank the gentleman. I know he is going to withdraw this amendment, and I know it is subject, as well as he knows, to a point of order.

But I know he has done a lot of work on that. He and I have discussed the concerns that University of Maryland system has with respect to this matter, and I thank the gentleman for all the work he has done on this and look forward to looking at this with him. I am sure that the distinguished gentlewoman from Connecticut who chairs the committee, I suppose, that has jurisdiction over this will also be looking at this closely, and I look forward to working with the gentleman on that.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the requisite number of words. I, too, would like to comment on the gentleman's proposal.

It is appropriate that it be struck at this time, but I appreciate the seriousness of his concern, the amount of research he has done on this issue and the significant problems that our universities could face if this legislation is implemented poorly. However, it is also true that this Congress is going to inject $40 billion through the HOPE Scholarship credit and the lifetime learning credit into our universities and colleges and other educational institutions, and indeed we do have to be sure that that money does go for the cost of education.

I have had a number of discussions with the gentleman now about this, and, as chairman of the Subcommittee on Oversight of the Committee on Ways and Means, which has jurisdiction over the Tax Code and works closely with the IRS on many issues, we will look forward to working closely with him and the universities to straighten out these problems. I believe we can do it without legislation.

We did put some clear direction in the conference report on the IRS reform bill, but we will be tracking it very carefully with the gentleman and using the input and the ideas that he has had to make sure that the process is as simple as it can be and yet assure the accountability for the expenditure of what is going to be billions and billions of dollars in support of an educated America.

Mr. MANZULLO. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Illinois (Mr. MANZULLO) is withdrawn.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 498, proceedings will not resume on those amendments on which further proceedings were postponed in the following order: the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO), the amendment offered by the gentleman from North Carolina (Mr. HEFNER), the amendment offered by the gentlewoman from New York (Mrs. LOWEY), the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MS. DELAURO

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 17-minute vote followed by three 5-minute votes.

The vote was taken by electronic device, and there were—ayes 183, noes 239, not voting 12, as follows:

[Roll No. 288]

AYES—183

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Bishop
Blagojevich
Blumenauer
Boehlert
Bonilla
Boswell
Boucher
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Clay
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Foley
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Gilchrest
Gilman
Gordon
Green
Greenwood
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kelly
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kind (WI)
Kolbe
Lantos
Lazio
Lee
Levin
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moran (VA)
Morella
Nadler
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roukema
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thomas
Thompson
Thurman
Tierney
Torres
Towns
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
White
Wise
Woolsey
Wynn
Yates

NOES—239

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonior
Bono
Borski
Boyd
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle

Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Ensign
Everett
Ewing
Forbes
Fossella
Fowler
Fox
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kildee
Kim
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kucinich
LaFalce
LaHood
Lampson
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manton
Manzullo
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Moakley
Mollohan
Moran (KS)
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Oxley
Packard
Pappas
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Poshard
Quinn
Radanovich
Rahall
Redmond
Regula
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—12

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McNulty
Ortiz
Parker
Roybal-Allard

□ 2032

The Clerk announced the following pairs:

On this vote:

Mr. Filner for, with Mr. Ortiz against.

Mrs. Kennelly of Connecticut for, with Mr. Hill against.

Messrs. QUINN, OBERSTAR and MCDADE changed their vote from ''aye'' to ''no.''

Mr. THOMAS and Mr. POMEROY changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

the result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 498, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

PARLIAMENTARY INQUIRY

Mr. OBEY. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. OBEY. Mr. Chairman, I state a parliamentary inquiry so that no Member is mousetrapped on the next vote.

Is the next vote the vote on the Hefner amendment, and would a vote for the Hefner amendment eliminate the cap on congressional pay, and would a vote against the Hefner amendment prevent the congressional COLA from proceeding?

The CHAIRMAN. That is not a parliamentary inquiry, but the Chair will state that the Hefner amendment strikes section 628.

AMENDMENT OFFERED BY MR. HEFNER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from North Carolina (Mr. HEFNER), on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 79, noes 342, not voting 13, as follows:

[Roll No 289]

AYES—79

Ackerman
Berman
Boehlert
Burton
Campbell
Cannon
Clay
Conyers
Cubin
Delahunt
DeLay
Dingell
Dixon
Doolittle
Engel
Fattah
Fawell
Fazio
Fowler
Frank (MA)
Furse
Harman
Hastings (FL)
Hefner
Hilliard
Hunter
Hyde
Jackson (IL)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kennedy (MA)
Kim
King (NY)
Knollenberg
Kolbe
Lee
Lewis (CA)
Livingston
Manton
Martinez
McCollum
McCrery
McDade
McDermott
McHale
McKeon
Meek (FL)
Meeks (NY)
Miller (CA)
Mollohan
Moran (VA)
Murtha
Nadler
Owens
Packard
Paxon
Payne
Pelosi
Porter
Rahall
Rangel
Riggs
Ros-Lehtinen
Sabo
Schaefer, Dan
Scott
Serrano
Skaggs
Stark
Stokes
Thomas
Towns
Waters
Watt (NC)
Waxman
Wexler
Wynn
Yates

NOES—342

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Canady
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Foley
Forbes
Fossella
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Jones
Kaptur
Kasich
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klink
Klug
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKinney
Meehan
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Moran (KS)
Morella
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Oxley
Pallone
Pappas
Pascrell
Pastor
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Royce
Rush
Ryun
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer, Bob
Schumer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Young (AK)
Young (FL)

NOT VOTING—13

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McNulty
Myrick
Ortiz
Parker
Roybal-Allard

□ 2042

Mr. MCINTYRE and Mr. DICKEY changed their vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MRS. LOWEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from New York [Mrs. LOWEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 224, noes 198, not voting 12, as follows:

[Roll No. 290]

AYES—224

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Calvert
Campbell
Capps
Cardin
Carson
Castle
Clay
Clement
Clyburn
Condit
Conyers
Cook
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dunn
Edwards
Ehrlich
Engel
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Foley
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gordon
Granger
Green
Greenwood
Gutierrez
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hobson
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kind (WI)
Kleczka
Klug
Kolbe
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Murtha
Nadler
Neal
Nethercutt
Oberstar
Obey
Olver
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rothman
Roukema
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shaw
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thomas
Thompson
Thurman
Tierney
Torres
Towns
Turner
Upton
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wilson
Wise
Woolsey
Wynn
Yates

NOES—198

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Ehlers
Emerson
English
Everett
Ewing
Forbes
Fossella
Gekas
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kasich
Kildee
Kim
King (NY)
Kingston
Klink
Knollenberg
Kucinich
LaFalce
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Myrick
Neumann
Ney
Northup
Norwood
Nussle
Packard
Pappas
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Quinn
Radanovich
Rahall
Redmond
Regula
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Thune
Tiahrt
Traficant
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—12

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McNulty
Ortiz
Parker
Roybal-Allard

□ 2052

The Clerk announced the following pair:

On this vote:

Mr. Filner for, with Mr. Ortiz against.

Messrs. MOAKLEY, GALLEGLY, and EHRLICH changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 16 OFFERED BY MR. SANDERS

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 16 offered by the gentleman from Vermont (Mr. SANDERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a five-minute vote.

The vote was taken by electronic device, and there were—ayes 195, noes 226, not voting 13, as follows:

[Roll No. 291]

AYES—195

Aderholt
Andrews
Armey
Bachus
Baesler
Barcia
Barr
Bartlett
Bass
Bilbray
Bilirakis
Bishop
Blunt
Bono
Brown (OH)
Bryant
Bunning
Burr
Burton
Campbell
Canady
Cannon
Carson
Chabot
Chambliss
Chenoweth
Christensen
Coble
Collins
Condit
Conyers
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (IL)
Deal
DeFazio
Delahunt
Diaz-Balart
Doolittle
Doyle
Duncan
Emerson
English
Ensign
Evans
Everett
Foley
Forbes
Fossella
Fowler
Fox
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Gutierrez
Gutknecht
Hall (TX)
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Inglis
Istook
Johnson, Sam
Jones
Kaptur
Kennedy (RI)
Kingston
Klink
Klug
Kucinich
LaHood
Largent
Lee
Lewis (KY)
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McGovern
McIntosh
McIntyre
McKinney
Metcalf
Mica
Miller (CA)
Mink
Mollohan
Moran (KS)
Myrick
Nadler
Nethercutt
Neumann
Ney
Norwood
Owens
Pappas
Pascrell
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Poshard
Quinn
Radanovich
Rangel
Regula
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Rush
Ryun
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Serrano
Sessions
Shadegg
Shimkus
Shuster
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stark
Stearns
Strickland
Stupak
Sununu

Talent
Tauzin
Taylor (MS)
Thornberry
Tiahrt
Traficant
Turner
Upton
Velazquez
Visclosky
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wolf
Woolsey
Young (AK)
Young (FL)

NOES—226

Abercrombie
Ackerman
Allen
Archer
Baker
Baldacci
Ballenger
Barrett (NE)
Barrett (WI)
Barton
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Blagojevich
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Buyer
Callahan
Calvert
Camp
Capps
Cardin
Castle
Clay
Clement
Clyburn
Coburn
Combest
Coyne
Davis (FL)
Davis (VA)
DeGette
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Engel
Eshoo
Etheridge
Ewing
Farr
Fattah
Fawell
Fazio
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gephardt
Gilchrest
Gilman
Gordon
Granger
Green
Greenwood
Hall (OH)
Hamilton
Hansen
Harman
Hastings (FL)
Hefner
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hoyer
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E.B.
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Knollenberg
Kolbe
LaFalce
Lampson
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Linder
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Minge
Moakley
Moran (VA)
Morella
Murtha
Neal
Northup
Nussle
Oberstar
Obey
Olver
Oxley
Packard
Pallone
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Rahall
Ramstad
Redmond
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rothman
Roukema
Sabo
Sanchez
Sandlin
Sawyer
Schumer
Scott
Shaw
Shays
Sherman
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (OR)
Smith, Adam
Snyder
Spratt
Stabenow
Stenholm
Stokes
Stump
Tanner
Tauscher
Taylor (NC)
Thomas
Thompson
Thune
Thurman
Tierney
Torres
Towns
Vento
Walsh
Watt (NC)
Waxman
Wexler
Weygand
White
Wicker
Wilson
Wise
Wynn
Yates

NOT VOTING—13

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McNulty
Ortiz
Parker
Roybal-Allard
Waters

□ 2101

Messrs. MOLLOHAN, WELLER, YOUNG of Alaska, and CHRISTENSEN, Mrs. LINDA SMITH of Washington, Mr. HOBSON, and Ms. LEE changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Jersey:

Add at the end of the bill:

Notwithstanding any provision of this Act, no funds in this Act may be used to require any contract to include a term for coverage of abortifacients.

Mr. OBEY. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Wisconsin (Mr. OBEY) reserves a point of order.

Mr. SMITH of New Jersey. Mr. Chairman, due to the lateness of the hour, I do not intend on taking the full 5 minutes.

Let me make it very clear that part of the problem with the Lowey amendment was that it did not define contraception. Many of us have been concerned that the pro-abortion lobby and the pro-abortion organizations over the years have tried to fudge the line of demarcation between fertilization post- and pre-fertilization. Many of the chemicals, many of the devices that are now employed that are permitted under the Federal Employees Health Benefits Program do indeed result in many abortions, newly created human lives that are not permitted to implant in their mother's womb.

In a nutshell, my amendment is designed to clarify that if we are indeed going to force all of the Federal providers of medical care, the HMOs and all the providers as a condition of receiving reimbursement for all of their prescriptions, whether it be for penicillin or any other drug, that they have, to provide ''a provision for contraceptive coverage'', let us at least make it clear that the gentlelady's language excludes abortion-inducing chemicals. That is what my amendment very simply seeks to do.

Earlier in the day we pointed out during the debate, that while RU–486 isn't legal and, hopefully, never will be there are officials of Planned Parenthood who are already talking about it as a morning after pill. RU486 is baby pesticide and destroys life, the newly created life, somewhere along the line up to the 7th week. This is a Federal funding of early abortion but many Members of Congress remain uninformed of that fact. I say with regret, that safe abortifacients like IUDs can be provided by the health care providers under the Federal Employees Health Benefits Program. The question is should they be forced to. This says no one is going to be forced to do it. It is a conscience type amendment. Still the plain language of Mrs. LOWEY'S amendment only stipulates ''a provision for contraceptive coverage''—a much, much, weaker version than the amendment she offered in her Appropriations Committee. Clearly, under her amendment, if a plan merely provided condoms or birth control pills, that would satisfy the obligation created by the amendment.

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

Mr. SMITH of New Jersey. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, can the gentleman clarify for me and for others, when he says to include ''a term for coverage,'' what does that phrase mean?

Mr. SMITH of New Jersey. I thank the gentleman for asking the question. It says very simply that a health care plan would not have to include those devices and chemicals that may have the effect of an abortifacient. Under my amendment it will not be mandatory. it will not be forced upon the HMOs and upon the health care providers even though the language of Mrs. LOWEY's amendment require only ''a provision for contraceptive coverage'' to satisfy the requirement.

Mr. HOYER. Am I correct then that the amendment means, ''a term for coverage'' would mean the term that refers to the abortifacients?

Mr. SMITH of New Jersey. If I understand the gentleman's question that is correct.

Mr. HOYER. I thank the gentleman for his clarification.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. OBEY) insist on his point of order?

Mr. OBEY. Mr. Chairman, I withdraw the point of order.

Mrs. LOWEY. Mr. Chairman, I move to strike the last word, and I rise to engage the gentleman from New Jersey in a colloquy.

I would like to ask the gentleman to define further his amendment. Based upon the information that we have, the FDA has approved five methods of contraception. This is the established definition of contraception. It has nothing to do with RU–486 although, unfortunately, there were some letters sent out saying it did. RU–486 is not included among the five methods of contraception. It has nothing to do with abortion. There have been debates that have been going on among us, in the country, about when does life begin.

This takes some serious discussion, and I am sure that we can have some serious debates about this issue, but today what we are talking about very simply is the five established methods of contraception that have been improved by the FDA, nothing to do with abortion, nothing to do with RU–486.

Mr. SMITH of New Jersey. If the gentlewoman would yield, let me just ask the gentlewoman, because this will help me in responding, her definition of contraception. Is it before fertilization occurs or is it before implantation in the uterus?

Mrs. LOWEY. I am sorry. Will the gentleman repeat?

Mr. SMITH of New Jersey. Part of the problem we have with the gentlewoman's first amendment, as well as the amendment that was offered and just passed, is a definitional one. How do you define contraception? How do define pregnancy?

For some, it is implantation. For some, it is fertilization.

Mrs. LOWEY. Reclaiming my time.

Mr. SMITH of New Jersey. Contraception by definition should mean before a new life has come into being. There are many who want to blue that line and say that chemicals affect the implementation or even after that.

Mrs. LOWEY. If I may reclaim my time, could the gentleman explain whether this includes the pill?

Mr. SMITH of New Jersey. This will have to be determined. There is a body of evidence suggesting that IUDs, for example, may have the impact, and many women are unaware of this, may have the impact of preventing implantation.

What my amendment says, that is still permissible under Federal Employees Health Benefit Program but not mandated.

Mrs. LOWEY. Reclaiming my time, if I might ask the gentleman, I believe in response to my question as to whether the pill would be included, since the pill is one of the five methods of approving contraception from the FDA, you seem to be questioning this and I would ask the gentleman, if you are not sure whether the pill is an established method of contraception, what would the plans determine?

Mr. SMITH of New Jersey. Let me just respond that there are several schools of thought as to what the operation is as to what actually occurs.

Mrs. LOWEY. Reclaiming my time, would the gentleman consider the IUD a form of contraception? This is and approved method of contraception. Or would you consider the IUD as abortifacient?

Mr. SMITH of New Jersey. Let me make it very clear there has to be a determination made, and maybe it is about time, with all of the resources at our disposal, we really came to a firm conclusion as to how some of these chemicals and how the IUD actually works, because, again, even Planned Parenthood and others will say on their web page that one of the consequences of the IUD may indeed be preventative of implantation .

Mrs. LOWEY. Reclaiming my time, does the gentleman include the diaphragm as a form of contraception?

Mrs. SMith of New Jersey. No. As far as I know, that is not included.

Mrs. LOWEY. I seems to me the gentleman has questions about the pill, questions about the diaphragm, questions abut the IUD, and I assume the gentleman has questions about Depo—Provera and Norplant.

Let me say this, there are five established methods of contraception. If the gentleman supports the amendment to not cover abortion, then you are saying that contraception cannot be covered; no method of contraception can be covered.

□ 2115

Mr. SMITH of New Jersey. Not at all. Right now the HMOs, and all of the health care providers under the Federal Employees Health Benefits program, if they choose, can provide any of those methods that you mentioned, from IUDs to Depo-Provera. What your amendment, or what the thrust of your original amendment was to force them to do it.

Mrs. LOWEY. Reclaiming my time, I just want to make it clear to my colleague that the gentleman from New Jersey, it appears to me from your statement, is trying to make every method of contraception an abortifacient; is that correct?

Mr. SMITH of New Jersey. Not at all, and that is putting words in my mouth, and I think that is unfortunate.

The CHAIRMAN. The time of the gentlewoman from New York (Mrs. LOWEY) has expired.

(By unanimous consent, Mrs. LOWEY was allowed to proceed for 2 additional minutes.)

Mrs. LOWEY. Mr. Chairman, if I can make it clear, I think it is very important, my colleagues, that we realize what the gentleman is attempting to achieve with this amendment. He is stating that there is no form of contraception that may not be considered an abortifacient and, therefore, the American women have to understand——

Mr. SMITH of New Jersey. If the gentlewoman will yield, I did not say that at all.

Mrs. LOWEY. No, I will not yield. I will not yield. That the American people who are listening to this debate have to understand that this Congress wants to tell women that all forms of contraception are abortifacients and they cannot be considered.

I would like to make that point again. The majority of American women do support the use of contraceptives. These are very personal decisions, we understand that, and each person has to make it for themselves. But the majority of American women understands that.

Now, it seems to me from this discussion, that the gentleman from New Jersey is saying to every woman who may take a birth control pill or use another one of the five accepted methods of contraception that they are abortionists.

Mr. SMITH of New Jersey. Not at all.

Mrs. LOWEY. I think it is important to clarify what we are talking about because the FDA has approved five methods of contraception.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to rise in support of the amendment of the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from New Jersey to explain his amendment and to answer any questions he may have.

Mr. SMITH of New Jersey. Mr. Chairman, I want to make it clear to my colleagues that birth control pills and diaphragms are not abortifacients. IUDs and post-coital pills have the capability of that. That is where there has been very little conversation, especially with women, as to what might be happening when they think they are preventing fertilization when, indeed, implantation is what is being prevented.

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

Mr. BARTON of Texas. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I understand that there is confusion about this issue, and if I may, from my experience, please lend some of that to our body, one; and, number two, also relay that I had a conversation with the gentlewoman from New York, and I do understand what her intention is and I do understand the intention of the gentleman from New Jersey (Mr. SMITH). She has an honorable request. She won that in her committee, and it should be honored in that way.

But let me clarify for this body that, in fact, the diaphragm is not an abortifacient; that oral contraceptives are not an abortifacient; that morning-after pills, in fact, are; that IUDs are, in fact, abortifacients.

Now, there is not a medical question about how they work, and there is not a medical question about how oral contraceptives work. Their intention is to prevent ovulation or to prevent penetration of a sperm. That is not an abortifacient. And there is no question in the medical community about how they work.

So I would ask this body that if, in fact, we feel we want to make a decision based on what the request of gentlewoman from New York really is, that we supply oral contraceptives to women in this country, that we accept the Smith amendment to that, and we can qualify and solve this problem and this will go through. If, in fact, not, then we will see we will have an extended debate on whether or not the bill will make it.

An honorable amendment was brought forth in the committee. An honorable amendment to the gentlewoman's amendment is now offered. The clarity cannot be any clearer than what I have stated. The Smith amendment does not limit oral contraceptives, it only limits those things that are considered abortifacients.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose this amendment, and I think that Members have to be very sensitive to what my colleague from New Jersey is attempting to do here today.

Is there no limit to my colleague's willingness to impose his concept of

when life begins on others? Conception is a process. Fertilization of the egg is part of that process. But if that fertilized egg does not get implanted, it does not grow. And so on throughout the course of pregnancy.

For those who do not believe that life begins upon fertilization, but believes, in fact, that that fertilized egg has to be implanted, the gentleman is imposing his judgment as to when life begins on that person and, in so doing, denying them what might be the safest means of contraception available to them.

Some women cannot take the pill. It is too disruptive to them. Some women depend on intrauterine devices and other such contracptives. When we get to the point where we have the courage to do more research in contraception, we will have many other options to offer women so that they can have safe contraception.

For us to make the decision that that woman must choose a means of contraception that reflects any one individual's determination as to when in that process of conception life actually begins is a level of intrusion into conscience, into independence, into freedom that, frankly, I have never witnessed. Even the issue of being for or against abortion is a different issue than we debate here tonight. We have never, ever intruded to this depth.

When I talk to my friends who are obstetricians, because all my colleagues know my husband is a retired obstetrician, how the pills work is not simple. In some women they have one effect, and they may have first effects and secondary effects. They prevent ovulation in general but not absolutely. And if there is a fertilization while on the pill, the pill prevents implantation.

So this is a complex process. And for us to imagine here tonight that it is either right or proper or possible for the gentleman to impose his determination on others at this level is extraordinary. As a Republican who believes that government should stay out of our lives, I oppose this amendment with everything in me. And I would ask my colleagues, those who are pro life—and I honor that position. And I would say that the pro-life members of our Nation have changed the issue of abortion over these years. People take it far more seriously. It is not as casual. They have made an enormous difference for the good in our Nation. But that does not make it right for them to step, then, into this level and try to make definitions that, frankly, are not nearly so simple as my friend and respected colleague, the gentleman from Oklahoma (Mr. COBURN), implies.

The lines are not clear. They are not simple. I would ask my colleague to respect that we are a Nation founded on the belief that we should have freedom of conscience and freedom of religion, and this amendment deeply, deeply compromises those liberties.

The CHAIRMAN. The question is on the amendment of the gentleman from New Jersey (Mr. SMITH).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 222, not voting 14, as follows:

[Roll No. 292]

AYES—198

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Ensign
Everett
Forbes
Fossella
Gekas
Gillmor
Goode
Goodlatte
Goodling
Graham
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kildee
King (NY)
Kingston
Klink
Knollenberg
Kucinich
LaFalce
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McCrery
McHale
McHugh
McKeon
Metcalf
Mica
Mollohan
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Packard
Pappas
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Quinn
Radanovich
Rahall
Redmond
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Thune
Tiahrt
Traficant
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—222

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Calvert
Campbell
Capps
Cardin
Carson
Castle
Clay
Clement
Clyburn
Condit
Conyers
Cook
Cooksey
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Foley
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gordon
Goss
Granger
Green
Greenwood
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hobson
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kim
Kind (WI)
Kleczka
Klug
Kolbe
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McInnis
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Moran (VA)
Morella
Murtha
Nadler
Neal
Obey
Olver
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Ramstad
Rangel
Regula
Reyes
Rivers
Rodriguez
Rothman
Roukema
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shaw
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thomas
Thompson
Thurman
Tierney
Torres
Towns
Turner
Upton
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weller
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—14

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McDade
McIntosh
McNulty
Ortiz
Parker
Roybal-Allard

□ 2145

The Clerk announced the following pair:

On this vote:

Mr. Ortiz for, with Mr. Filner against.

Mr. THOMAS changed his vote from ''aye'' to ''no.''

Mr. BALLENGER and Mr. COBURN changed their votes from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to the bill?

If not, the Clerk will read.

The Clerk read as follows:

This Act may be cited as the ''Treasury and General Government Appropriations Act, 1999''.

Mr. MORAN of Virginia. Mr. Chairman, in the last four years I can't count the number of

times I have been here on the House floor voting on bills, amendments, appropriations riders, and every possible vehicle for so-called anti-abortion legislation. The reality is, every member of Congress is anti-abortion. Every member of Congress wants to make abortion less necessary and eventually unnecessary. By improving access to affordable contraception, the Lowey amendment is an excellent way to achieve this goal.

As a founding co-chair of the Congressional Prevention Caucus, I am a strong proponent of using preventive methods to improve the length and quality of human life and also to reduce the skyrocketing costs of health care. On average, women spend 68% more on health care costs than men. Much of these additional costs can be attributed to reproductive health care costs. The use of contraception can help to reduce these costs for women by preventing unplanned pregnancy, an expensive and potentially life threatening condition.

Opponents of this amendment argue that 81% of FEHB plans already cover at least one form of contraception and that women federal employees already have a choice of plans. The one form is generally oral hormonal contraception known as ''the pill.'' Oral contraceptives are one of the five most common forms of contraceptive but it is not always recommended to some women who experience negative side effects or may be a higher risk of breast cancer or stroke. Alternatives should be accessible to women who decide in consultation with their doctor that it is a safer option. Ten percent of plans cover no forms of contraception at all.

Regardless of the percentage of plans that cover this option and don't cover that option, contraception should be considered basic health care for women of reproductive age. As employers, we have a responsibility to choose what kind of health care we want to provide for our employees. We should be providing this basic preventive care and not forcing our employees to choose a plan that may not be the best plan for them because none of the other plans provide contraceptive coverage.

Furthermore, if we are denying federal employees coverage of abortion services in their health plans, as we have since 1995, it would be hypocritical not to make methods to prevent the necessity of abortion as accessible as possible to federal employees. Contraception is a proven method in reducing the number of abortions. A recent study of the use of contraception in the former Soviet republics shows that preventing pregnancy with contraception reduces the number of abortions. In Kazakstan for example, abortion rates have fallen by more than 40% since the change in contraception policy by the government and widespread access to contraception was implemented.

As adversaries of the ''abortion issue'' continue to disagree over pro-choice, pro-life semantics, we should be working together on policies that we can agree reduce the necessity of abortion. I urge my colleagues to work together where we can on this terribly divisive issue by supporting the Lowey amendment to provide comprehensive contraceptive health care coverage for federal employees.

Ms. BROWN of Florida. Mr. Chairman, I rise in strong support of this Treasury Postal Appropriations bill. In this bill, there is funding for courthouse projects across the country, and I thank Chairman KOLBE and Ranking Member, Congressman HOYER, for their great leadership in this issue.

The situation of aging courthouses across this nation must not be tolerated any longer. We must ensure a safe and fair judicial process for all Americans. I am very familiar with older courthouses, particularly the ones in Jacksonville and Orlando, which I represent. In addition to not having the space to properly handle the increasing judicial caseload, these older courthouses have serious security risks for judges, juries, and litigants. Often times judges must pass through corridors with prisoners and defendants lined up along the walls. Additionally, these older courthouses do not have the necessary security measures that they should have in the this day and age.

This is a very serious situation, and I am glad that we have the leadership here to recognize it and address it.

We must keep the judicial branch of government viable, particularly, as we task it with more federal laws and caseloads. I thank my colleagues from Maryland and Arizona for their commitment to this issue, and urge all of my colleagues to support this legislation.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. DREIER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes, pursuant to House Resolution 498, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

PARLIAMENTARY INQUIRY

Mr. UPTON. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. UPTON. Mr. Speaker, is this the appropriate time to offer a tobacco amendment?

The SPEAKER pro tempore. The gentleman is definitely out of order.

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

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

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

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

Without objection, there will be a vote on H.R. 3731 immediately following this vote.

There was no objection.

The SPEAKER pro tempore. This will be a 17-minute vote followed by a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 218, nays 203, not voting 14, as follows:

[Roll No. 293]

YEAS—218

Archer
Armey
Bachus
Baesler
Ballenger
Barrett (NE)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Crapo
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Graham
Granger
Greenwood
Hall (TX)
Hansen
Harman
Hastert
Hastings (WA)
Hobson
Hoekstra
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lowey
Lucas
Maloney (NY)
Manzullo
McCollum
McCrery
McHale
McHugh
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Morella
Myrick
Nethercutt
Northup
Norwood
Nussle
Oxley
Packard
Pastor
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sandlin
Saxton
Scarborough
Schaefer, Dan
Schumer
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Snowbarger
Solomon
Souder
Spence
Stearns
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Upton
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—203

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baker
Baldacci
Barcia
Barr
Barrett (WI)
Barton
Becerra
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Bunning
Campbell
Capps
Cardin
Carson
Clay
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Crane
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Dixon
Doyle
Duncan
Edwards
Engel
Eshoo

Evans
Farr
Fattah
Fazio
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Goodlatte
Gordon
Green
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Hastings (FL)
Hayworth
Hefley
Hefner
Herger
Hilleary
Hilliard
Hinchey
Hinojosa
Holden
Hostettler
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lantos
LaTourette
Lee
Levin
Lipinski
Lofgren
Luther
Maloney (CT)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McInnis
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Murtha
Nadler
Neal
Neumann
Ney
Oberstar
Obey
Olver
Owens
Pallone
Pappas
Pascrell
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Poshard
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Rush
Sabo
Sanchez
Sanders
Sanford
Sawyer
Schaffer, Bob
Scott
Sensenbrenner
Serrano
Sherman
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith, Adam
Smith, Linda
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stump
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Velazquez
Vento
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—14

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McDade
McNulty
Ortiz
Parker
Roybal-Allard
Yates

□ 2216

The Clerk announced the following pair:

On this vote:

Mr. ORTIZ for, with Mr. FILNER against.

Messrs. EVANS, LEVIN, McINTYRE, GEPHARDT, HINOJOSA, Mrs. MEEK of Florida, Ms. FURSE, Messrs. CUMMINGS, STRICKLAND, MORAN of Virginia, Ms. BROWN of Florida, Messrs. TANNER, HEFNER, SPRATT, CLEMENT, CARDIN and WYNN changed their vote from ''yea'' to ''nay.''

Messrs. PITTS, SAM JOHNSON of Texas, BACHUS, CUNNINGHAM, COLLINS, HYDE, SOLOMON, SOUDER, EVERETT, REDMOND, BURTON of Indiana, KING, HOEKSTRA, CHRISTENSEN, ENSIGN, BILIRAKIS, METCALF, LAHOOD, BUYER, FOSSELLA, HUNTER, PORTMAN, HALL of Texas, Mrs. CHENOWETH, Messrs. RYUN, LEWIS of Kentucky, CHABOT, WELDON of Pennsylvania, DAN SCHAEFER of Colorado, SCARBOROUGH, ROGAN, SHADEGG, CRAPO, STEARNS, CANNON, RILEY, MCINTOSH and Mr. CANADY of Florida changed their vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4104, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

Mr. KOLBE. Mr. Speaker, I ask unanimous consent that in the engrossment of H.R. 4104, the Clerk be authorized to correct section numbers, punctuation, cross-references, and make other conforming changes as may be necessary to reflect the actions of the House today.

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

There was no objection.

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall votes 283 through 287 yesterday and today. Had I been present, I would have voted ''aye'' on rollcall votes 286 and 287, and voted ''nay'' on rollcall votes 283, 284 and 285.

□ 2215

STEVE SCHIFF AUDITORIUM

The SPEAKER pro tempore (Mr. LAHOOD). The unfinished business is the question of passage of the bill, H.R. 3731 on which further proceedings were postponed on Wednesday, July 15, 1998.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the passage of the bill on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 409, nays 0, not voting 26, as follows:

[Roll No 294]

YEAS—409

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

Vento	Waxman	Wicker
Visclosky	Weldon (FL)	Wilson
Walsh	Weldon (PA)	Wise
Wamp	Weller	Wolf
Waters	Wexler	Woolsey
Watkins	Weygand	Wynn
Watt (NC)	White	Young (AK)
Watts (OK)	Whitfield	Young (FL)

NOT VOTING—26

Bateman	John	Parker
Berman	Johnson (CT)	Regula
Clayton	Kennelly	Roybal-Allard
Dooley	Klink	Salmon
Filner	Lewis (GA)	Shuster
Ford	Martinez	Smith (NJ)
Gonzalez	McDade	Smith (OR)
Harman	McNulty	Yates
Hill	Ortiz	

□ 2224

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 629, TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT CONSENT ACT

Mr. BLILEY submitted the following conference report and statement on the bill (H.R. 629) to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact:

CONFERENCE REPORT (H. REPT. 105–630)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 629), to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Texas Low-Level Radioactive Waste Disposal Compact Consent Act''.

SEC. 2. CONGRESSIONAL FINDING.

The Congress finds that the compact set forth in section 5 is in furtherance of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b et seq.).

SEC. 3. CONDITIONS OF CONSENT TO COMPACT.

The consent of the Congress to the compact set forth in section 5—

(1) shall become effective on the date of the enactment of this Act;

(2) is granted subject to the provisions of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b et seq.); and

(3) is granted only for so long as the regional commission established in the compact complies with all of the provisions of such Act.

SEC. 4. CONGRESSIONAL REVIEW.

The Congress may alter, amend, or repeal this Act with respect to the compact set forth in section 5 after the expiration of the 10-year period following the date of the enactment of this Act, and at such intervals thereafter as may be provided in such compact.

SEC. 5. TEXAS LOW-LEVEL RADIOACTIVE WASTE COMPACT.

(a) CONSENT OF CONGRESS.—In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(2)), the consent of Congress is given to the States of Texas, Maine, and Vermont to enter into the compact set forth in subsection (b).

(b) TEXT OF COMPACT.—The compact reads substantially as follows:

''TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT

''ARTICLE I. POLICY AND PURPOSE

''SEC. 1.01. The party states recognize a responsibility for each state to seek to manage low-level radioactive waste generated within its boundaries, pursuant to the Low-Level Radioactive Waste Policy Act, as amended by the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. 2021b–2021j). They also recognize that the United States Congress, by enacting the Act, has authorized and encouraged states to enter into compacts for the efficient management and disposal of low-level radioactive waste. It is the policy of the party states to cooperate in the protection of the health, safety, and welfare of their citizens and the environment and to provide for and encourage the economical management and disposal of low-level radioactive waste. It is the purpose of this compact to provide the framework for such a cooperative effort; to promote the health, safety, and welfare of the citizens and the environment of the party states; to limit the number of facilities needed to effectively, efficiently, and economically manage low-level radioactive waste and to encourage the reduction of the generation thereof; and to distribute the costs, benefits, and obligations among the party states; all in accordance with the terms of this compact.

''ARTICLE II. DEFINITIONS

''SEC. 2.01. As used in this compact, unless the context clearly indicates otherwise, the following definitions apply:

''(1) 'Act' means the Low-Level Radioactive Waste Policy Act, as amended by the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. 2021b–2021j).

''(2) 'Commission' means the Texas Low-Level Radioactive Waste Disposal Compact Commission established in Article III of this compact.

''(3) 'Compact facility' or 'facility' means any site, location, structure, or property located in and provided by the host state for the purpose of management or disposal of low-level radioactive waste for which the party states are responsible.

''(4) 'Disposal' means the permanent isolation of low-level radioactive waste pursuant to requirements established by the United States Nuclear Regulatory Commission and the United States Environmental Protection Agency under applicable laws, or by the host state.means to produce low-level radioactive waste.

''(6) 'Generator' means a person who produces or processes low-level radioactive waste in the course of its activities, excluding persons who arrange for the collection, transportation, management, treatment, storage, or disposal of waste generated outside the party states, unless approved by the commission.

''(7) 'Host county' means a county in the host state in which a disposal facility is located or is being developed.

''(8) 'Host state' means a party state in which a compact facility is located or is being developed. The State of Texas is the host state under this compact.

''(9) 'Institutional control period' means that period of time following closure of the facility and transfer of the facility license from the operator to the custodial agency in compliance with the appropriate regulations for long-term observation and maintenance.

''(10) 'Low-level radioactive waste' has the same meaning as that term is defined in Section 2(9) of the Act (42 U.S.C. 2021b(9)), or in the host state statute so long as the waste is not incompatible with management and disposal at the compact facility.

''(11) 'Management' means collection, consolidation, storage, packaging, or treatment.

''(12) 'Operator' means a person who operates a disposal facility.

''(13) 'Party state' means any state that has become a party in accordance with Article VII of this compact. Texas, Maine, and Vermont are initial party states under this compact.

''(14) 'Person' means an individual, corporation, partnership or other legal entity, whether public or private.

''(15) 'Transporter' means a person who transports low-level radioactive waste.

''ARTICLE III. THE COMMISSION

''SEC. 3.01. There is hereby established the Texas Low-Level Radioactive Waste Disposal Compact Commission. The commission shall consist of one voting member from each party state except that the host state shall be entitled to six voting members. Commission members shall be appointed by the party state governors, as provided by the laws of each party state. Each party state may provide alternates for each appointed member.

''SEC. 3.02. A quorum of the commission consists of a majority of the members. Except as otherwise provided in this compact, an official act of the commission must receive the affirmative vote of a majority of its members.

''SEC. 3.03. The commission is a legal entity separate and distinct from the party states and has governmental immunity to the same extent as an entity created under the authority of Article XVI, Section 59, of the Texas Constitution. Members of the commission shall not be personally liable for actions taken in their official capacity. The liabilities of the commission shall not be deemed liabilities of the party states.

''SEC. 3.04. The commission shall:

''(1) Compensate its members according to the host state's law.

''(2) Conduct its business, hold meetings, and maintain public records pursuant to laws of the host state, except that notice of public meetings shall be given in the non-host party states in accordance with their respective statutes.

''(3) Be located in the capital city of the host state.

''(4) Meet at least once a year and upon the call of the chair, or any member. The governor of the host state shall appoint a chair and vice-chair.

''(5) Keep an accurate account of all receipts and disbursements. An annual audit of the books of the commission shall be conducted by an independent certified public accountant, and the audit report shall be made a part of the annual report of the commission.

''(6) Approve a budget each year and establish a fiscal year that conforms to the fiscal year of the host state.

''(7) Prepare, adopt, and implement contingency plans for the disposal and management of low-level radioactive waste in the event that the compact facility should be closed. Any plan which requires the host state to store or otherwise manage the low-level radioactive waste from all the party states must be approved by at least four host state members of the commission. The commission, in a contingency plan or otherwise, may not require a non-host party state to store low-level radioactive waste generated outside of the state.

''(8) Submit communications to the governors and to the presiding officers of the legislatures of the party states regarding the activities of the commission, including an annual report to be submitted on or before January 31 of each year.

''(9) Assemble and make available to the party states, and to the public, information concerning low-level radioactive waste management needs, technologies, and problems.

''(10) Keep a current inventory of all generators within the party states, based upon information provided by the party states.

''(11) By no later than 180 days after all members of the commission are appointed under Section 3.01 of this article, establish by rule the total volume of low-level radioactive waste that

the host state will dispose of in the compact facility in the years 1995–2045, including decommissioning waste. The shipments of low-level radioactive waste from all non-host party states shall not exceed 20 percent of the volume estimated to be disposed of by the host state during the 50-year period. When averaged over such 50-year period, the total of all shipments from non-host party states shall not exceed 20,000 cubic feet a year. The commission shall coordinate the volumes, timing, and frequency of shipments from generators in the non-host party states in order to assure that over the life of this agreement shipments from the non-host party states do not exceed 20 percent of the volume projected by the commission under this paragraph.

''SEC. 3.05. The commission may:

''(1) Employ staff necessary to carry out its duties and functions. The commission is authorized to use to the extent practicable the services of existing employees of the party states. Compensation shall be as determined by the commission.

''(2) Accept any grants, equipment, supplies, materials, or services, conditional or otherwise, from the federal or state government. The nature, amount and condition, if any, of any donation, grant or other resources accepted pursuant to this paragraph and the identity of the donor or grantor shall be detailed in the annual report of the commission.

''(3) Enter into contracts to carry out its duties and authority, subject to projected resources. No contract made by the commission shall bind a party state.

''(4) Adopt, by a majority vote, bylaws and rules necessary to carry out the terms of this compact. Any rules promulgated by the commission shall be adopted in accordance with the Administrative Procedure and Texas Register Act (Article 6252–13a, Vernon's Texas Civil Statutes).

''(5) Sue and be sued and, when authorized by a majority vote of the members, seek to intervene in administrative or judicial proceedings related to this compact.

''(6) Enter into an agreement with any person, state, regional body, or group of states for the importation of low-level radioactive waste into the compact for management or disposal, provided that the agreement receives a majority vote of the commission. The commission may adopt such conditions and restrictions in the agreement as it deems advisable.

''(7) Upon petition, allow an individual generator, a group of generators, or the host state of the compact, to export low-level waste to a low-level radioactive waste disposal facility located outside the party states. The commission may approve the petition only by a majority vote of its members. The permission to export low-level radioactive waste shall be effective for that period of time and for the specified amount of low-level radioactive waste, and subject to any other term or condition, as is determined by the commission.

''(8) Monitor the exportation outside of the party states of material, which otherwise meets the criteria of low-level radioactive waste, where the sole purpose of the exportation is to manage or process the material for recycling or waste reduction and return it to the party states for disposal in the compact facility.

''SEC. 3.06. Jurisdiction and venue of any action contesting any action of the commission shall be in the United States District Court in the district where the commission maintains its office.

''ARTICLE IV. RIGHTS, RESPONSIBILITIES, AND OBLIGATIONS OF PARTY STATES

''SEC. 4.01. The host state shall develop and have full administrative control over the development, management and operation of a facility for the disposal of low-level radioactive waste generated within the party states. The host state shall be entitled to unlimited use of the facility over its operating life. Use of the facility by the non-host party states for disposal of low-level radioactive waste, including such waste resulting from decommissioning of any nuclear electric generation facilities located in the party states, is limited to the volume requirements of Section 3.04(11) of Article III.

''SEC. 4.02. Low-level radioactive waste generated within the party states shall be disposed of only at the compact facility, except as provided in Section 3.05(7) of Article III.

''SEC. 4.03. The initial states of this compact cannot be members of another low-level radioactive waste compact entered into pursuant to the Act.

''SEC. 4.04. The host state shall do the following:

''(1) Cause a facility to be developed in a timely manner and operated and maintained through the institutional control period.

''(2) Ensure, consistent with any applicable federal and host state laws, the protection and preservation of the environment and the public health and safety in the siting, design, development, licensing, regulation, operation, closure, decommissioning, and long-term care of the disposal facilities within the host state.

''(3) Close the facility when reasonably necessary to protect the public health and safety of its citizens or to protect its natural resources from harm. However, the host state shall notify the commission of the closure within three days of its action and shall, within 30 working days of its action, provide a written explanation to the commission of the closure, and implement any adopted contingency plan.

''(4) Establish reasonable fees for disposal at the facility of low-level radioactive waste generated in the party states based on disposal fee criteria set out in Sections 402.272 and 402.273, Texas Health and Safety Code. The same fees shall be charged for the disposal of low-level radioactive waste that was generated in the host state and in the non-host party states. Fees shall also be sufficient to reasonably support the activities of the Commission.

''(5) Submit an annual report to the commission on the status of the facility, including projections of the facility's anticipated future capacity, and on the related funds.

''(6) Notify the Commission immediately upon the occurrence of any event which could cause a possible temporary or permanent closure of the facility and identify all reasonable options for the disposal of low-level radioactive waste at alternate compact facilities or, by arrangement and Commission vote, at noncompact facilities.

''(7) Promptly notify the other party states of any legal action involving the facility.

''(8) Identify and regulate, in accordance with federal and host state law, the means and routes of transportation of low-level radioactive waste in the host state.

''SEC. 4.05. Each party state shall do the following:

''(1) Develop and enforce procedures requiring low-level radioactive waste shipments originating within its borders and destined for the facility to conform to packaging, processing, and waste form specifications of the host state.

''(2) Maintain a registry of all generators within the state that may have low-level radioactive waste to be disposed of at a facility, including, but not limited to, the amount of low-level radioactive waste and the class of low-level radioactive waste generated by each generator.

''(3) Develop and enforce procedures requiring generators within its borders to minimize the volume of low-level radioactive waste requiring disposal. Nothing in this compact shall prohibit the storage, treatment, or management of waste by a generator.

''(4) Provide the commission with any data and information necessary for the implementation of the commission's responsibilities, including taking those actions necessary to obtain this data or information.

''(5) Pay for community assistance projects designated by the host county in an amount for each non-host party state equal to 10 percent of the payment provided for in Article V for each such state. One-half of the payment shall be due and payable to the host county on the first day of the month following ratification of this compact agreement by Congress and one-half of the payment shall be due and payable on the first day of the month following the approval of a facility operating license by the host state's regulatory body.

''(6) Provide financial support for the commission's activities prior to the date of facility operation and subsequent to the date of congressional ratification of this compact under Section 7.07 of Article VII. Each party state will be responsible for annual payments equalling its pro-rata share of the commission's expenses, incurred for administrative, legal, and other purposes of the commission.

''(7) If agreed by all parties to a dispute, submit the dispute to arbitration or other alternate dispute resolution process. If arbitration is agreed upon, the governor of each party state shall appoint an arbitrator. If the number of party states is an even number, the arbitrators so chosen shall appoint an additional arbitrator. The determination of a majority of the arbitrators shall be binding on the party states. Arbitration proceedings shall be conducted in accordance with the provisions of 9 U.S.C. Sections 1 to 16. If all parties to a dispute do not agree to arbitration or alternate dispute resolution process, the United States District Court in the district where the commission maintains its office shall have original jurisdiction over any action between or among parties to this compact.

''(8) Provide on a regular basis to the commission and host state—

''(A) an accounting of waste shipped and proposed to be shipped to the compact facility, by volume and curies;

''(B) proposed transportation methods and routes; and

''(C) proposed shipment schedules.

''(9) Seek to join in any legal action by or against the host state to prevent nonparty states or generators from disposing of low-level radioactive waste at the facility.

''SEC. 4.06. Each party state shall act in good faith and may rely on the good faith performance of the other party states regarding requirements of this compact.

''ARTICLE V. PARTY STATE CONTRIBUTIONS

''SEC. 5.01. Each party state, except the host state, shall contribute a total of $25 million to the host state. Payments shall be deposited in the host state treasury to the credit of the low-level waste fund in the following manner except as otherwise provided. Not later than the 60th day after the date of congressional ratification of this compact, each non-host party state shall pay to the host state $12.5 million. Not later than the 60th day after the date of the opening of the compact facility, each non-host party state shall pay to the host state an additional $12.5 million.

''SEC. 5.02. As an alternative, the host state and the non-host states may provide for payments in the same total amount as stated above to be made to meet the principal and interest expense associated with the bond indebtedness or other form of indebtedness issued by the appropriate agency of the host state for purposes associated with the development, operation, and post-closure monitoring of the compact facility. In the event the member states proceed in this manner, the payment schedule shall be determined in accordance with the schedule of debt repayment. This schedule shall replace the payment schedule described in Section 5.01 of this article.

''ARTICLE VI. PROHIBITED ACTS AND PENALTIES

''SEC. 6.01. No person shall dispose of low-level radioactive waste generated within the party states unless the disposal is at the compact facility, except as otherwise provided in Section 3.05(7) of Article III.

''SEC. 6.02. No person shall manage or dispose of any low-level radioactive waste within the party states unless the low-level radioactive waste was generated within the party states, except as provided in Section 3.05(6) of Article III. Nothing herein shall be construed to prohibit the storage or management of low-level radioactive waste by a generator, nor its disposal pursuant to 10 C.F.R. Part 20.302.

''SEC. 6.03. Violations of this article may result in prohibiting the violator from disposing of low-level radioactive waste in the compact facility, or in the imposition of penalty surcharges on shipments to the facility, as determined by the commission.

''ARTICLE VII. ELIGIBILITY, ENTRY INTO EFFECT; CONGRESSIONAL CONSENT; WITHDRAWAL; EXCLUSION

''SEC. 7.01. The states of Texas, Maine, and Vermont are party states to this compact. Any other state may be made eligible for party status by a majority vote of the commission and ratification by the legislature of the host state, subject to fulfillment of the rights of the initial non-host party states under Section 3.04(11) of Article III and Section 4.01 of Article IV, and upon compliance with those terms and conditions for eligibility that the host state may establish. The host state may establish all terms and conditions for the entry of any state, other than the states named in this section, as a member of this compact; provided, however, the specific provisions of this compact, except for those pertaining to the composition of the commission and those pertaining to Section 7.09 of this article, may not be changed except upon ratification by the legislatures of the party states.

''SEC. 7.02. Upon compliance with the other provisions of this compact, a state made eligible under Section 7.01 of this article may become a party state by legislative enactment of this compact or by executive order of the governor of the state adopting this compact. A state becoming a party state by executive order shall cease to be a party state upon adjournment of the first general session of its legislature convened after the executive order is issued, unless before the adjournment, the legislature enacts this compact.

''SEC. 7.03. Any party state may withdraw from this compact by repealing enactment of this compact subject to the provisions herein. In the event the host state allows an additional state or additional states to join the compact, the host state's legislature, without the consent of the non-host party states, shall have the right to modify the composition of the commission so that the host state shall have a voting majority on the commission, provided, however, that any modification maintains the right of each initial party state to retain one voting member on the commission.

''SEC. 7.04. If the host state withdraws from the compact, the withdrawal shall not become effective until five years after enactment of the repealing legislation and the non-host party states may continue to use the facility during that time. The financial obligation of the non-host party states under Article V shall cease immediately upon enactment of the repealing legislation. If the host state withdraws from the compact or abandons plans to operate a facility prior to the date of any non-host party state payment under Sections 4.05(5) and (6) of Article IV or Article V, the non-host party states are relieved of any obligations to make the contributions. This section sets out the exclusive remedies for the non-host party states if the host state withdraws from the compact or is unable to develop and operate a compact facility.

''SEC. 7.05. A party state, other than the host state, may withdraw from the compact by repealing the enactment of this compact, but this withdrawal shall not become effective until two years after the effective date of the repealing legislation. During this two-year period the party state will continue to have access to the facility. The withdrawing party shall remain liable for any payments under Sections 4.05(5) and (6) of Article IV that were due during the two-year period, and shall not be entitled to any refund of payments previously made.

''SEC. 7.06. Any party state that substantially fails to comply with the terms of the compact or to fulfill its obligations hereunder may have its membership in the compact revoked by a seven-eighths vote of the commission following notice that a hearing will be scheduled not less than six months from the date of the notice. In all other respects, revocation proceedings undertaken by the commission will be subject to the Administrative Procedure and Texas Register Act (Article 6252–13a, Vernon's Texas Civil Statutes), except that a party state may appeal the commission's revocation decision to the United States District Court in accordance with Section 3.06 of Article III. Revocation shall take effect one year from the date such party state receives written notice from the commission of a final action. Written notice of revocation shall be transmitted immediately following the vote of the commission, by the chair, to the governor of the affected party state, all other governors of party states, and to the United States Congress.

''SEC. 7.07. This compact shall take effect following its enactment under the laws of the host state and any other party state and thereafter upon the consent of the United States Congress and shall remain in effect until otherwise provided by federal law. If Texas and either Maine or Vermont ratify this compact, the compact shall be in full force and effect as to Texas and the other ratifying state, and this compact shall be interpreted as follows:

''(1) Texas and the other ratifying state are the initial party states.

''(2) The commission shall consist of two voting members from the other ratifying state and six from Texas.

''(3) Each party state is responsible for its pro-rata share of the commission's expenses.

''SEC. 7.08. This compact is subject to review by the United States Congress and the withdrawal of the consent of Congress every five years after its effective date, pursuant to federal law.

''SEC. 7.09. The host state legislature, with the approval of the governor, shall have the right and authority, without the consent of the non-host party states, to modify the provisions contained in Section 3.04(11) of Article III to comply with Section 402.219(c)(1), Texas Health & Safety Code, as long as the modification does not impair the rights of the initial non-host party states.

''ARTICLE VIII. CONSTRUCTION AND SEVERABILITY

''SEC. 8.01. The provisions of this compact shall be broadly construed to carry out the purposes of the compact, but the sovereign powers of a party shall not be infringed upon unnecessarily.

''SEC. 8.02. This compact does not affect any judicial proceeding pending on the effective date of this compact.

''SEC. 8.03. No party state acquires any liability, by joining this compact, resulting from the siting, operation, maintenance, long-term care or any other activity relating to the compact facility. No non-host party state shall be liable for any harm or damage from the siting, operation, maintenance, or long-term care relating to the compact facility. Except as otherwise expressly provided in this compact, nothing in this compact shall be construed to alter the incidence of liability of any kind for any act or failure to act. Generators, transporters, owners and operators of the facility shall be liable for their acts, omissions, conduct or relationships in accordance with applicable law. By entering into this compact and securing the ratification by Congress of its terms, no party state acquires a potential liability under section 5(d)(2)(C) of the Act (42 U.S.C. Sec. 2021e(d)(2)(C)) that did not exist prior to entering into this compact.

''SEC. 8.04. If a party state withdraws from the compact pursuant to Section 7.03 of Article VII or has its membership in this compact revoked pursuant to section 7.06 of Article VII, the withdrawal or revocation shall not affect any liability already incurred by or chargeable to the affected state under Section 8.03 of this article.

''SEC. 8.05. The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of this compact is declared by a court of competent jurisdiction to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstances is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby to the extent the remainder can in all fairness be given effect. If any provision of this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the state affected as to all severable matters.

''SEC. 8.06. Nothing in this compact diminishes or otherwise impairs the jurisdiction, authority, or discretion of either of the following:

''(1) The United States Nuclear Regulatory Commission pursuant to the Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 2011 et seq.).

''(2) An agreement state under section 274 of the Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 2021).

''SEC. 8.07. Nothing in this compact confers any new authority on the states or commission to do any of the following:

''(1) Regulate the packaging or transportation of low-level radioactive waste in a manner inconsistent with the regulations of the United States Nuclear Regulatory Commission or the United States Department of Transportation.

''(2) Regulate health, safety, or environmental hazards from source, by-product, or special nuclear material.

''(3) Inspect the activities of licensees of the agreement states or of the United States Nuclear Regulatory Commission.''.

And the Senate agree to the same.

For consideration of the House bill and Senate amendment, and modifications committed to conference:

TOM BLILEY,
DAN SCHAEFER,
JOE BARTON,
JOHN D. DINGELL,
RALPH M. HALL,
Managers on the Part of the House.

STROM THURMOND,
ORRIN HATCH,
PATRICK LEAHY,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 629, to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

SEC. 1. SHORT TITLE.

House bill

The House bill cites this Act as the Texas Low-Level Radioactive Waste Disposal Compact Consent Act.

Senate amendment

The Senate amendment contains an identical provision.

Conference agreement

The Senate recedes.

SEC. 2. CONGRESSIONAL FINDING.

House bill

The House bill makes a finding that the low-level radioactive waste disposal Compact between the States of Texas, Maine, and Vermont is in furtherance of the Low-Level Radioactive Waste Policy Act.

Senate amendment

The Senate amendment contains a similar provision.

Conference agreement

The Senate recedes.

SEC. 3. CONDITIONS OF CONSENT TO COMPACT

House bill

The House bill establishes the following conditions on the consent of the Congress to the Compact: (1) that the Compact shall become effective on the date of enactment of this Act; (2) that consent is granted under the authority provided by the Low-Level Radioactive Waste Policy Act; (3) that consent is conditioned by the Compact Commission's compliance with all requirements of the Low-Level Radioactive Waste Policy Act; and (4) that consent is granted only for so long as no low-level radioactive waste is brought into Texas from any State other than Maine or Vermont.

Senate amendment

The Senate amendment contains a similar provision. In addition, the amendment requires the party States and Commission to consent to civil suits by the Attorney General of the United States or by a member of an affected community if evidence is obtained that the party States or Commission have failed to comply with the conditions.

Conference agreement

The Senate recedes, with a modification. The conference agreement does not include the condition on consent which restricts the Compact from accepting low-level radioactive waste at the Texas facility from any State other than Maine or Vermont.

SEC. 4. CONGRESSIONAL REVIEW

House bill

The House bill provides that the Congress may alter, amend, or repeal this Act after the expiration of the ten year period following the date of enactment of this Act, and at such intervals thereafter as provided in the Texas Compact.

Senate amendment

The Senate amendment contains a similar provision.

Conference agreement

The Senate recedes.

SEC. 5. ADDITIONAL CONDITION ON CONSENT TO COMPACT

House bill

No provision.

Senate amendment

The Senate amendment establishes a condition of Congressional consent that the compact not be implemented in any way that discriminates against any community (through disparate treatment or disparate impact) by reason of the composition of the community in terms of race, color, national origin or income level. In addition, the amendment requires the party States and Commission to consent to civil suits by the Attorney General of the United States or by a member of an affected community if evidence is obtained that the party States or Commission have failed to comply with this condition.

Conference agreement

The Senate recedes.

SEC. 6. TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT

House bill

The House bill provides the consent of the Congress to the Texas Compact and contains the text of the law passed by the States of Texas, Maine, and Vermont establishing the Compact.

Senate amendment

The Senate amendment contains a similar provision.

Conference agreement

The House recedes.

For consideration of the House bill and Senate amendment, and modifications committed to conference:

TOM BLILEY,
DAN SCHAEFER,
JOE BARTON,
JOHN D. DINGELL,
RALPH M. HALL,
Managers on the Part of the House.

STROM THURMOND,
ORRIN HATCH,
PATRICK LEAHY,
Managers on the Part of the Senate.

HOMEOWNERS PROTECTION ACT OF 1997

Mr. LEACH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 318) to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes, with the Senate amendments to the House amendments thereto, and concur in the Senate amendments to the House amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments to the House amendments, as follows:

Senate amendments to House amendments:

Page 5, after line 4, of the House engrossed amendment, insert:

SEC. 12. AMENDMENT TO HIGHER EDUCATION ACT OF 1965.

Section 481(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(4)) is amended by—

(1) inserting the subparagraph designation ''(A)'' immediately after the paragraph designation ''(4)'';

(2) redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(3) adding at the end thereof the following new subparagraph:

''(B) Subparagraph (A)(i) shall not apply to a nonprofit institution whose primary function is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankruptcy under chapter 11 of title 11 of the United States Code between July 1, and December 31, 1998.''.

Page 28, line 1, of the Senate engrossed bill, strike out ''SEC. 12'' and insert ''SEC. 13''.

Page 28, line 2, of the Senate engrossed bill, strike out ''13'' and insert ''14''.

Page 28, line 4, of the Senate engrossed bill, strike out ''SEC. 13'' and insert ''SEC. 14''.

Mr. LEACH (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments to the House amendments be considered as read and printed in the RECORD.

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

There was no objection.

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

There was no objection.

A motion to reconsider was laid on the table.

□ 2230

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. LAHOOD). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

(Mr. CONYERS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

RETINAL DEGENERATIVE DISEASES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, I rise to address an issue of great importance to so many Americans. These are Americans that are suffering with retinal degenerative diseases. They number over 6 million and come from all ages and all ethnic groups. An additional 9 million Americans have presymptomatic signs that may lead to loss of sight. It is a problem that affects an epidemic number of people across this country, and one that certainly merits our attention, and, indeed, our support.

Several weeks ago I held a briefing where several of my colleagues and I had an opportunity to hear from a panel of experts and research scientists about all of the wonderful progress that organizations like the Foundation Fighting Blindness have made in the fight to find a treatment and to cure this debilitating disease.

We also had a chance to hear from several young people who have been affected. One of these young people we

heard from was Isaac Lidsky, a young man from my Congressional District. For Carlos and Betty Lidsky, Isaac's parents, the fight for a cure is one they struggle with on a day-to-day basis. Of their four wonderful children, Izaac, Ronit, Daria, and Ilana, three are stricken with this devastating disease.

At our briefing, their youngest, Isaac, talked to us about how the disease has affected his life, and although he has an unwavering optimism that one day soon a cure will be found, he also expressed frustration from knowing that the possibility for a cure is out there waiting, but because of lack of sufficient funding for research, he is slowly losing his sight.

Promoting important research efforts and wonderful, nonprofit organizations like Foundation Fighting Blindness, which are on the cutting edge of new procedures, and which have dedicated scientists working tirelessly to eradicate these diseases, is crucial at this juncture.

The National Eye Institute, which is a division of the National Institutes of Health, is a critical player in the fight to save the loss of sight caused by retinal degenerative diseases. Their role, however, has been impaired to a certain extent because of the lack of sufficient funding for continued research. Over the last 13 years, funding at NEI has grown at less than one-fourth of the rate of the National Institutes of Health.

There has been a considerable effort to double the funding provided to NIH, but this effort needs our help. Research has made excellent progress. Groups like the National Eye Institute and the Foundation Fighting Blindness have conducted terrific research in this field. Their scientists have made incredible progress in understanding the biological processes of these diseases. They have been able to identify and isolate many of the genes that cause retinal degenerative disease.

There have been significant discoveries also in the area of molecular engineering and gene therapy. Tremendous advances have been made in the lab with vectors, which are modified viruses that transport normal replacement genes into cells to help them function. This past year also there was significant improvement in the new generation of vectors which have the potential of being safer and more effective.

Science is now, Mr. Speaker, at a critical turning point. Researchers are ready to take the knowledge that they have gained from basic research and transfer it to clinical research that will create the foundation for future treatment and therapies.

Let us make a difference in the lives of these 6 million Americans that are already affected, and those many millions who are yet undiagnosed. Let us support the wonderful research efforts through increased funding for these agencies, these agencies that are making remarkable steps, and that continue to give us hope and renew our energies toward finding a cure; for a cure, Mr. Speaker, will come.

Let us work together to plan for a future where funding will not be the obstacle to curing the vision loss of people like Isaac and his sisters. Now is the time to take advantage of these scientific advances, and with adequate funding, Mr. Speaker, there is, indeed, a cure in sight.

A TRIBUTE TO LOUIS GOLDSTEIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOYER) is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, with the death of Louis Goldstein on July 3, Maryland, as well as the entire country, lost a great patriot, dutiful public servant, and loving individual.

Louis Lazarus Goldstein died at the age of 85, having spent all of his adult life in the service of his fellow citizens. He was in some ways a simple, unassuming man, and in other ways, an extremely complicated one. He loved people, his family, history, the United States marines, the state of Maryland, the Democratic Party, and America. He served all of them in turn, and served them with enthusiasm and faithfulness.

Louis was larger than life when he lived, and he will become even larger in a his death. The Louis stories that are legend now will geometrically multiply in years to come. Hopefully, however, we will not lose the reality along the way: his genuine, heartfelt prayer that God would bless each of us real good; his observation that our gift to God was service to others, and his shining example of such service; his brilliance in the administration of his office; and his fidelity to Maryland's citizens and the stewardship of their money.

He was, Mr. Speaker, an unforgettable character who made everyone feel that they were his close friend and objects of his genuine concern, as, indeed, they were. Some thought him hokey, but they saw only the facade. To know Louis was to know how deeply he cared about democracy and individual freedom and civil liberties, and how committed he was to ensuring that every American young person had an opportunity to excel to the limit of his or her talent, and their willingness to expend effort and energy in the pursuit of their goals; how much of his own time and extraordinary political skills he spent ensuring that Washington College and the University of Maryland were places where excellence was encouraged and facilitated; how much he valued the principles of his party, and how strongly he fought for its candidates.

Mr. Speaker, I do not know whether Members have ever met Louis Goldstein, how many of our colleagues have met him. I suspect many. He lit up a room and a podium, a campaign trail and another candidate's events, or certainly his own. He brought common sense and uncommon intellect and integrity to the business of politics.

God granted to Louis and to us 85 vigorous years which Louis used to the utmost. God indeed blessed us real good through the force of nature we knew for the past 40 years as our comptroller; arguably, the most popular tax collector in the history of the world.

Louis Goldstein was a wonderful servant to Maryland and America, and his death is a tragic loss for all. But the happy note is that his life was not a tragedy at all. It was a victory, a celebration, a joy. Louis Goldstein loved life and he gave it his all. He served as a public official for 51 out of his 85 years, not out of a need for power or money or even attention, but out of his earnest desire to help those less fortunate and make a difference in the lives of others. His legacy will no doubt live on, and serve as a much needed model for future leaders of our State, for future leaders of our country.

All of us would do well to emulate his charity towards all and malice towards none. Louis Lazarus Goldstein will be missed.

Louis Lazarus Goldstein first came into my life in 1962, 36 years ago. He was my friend, he was my mentor, he was an adviser and counselor. He was an extraordinary human being. He ended every speech, as I have alluded to, with, ''May God bless you all real good.'' God blessed us through Louis Goldstein.

THE LAURIE BEECHMAN MEMORIAL ACT, BIPARTISAN LEGISLATION TO HELP DEFEAT OVARIAN CANCER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FOX) is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise tonight to discuss important legislation which I filed this week which really makes a difference in the lives of women across the country. I speak of the Laurie Beechman Memorial Act. Together with legislation I have worked on with the gentlewoman from Hawaii (Mrs. PATSY MINK), our legislation is a brave, new, ambitious attempt to eradicate ovarian cancer in our lifetime.

Together with the gentlewoman from Hawaii (Mrs. MINK) and others, we have introduced legislation to increase by $90 million per year money for a cure for ovarian cancer.

Up until this point, Mr. Speaker, ovarian cancer is not detected in any early stages, and of course, therefore, it makes it more difficult for us to keep the patient alive and to have a cure.

The Laurie Beechman Memorial Act will have two facets, in addition to the research. It will have an Information and Education Act, which will increase funding for educational and outreach programs, including those which provide information to both the person

with the illness as well as their family, and will provide $10 million annually from 1999 through 2003 for the purpose of this outreach program.

Mr. Speaker, ovarian cancer is the fifth leading cause of cancer death among U.S. women. It is treatable when detected early, but the vast majority of cases, as I said, are not diagnosed until it is too late. Raising public awareness of ovarian cancer by educating doctors and women about the disease can save lives and will save lives. More ovarian cancer research is needed to develop reliable diagnostics, better therapies, and to learn how to prevent the disease.

We named the act after someone in my district who was famous all over this country. Laurie Hope Beechman died on March 8, 1998, after a 9-year struggle with ovarian cancer. Her parents and sisters reside in my district.

She grew up in the Delaware Valley in Pennsylvania, and moved on to a brilliant career on the Broadway stage in New York, in productions including Annie and the Pirates of Penzance and Les Miserables. She was nominated for a Tony award as the first female narrator in Andrew Lloyd Webber's Joseph and the Technicolor Dreamcoat.

Besides all her outstanding work in the theater and acting, she was a great human being and a wonderful wife, sister and daughter, someone who really made a difference in this world. She approached with dignity and grace her career, her life work here on earth, and her disease, with the kind of special sensitivity and courage that she faced all of life.

So this legislation we have filed is in dedication to Laurie Beechman, in hopes that we will find a cure, and we will save more women's live in the United States because of passage of this important legislation.

TRIBUTE TO LOUIE GOLDSTEIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CARDIN) is recognized for 5 minutes.

Mr. CARDIN. Mr. Speaker, I want to join my colleague, the gentleman from Maryland (Mr. HOYER) in paying tribute to Louie Goldstein, who died on July 3rd. Louie Goldstein was Mr. Maryland, Mr. Public servant, Mr. Integrity. He loved public service, and the people loved Louis Goldstein.

In 1966, when I was first elected to the Maryland General Assembly, Louie Goldstein had already completed his eighth year as comptroller of Maryland. He had been comptroller for 40 years. First and foremost, he did an outstanding job as the comptroller of our State. Maryland enjoys a AAA bond rating, one of the few States in the Nation, thanks to Louie Goldstein. He watched over our State Treasury like no one else did.

I had the opportunity, and I know that the gentleman from Maryland (Mr. HOYER) did also, to travel with Louie Goldstein to New York, to Wall Street, and watch him as he explained the intricacies of Maryland finance to the bond rating firms in New York. Maryland maintained its AAA bond rating because of the confidence Wall Street had in Maryland and Louie Goldstein. He saved the people of Maryland millions and millions of dollars.

□ 2245

Louie was an extraordinary campaigner. Those that had the privilege of watching him and his campaign activities marveled at his love for our system. He attended Democratic conventions from before I was born. The zip trips that were organized in Maryland where we traveled all over the State in order to campaign for State wide office Louie organized. And there are so many stories, I see the gentlewoman from Maryland (Mrs. MORELLA) also on the floor, many interesting stories. One time Louie was campaigning in western Maryland. Someone told him that he accidentally had gone across the State line in West Virginia. He did not know it. Two hours later, Louie was still campaigning in West Virginia because, he said, you never know when you are going to find someone who has a relative in Maryland.

Then there was the time that we were going from one town to another. Everyone on the bus sort of relaxed a little while, got something to drink. But Louie was still at the window waving at a field. We asked, why are you there at the window waving? He said, maybe there is someone in that barn over there looking out at us. He did not want to miss or offend a single person in our State.

The comptroller serves on the Board of Public Works, one of three, along with the governor and the treasurer, that is responsible for many of the decisions of government on what leases should be approved or what land can be bought or sold. Louie Goldstein knew just about every piece of land in our State personally from having visited that area.

When decisions had to be made as to what was in the best interest of our State, Louie could always be counted on to do what was right for the people of Maryland, saving our taxpayers, again, millions and millions of dollars. That is just the way he was. He understood people. He was a good friend. He gave hope to all people that you could accomplish anything you wanted to.

The gentleman from Maryland (Mr. HOYER) pointed out his service at Washington College and at the University of Maryland. He was their number one cheerleader, whether it was at a basketball game or whether it was the academic program, lobbying in Annapolis.

First and foremost, he was a southern Marylander, coming from the district now represented by the gentleman from Maryland (Mr. HOYER). The people of southern Maryland he understood. He was part of the culture of that great, great part of our State, and he will always be remembered for everything that he has done.

Mr. Speaker, he died on July 3 after attending a 4th of July parade, one of many that he had planned during the 4th of July holiday. He had just read with his family the Declaration of Independence, which was a tradition that he observed on every 4th of July because that was important to him as a great patriot of our country. He lived a great life of 85 years, and I know that all of us send our sincere condolences to his family.

May God bless Louie Goldstein real good. We are all blessed for having known him.

FURTHER REMEMBRANCE OF LOUIS GOLDSTEIN

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, it is nice to follow my colleagues from Maryland in tribute to a man that we all loved who was indeed Mr. Maryland. Whoever thought you could love a tax collector, but that was Louie Goldstein. He was our tax collector, and everybody did loved him. Whether they were Independents, whether they were Republicans, whether they were Democrats, they were all citizens of Maryland and all good folk, as far as Louie was concerned.

I first met Louie Goldstein when I was in the State legislature serving with the gentleman from Maryland (Mr. CARDIN) when been was speaker. I was on the Appropriations Committee and, indeed, Louie would come in and he would give us his estimate about what was happening with regard to the finances of the State. It was interesting how he could point to any one of the members of that committee, and he could remember and he could reveal anecdotes about their background, about their lives, about the district that they represented, an incredible memory, the kind of memory that we in public service only wish that we had, where we could remember everything about all of the people with whom we work.

He did serve on that very powerful Board of Public Works. He, with the governor and with the treasurer, had a tremendous amount of power. And as has been mentioned, he used it exceeding well. He was a very prudent man, came off as kind of corn pone in terms of the folksy humor, but had a brilliant intellect and a sense of good investment. And yes, indeed, he did love southern Maryland, Calvert County, which our colleague, the gentleman from Maryland (Mr. HOYER), represents and where I have a little log cabin. I drive on that highway which says, dedicated to Louie Goldstein.

That is not all that was dedicated to him. The people of that area are indebted to him for the fact that he believed very much in green spaces. He believed very much in land investment.

I think there is some land that he may well be giving to that particular area, because he did agree with Shakespeare, to nature none more bound, and he did all he could to preserve nature. He had many, many yarns. It was interesting that the gentleman from Maryland (Mr. CARDIN), my good colleague, mentioned the fact that he died on the 3rd of July.

I was at that parade that he was at, because it was in my district in Montgomery County, Maryland, and it was in Germantown, Maryland where he was in the parade and he rode in the car with Senator SARBANES, which was behind our car. And he had his little gold coins, the phony gold coins which everybody collected because they represented the fact that friendship is golden, and that is exactly what he demonstrated.

So we will miss this 85-year-old man who gave so much of his life to public service and who loved people and who loved life and who made Maryland all the better and, for all of us in public service, was a role model, an inspiration for all of us. And truly, he believed that attitude is altitude and, indeed, if that is the case, as I believe it is, too, he is way up there in terms of altitude.

And so our very best wishes and condolences to his family. I am proud to be here in tribute with my colleagues to Louie Goldstein.

MANAGED CARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for half the time until midnight as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight, once again, I would like to take up the issue of managed care reform and particularly to draw a contrast which I think is very important between the Democratic bill, the Patient's Bill of Rights introduced by the gentleman from Michigan (Mr. DINGELL) and the proposal that has been put forward by the Republican task force both here in the House and another one in the Senate.

The Republican health care task force here in the House is supposed to release the language for their so-called managed care reform bill tonight or possibly tomorrow. We know from what the task force has already released publicly that this bill is essentially a response to polling that the Republicans have asked for and requested that shows that they will lose the majority in November if they do not address the issue of managed care reform.

But their proposal is essentially a cosmetic fix, a farce, that lacks some of the most important patient protections that are included in the Democratic Patient's Bill of Rights.

I also would mention that in the Senate, the Senate Republicans have responded to this overwhelming outcry by the American people for managed care reform, but they have responded with, again, with a rhetoric-laced, partisan proposal that places the interests of insurers far above the needs of patients.

I think that the American people simply do not want a bill that does not measure up on the issue of managed care reform. They want an approach that is endorsed by not only most Americans but by the health care professionals, the doctors, the nurses, the Democratic proposal, the Patient's Bill of Rights that takes health care decisions away from insurance company bureaucrats and gives them back to doctors and patients where they belong.

Let me just mention some of the faults in the Republican proposal and then give you some idea, if I can, of what is in the Democratic Patient's Bill of Rights.

The Republican plan that has been announced, and we have not seen the language yet, but it lacks an enforcement mechanism. It denies patients the right to sue an HMO when they are denied needed care and actually expands the ERISA liability that does not allow those who are now in self-insured plans to sue the HMO.

It expands this liability exemption to health insurance pools, private health insurance, that will now have the same basic liability exemption that now exists for self-insured organizations under ERISA.

In addition, the Republican plan does not provide access to specialists. It allows insurance companies, not doctors and patients, to make medical decisions. And the Republican proposals contain several poison pills. In other words, these are added provisions unrelated to managed care reform but which are included because the Republican leadership knows that if they are included, a managed care reform bill will never pass and never get to the President's desk.

These poison pills include medical malpractice damage caps and also an expansion of the medical savings accounts, two issues that are very controversial and could very easily lead to a situation where we do not get a bill, a managed care reform bill passed this session of Congress.

Let me just mention some of the valuable patients protections that are in our Democratic Patient's Bill of Rights. This will apply to the majority of Americans, everyone who has health insurance, who has any kind of health insurance.

The patient protections include the return of medical decisionmaking to patients and health care professionals, not insurance company bureaucrats. That would be, for example, the length of stay in the hospital or whether or not you would have access to certain procedures. Those decisions would be made by the patient and the doctor, not by the insurance company.

The Democratic bill also includes access to specialists including access to pediatric specialists for children, includes coverage for emergency room care so that you can go to any emergency room when the need arises. It also eliminates the gag rule by saying that doctors and nurses can talk freely about every medical option. And it also includes an appeals process and real legal accountability for insurance company decisions.

In other words, the Democrats would allow you to sue the HMO. They would allow a procedure where you could appeal your decision to an unbiased arbiter. It also, the Democratic proposal puts an end to financial incentives for doctors and nurses to limit the care that they provide. Today the CBO, the Congressional Budget Office, put out a study which I thought was very interesting, because many of my colleagues, I should say the Republican leadership and my colleagues on the Republican side that oppose the Democratic Patient's Bill of Rights, have talked about the cost and suggested that somehow patient protections are going to be very costly.

The Congressional Budget Office released a report today or an analysis that says that the Democratic bill, the Patient's Bill of Rights, would have only a minimal effect on premiums with most individuals paying only $2 per month. In actuality, the cost would be even less than $2 per month for the many fortunate Americans enrolled in a responsible health plan that has already provided most of the patient protections. Again, cost is not a factor here. Even if it is as much as $2 a month, most Americans would not find that objectionable in order to have the valuable patient protections that increasingly they are demanding.

I just wanted to mention, and then I would like to yield to my colleague from Texas who has joined me many times on this issue on the floor and talked about our own States where we have already enacted some of the Patient's Bill of Rights, yesterday we had a very important hearing of our House democratic task force on health care reform. And I would stress that the reason that we have to have Democratic hearings is because the Republican leadership that controls the process in the House has refused to have hearings on managed care reform, refused to have a bill brought up and marked up or considered in committee and refused so far to bring any bill to the floor. So the only way that we can hear the horror stories and the abuses from the American people and from some of our constituents is if we have our own hearings and hear from some of the people that have had problems.

I will not mention too many of the witnesses that we had yesterday, but there were a couple that I think that were particularly important, I thought.

I will just mention two of the witnesses who were physicians. One was a doctor, Tom Self, who is a pediatric gastroenterologist from San Diego, California. He won a lawsuit against a managed care group that fired him for refusing to curtail patient visits, for limiting diagnostic tests.

They fired him because he refused to do these things, refused to curtail patient visits, refused to limit diagnostic tests, and required him to abide by a gag rule whereby he would not disclose recommended treatments to his patients.

□ 1100

But despite more than 28 years of experience and excellent credentials, the medical group attacked Dr. Self's reputation by fabricating charges of poor medical practice. Employees for the medical group told Dr. Self's patients he had left town and was no longer practicing, when in fact he had set up his own practice across the street. This is after they had fired him. Well, he won his lawsuit and he is now practicing again. But that is an example of the kinds of things HMOs do for practicing physicians.

One other physician, Dr. Boyle, a trained emergency room physician from San Antonio, Texas, the home state of my colleague. He currently serves as the attending staff physician for Texas Trauma Rehabilitation Associates. He was treating a 49-year-old auto mechanic with a strong history of hypertension who had been rushed to the emergency room.

After lengthy unsuccessful arguing with the HMO's utilization review physician, Dr. Boyle informed his patient that his HMO would not authorize his admission into the hospital. And despite his extreme condition, the patient left after hearing his care would not be covered. He then suffered a stroke on his way home that resulted in permanent paralysis and medical costs totaling more than $75,000 that the HMO had to later pay. But the patient can no longer work and survive on Social Security payments.

Mr. Speaker, we can give endless stories and we already have about people that had been negatively impacted and abuses that many HMOs have actually committed on individuals as well. But I have to say that my concern tonight is that the Republicans will bring their sham managed care reform proposals to the floor next week.

In fact, even though we do not have the language to the House bill, the Republican House bill, they have already noticed the bill to come to the floor at the end ever next week. And by noticing it and not allowing hearings, not allowing committee markups, not allowing really the American public to speak out on this legislation, what they are trying to do is simply railroad and bring up this cosmetic sham proposals for so-called managed care reform to the House and have this vote on it and be done with it.

And what we have to do as Democrats, and we have some Republicans also who have joined us, is we have to demand that the Democratic proposal, which is really a bipartisan proposal now, the Patients' Bill of Rights, be considered on the floor of the House of Representatives next week at the same time as the Republican alternative.

We have asked and we have I think well over maybe close to 200 Members now who have agreed to sign a discharge petition next week that would allow the Patients' Bill of Rights to come to the floor when the Republican proposal alternative also comes to the floor. And I would simply urge my colleagues over the next few days and once this discharge petition is available this coming Monday to sign the discharge petition. Because we must allow a real managed care reform bill, the Patients' Bill of Rights, to be considered by the House of Representatives. The American people deserve no less.

Let me yield now to my colleague the gentlewoman from Texas (Ms. JACKSON-LEE) who has done such a wonderful job in bringing this issue to the attention of the American people.

Ms. JACKSON-LEE. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE) for yielding.

And, likewise, I think that it is very important to explain to the American people that the health task force, which I have worked with him on, to be one of the key elements to being able to draw these real issues and concerns about patients' rights and a Patients' Bill of Rights. We would have wanted to have had a process that went through the normal committee channels where hearings were open and that issues were addressed seriously.

I think it is important the tone that we raise this issue so that it becomes what the American people want to hear and that is a nonpartisan debate but one that is full of passion. And I believe rightly the willingness to fight. Because we will have a fight on our hands, not for political purposes but because so many of us have gone into our districts and have heard some of the crises that our constituents are facing.

One of the important points I think that was made this morning and this afternoon and I was delighted to join my colleague and join the gentleman from Michigan (Mr. DINGELL) and to join the gentleman from Iowa (Mr. GANSKE) and Steve Forbes, the president, so many representatives from the health profession.

One of the points that was made was that this is not an attempt to indict all HMOs, that in fact when we began to assess this problem in 1993, I had not come to Congress then, we knew that we had a system that was broken, that needed repair on many fronts.

One of the reasons even earlier than that that the HMOs rose to prominence, of course, was everyone collectively said, let us try to bring health care costs into reality. We all joined on that issue. At least all of us, including consumers, said that we thought we needed to work on the question of health care costs hospitals physicians.

But what happened was that all of a sudden the route that was being taken got misdirected. It either got accelerated on a high-speed chase, with HMOs way out front, and the consumers chasing after some good health care. The HMOs started to dominate. And the question was not making sure that we were responsibly economically or containing the cost. It began to be, we are going to make a huge, huge profit. We have no other concerns but a huge, huge profit. So the consumer got left behind.

And I hope that, as we have this discussion, albeit soon but not in the context where we want it, I hope some HMOs will stand up and be counted and be recognized that as a parent tells a child, you brought this on yourself. Because the American public was not anti-HMOs to the extent that just because they were. They were for it. They were supporting it.

But just like a good friend of mine who was a prominent member of my community rushed to an emergency room with a massive heart attack of which that person did not realize they were having, because there are times, as I understand, you can walk of your own abilities, what happened at the emergency room? They were checked at the door while they were checking for their HMO and their insurance.

I need not say the great tragedy that occurred to that dear soul. When rather than taking care of his immediate emergency need, the question was, where is your card? And primarily because hospitals themselves find that they are under enormous pressure not to keep people in, not to take people in because of the fact of cost.

So we have a situation that the American public has told us we need to fix this. And now we come to a point when we could have done this in a bipartisan manner we could have answered the American public's concern. But what do we have to do now? Rather than move in that direction, we have got to put the American people on notice buyer beware of the Republican plan.

Read between the lines and read the fine print. For with, I understand, some grouping of HMOs that have now risen to the occasion of supporting the Republican bill, all with scenes from the same page and verse, singing beautiful music, would it not be great if they were singing the music that the American people could likewise join in?

But, unfortunately, we have to sound the chord of not only confusion but opposition. And the reason being is the Republican plan does not answer the question. And what was most noteworthy of the idea of what we are planning and proposing. And someone offered to my friend from New Jersey

(Mr. PALLONE) offered a question and said, ''well, you were presenting,'' when I say ''you,'' the Democrats and the President of the United States presented their proposal today, ''well, the Republicans will be in front of a hospital tomorrow.''

Well, let me tell my colleagues who was joining Democrats today. Nurses and medical professionals and physicians, the American Medical Association were the ones that we were standing with. So standing in front of hospitals is not the answer the American people want.

In fact, unfortunately, as I said earlier, many of those doors are closed. What the American people would like is a reemphasis of the physician-patient relationship, and that is what the Democratic bill ensures. They want to reemphasize of the right of women to select as their primary caretaker their OB/GYN. They want the right for physicians to tell the truth about their medical condition and to provide them with the opportunity to seek care from specialists.

The Republican bill does not do any of that. And frankly, no, most of us do not want to be in the courthouse. And when it comes to a loved one, I can assure my colleagues that anyone would more apt to or let me just say they would choose the life and love of that loved one than to be in a courthouse for some faulting, some finding of fault and that loved one not be with them.

For anyone to even dare suggest that our bill's anchor is something about lawsuits, it is something about enforceability and accountability. Because when the tragedy of that individual that my colleague mentioned that we all heard present their presentation from one illness to a stroke because they were denied, when the woman who was flying in or had to fly in from Hawaii that the gentleman from Iowa (Mr. GANSKE) so eloquently and passionately discusses when she could have been cared for in Hawaii but was required by her HMO to fly all the way to Chicago and then because of that tragedy lost her life. Or when, as the doctor explained to us about the cleft palate and all of us viewed that tragedy of that kind of birth that so many American children and of course children across the world are born with. And do my colleagues believe that an HMO would then tell that poor baby, who deserves the right to have a full and happy life, that that subsequent surgery on that cleft palate is cosmetic?

□ 1110

The terminations being made by individuals who, as someone described, and would green eye shades. Again, this is not an overall attack or get-you on HMOs.

I would simply say to them: Come go with us, come stand on the side of physicians and nurses, health care providers, health technicians, visiting nurses, home health care providers.

You full well know that we had a problem and we re-did the Medicare provisions that venipuncture, of going home, on home care was being eliminated. All of that comes from the managed care problems, that they thought it was not necessary to provide that kind of home-care testing. It was the over burden, if you will, on some of the in putting into Medicare that you are not able to have all of this managed care, these HMO over hang. It is clouding what we should be about in this country, and that is good health care.

And I have asked the gentleman this question because I think it is extremely important to emphasize. The Republicans say that they have a health care bill. I really do not understand how you can have a health care bill with all of the huge cry that we have heard from across America, and the figures suggest that the Republican plan that they will unveil tomorrow and that they have alluded to will only cover 50 million people when right now we are looking at 140 million plus that our bill takes care of. And so there is already a 90 million plus gap.

And I ask the gentleman because I think it is important to bring the facts to the table.

Mr. PALLONE. Well, the gentlewoman has brought up and highlighted, I think, the biggest gimmick of all with regard to this Republican bill.

Essentially my understanding is that at least on the Senate side, if not on the House side, that the Republican bill only applies to ERISA plans, and of course ERISA plans are those that are preempted by the Federal Government because they are self-insured essentially, and these are the very ones that we discussed earlier where there is no enforcement because the patient cannot sue the HMO if they have denied care.

So what you have here is hollow patient protections. Not only does the Republican bill limit the patient protections and not include some of the most important ones that the Democrats have talked about, like access to specialty care, for example, but, in addition, by limiting the patient protections to ERISA plans they guaranteed that the patient protections would never be enforced, because if you are in ERISA, you will have the patient protections, albeit limited, but you will not be able to sue so there will be no guarantee of the patient protections. If you are outside of ERISA, you can theoretically sue, but you do not have the patient protections.

So they have essentially guaranteed that the whole thing is a fraud by narrowing it, the patient protections, to ERISA where this is no effective enforcer mechanism.

The other things that you brought up and spoke so well about:

You mentioned the emergency room situation. Again there the democratic proposal uses what we call in legal terms a prudent lay person standard. In other words, the HMO cannot say that you can only use an emergency room at a particular hospital or that you have to have prior authorization to use the emergency room, which of course that, as you point out, is absurd. How can it be an emergency? I think most people would not believe that that is the case, and they are probably shocked if they go to an emergency room to think they need prior authorization.

Our bill says that you can have access to emergency care, any emergency room, without authorization if a reasonable person would assume that it is an emergency. Even if it is not, if you can assume that based on your injury or whatever.

The other thing that you mentioned with regard to the cost and how so many HMOs are simply prioritized cost savings without any reference to quality of health care, that was brought out so vividly in one of the other witnesses that I did not mention tonight but who testified yesterday before our Health Care Task Force hearing, and this was one of two individuals who had to disguise their voice. We just saw them over the TV monitor with their words sort of disrupted, if you will, so they could not be recognized because the HMO would retaliate against them if they knew that they were testifying.

And this one woman, if I could just mention her, was announced as Case Manager X, and she is a mental health therapist for the mid-Atlantic region, my region, with more than 10 years experience. In her role as a case manager she was forced to deny approval for mental therapy even though she knew it was medically necessary.

Basically the document, the contract, for the HMO said that you would have 10 to 26 visits for a patient who needed some kind of mental health therapy, but they told her, the higher-ups in the insurance company, that she should not authorize any more than 3 to 5 visits. Sometimes they said 3, sometimes they said 5. And I asked her the question. I said:

Well, you know, theoretically, because maybe I am being naive, but theoretically, you know, they must have some sort of theory as to why they are giving you only 3 to 5 visits, even though the contract requires 10 to 26. I mean how do they justify that?

And she said:

Oh, they came up with a model for mental health treatment known as ultrabrief therapy and told the case managers they should resign if they did not agree with this treatment policy.

So because they wanted to save money, they came up with a new mental health therapy theory called ultrabrief therapy, and the theory was that that is all you needed was the 3 or 5 days because, if we did it this way, you would still have the same amount of therapy or the same impact on your mental health.

Of course there is no clinical evidence to support the theory of ultrabrief therapy. It was just made up.

And she said that the reason why the HMO was really totally getting out of hand was because for the last 6 months they knew that there was a possibility of being bought out by a larger HMO, and so they wanted to prove that, you know, they were really cost-conscience and they were really cutting costs so that the larger HMO would buy them out.

So you talk about cost cutting, that was the only thing that was motivating this agent.

Ms. JACKSON-LEE of Texas. If the gentleman would yield, these are the kinds of ludicrous, everyday examples that everyday people experience, and I think that is the distinction between the Republican bill which plays, if you will, at patients bill of rights and plays more with the HMOs and insuring their rights than what the Democrats have offered, and let me say this, what in a bipartisan way we have offered I am very proud of and very pleased with the bipartisan support that this legislation has garnered and, I expect, will garner even more because one key element that the President made very clear today: this is an American issue. And for your example you add to that insult, if you will, the whole idea that mental health has suffered in terms of parity issues anyhow, and for those who suffer from mental illness, mental dysfunctions, you tell those families that they can get the necessary care and that concept of abbreviated care of 3 days or free treatment time frame, and you have them tell you the truth.

□ 2320

Just have them look at you in outrage or complete amazement. But the fact that it is utilized shows in greater evidence than we could ever manage to show that clearly it is a question of cost.

I have another example of a gentleman I have mentioned, a veteran who I had the pleasure of providing him assistance and helping to secure, along with our United States military, one of his lost medals.

He was a participant, a fighter in World War II. He marched the Japanese death walk, the episode of a march when they had captured the Americans and they were held in Japanese prison camps. So he was recently awarded one of his medals.

He was involved, in a plan, in a health system. He is an elderly gentleman. Because of some paperwork snafu, when he left his house on a hot, hot, hot Texas day to go and pick his prescription up at the place where he needed to pick it up, he did not get a positive response such as, ''Let's go find your medication.'' It was, ''You don't have the right paperwork.''

''Well, I sent the paperwork in.''

''Well, you don't have the right paperwork.''

Everyone operates in such fear. I would think that a very logical response would have been, he is 77, he has been documented for the eight years preceding in this particular plan with his paperwork, ''because care is more important to us than cost right now, we will work on the cost element. We will allow him to get his prescription that he needs to survive.''

Well, that constituent of mine was sent home, and not in a very friendly manner. He went home to suffer alone, and by some means that it came to our office's attention. But it was the intervention of an office that has nothing to do with HMOs or health care, but working on it from a constituent perspective, where this gentleman was restored his prescriptive rights, if you will, or the right to get the prescription, and it was acknowledged that a mistake had been made.

This is an isolated incident that is reflective of incidents happening all over the country, where, many circumstances like this, there is no intervention, none, no intervention, and you have cited some of those where they have resulted in someone's death.

Mr. PALLONE. I just wanted to mention again, because the gentlewoman brings up these cases, and you stated it, these are not isolated incidents. When we had the hearing yesterday, again, we asked each of the health care professionals who testified, whether they were the case managers or the physicians, the kinds of stories you tell us, how often do they happen?

Generally they would say at least once a week. Once a week each of these individuals, whether they were a doctor or a caseworker who was detailing, working for the HMO, had to face a situation where they felt there was clear abuse and the patient was going to suffer.

So we are not talking about a few horror stories, we are talking about things that occur on a regular basis throughout the country, and that is the reason I think why so many people now all over the country are demanding the kind of reform that the Democrats are putting forward.

I agree with the gentlewoman, it is bipartisan. I do not mean to suggest that we do not have Republicans with us. We have the gentleman from Iowa (Mr. GANSKE), and we have quite few people with us on the other side. But it is the Republican leadership that refuses to bring a good bill it to the floor, actually refused to bring any bill to the floor.

Now we hear they are willing to bring up their sham bill and have that voted on as possibly as early as next week. But it is their control of this house and their unwillingness, if you will, to bring up the Democratic proposal, the Patient Bill of Rights, that I think we have to continue to speak out against, because I believe, I am optimistic, and I know the gentlewoman is, if we keep demanding that the Patient Bill of Rights come to the floor, and if we get enough people to sign the discharge petition, we will have the opportunity to vote on that bill.

I just want to say one last thing, because I think we are almost out of time. The gentlewoman mentioned the enforcement again. Again, I do not want people to think the distinction between these two approaches, Democrat versus Republican, is based on litigation and the ability to sue, because it is not.

There are many differences, important differences. But the ability to sue is an important part of the ability to enforce your rights, and if you have patient protections, but you do not have ultimately the right to bring suit for damages, then you know that the HMOs are not going to be held accountable. They will say that is fine that these rights exist, but what do we care if you cannot enforce them ultimately in a court of law?

So, again, we are not trying to be litigious or whatever, but we have to demand that ultimately there is some way for the people to enforce these patients' protections. Otherwise they are false, they do not exist, and are not real.

Ms. JACKSON-LEE of Texas. Mr. Speaker, the gentleman has aptly brought us to a close this evening, and I appreciate very much the long, arduous journey I think that we have traveled on to bring this issue to a head.

The devastation of what we see in the landscape of health care is so overwhelming that something has to be done. As we were deliberating over this legislation, I really felt we were moving to a point where we would have the entire House embracing this one issue as a bipartisan issue, because the stories are not respecting whether you are a Democrat or a Republican.

So I would simply say the gentleman is so right, we should emphasize this idea of enforcement. But it is not the anchor of this bill. The anchor of this bill is patient protection.

The last point that I think is extremely important, as our Chairman of the American Medical Association said, Dr. Smoke, doctors were rising up around the Nation, in State capitals all over the Nation, arguing for the Patient Bill of Rights on the patient-doctor relationship. I think that should be a signal as to which direction this house should go in voting for a real bill that protects those who cannot speak for themselves.

Mr. PALLONE. Mr. Speaker, I thank the gentlewoman for her participation in this special order.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. CLAYTON (at the request of Mr. GEPHARDT) for today after 4 p.m. on account of personal reasons.

Mr. FORD (at the request of Mr. GEPHARDT) for today, after 5:30 p.m., and the balance of the week on account of personal business.

Mr. ORTIZ (at the request of Mr. GEPHARDT) for Thursday, July 16, after 5 p.m., and for the balance of the week on account of official business.

Ms. SLAUGHTER (at the request of Mr. GEPHARDT) for today before 5 p.m. on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HOYER) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, today, for 5 minutes.

Mr. HOYER, today, for 5 minutes.

Mr. CARDIN, today, for 5 minutes.

(The following Members (at the request of Ms. ROS-LEHTINEN) to revise and extend their remarks and include extraneous material:)

Mr. RIGGS, today, for 5 minutes.

Ms. ROS-LEHTINEN, July 20 and 23, for 5 minutes.

Mrs. MORELLA, today, for 5 minutes.

Mr. MORAN of Kansas, July 20, for 5 minutes.

Mr. FOLEY, July 17, for 5 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HOYER) and to include extraneous material:)

Mr. NEAL of Massachusetts.

Mr. KIND.

Mr. KANJORSKI.

Mr. MILLER of California.

Mr. STARK.

Mr. SERRANO.

Mr. KENNEDY of Rhode Island.

Mr. CONYERS.

Mr. RAHALL.

Mr. PAYNE.

Ms. NORTON.

Mr. FORD.

Mr. GEJDENSON.

(The following Members (at the request of Ms. ROS-LEHTINEN) and to include extraneous material:)

Mr. GIBBONS.

Mr. WELLER.

Mr. SHAW.

Mr. RADANOVICH.

Mr. HAYWORTH.

Mr. CUNNINGHAM.

Mr. FORBES.

Mr. RAMSTAD.

Mr. RIGGS.

Mr. WAMP.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1283. An act to award congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred collectively as the ''Little Rock Nine'' on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas; to the Committee on Banking and Financial Services.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1273. An act to authorize appropriations for fiscal years 1998 and 1999 for the National Science Foundation, and for other purposes.

H.R. 2870. An act to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

H.R. 3156. An act to present a congressional gold medal to Nelson Rolihlahla Mandela.

ADJOURNMENT

Mr. PALLONE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 26 minutes p.m.), the House adjourned until tomorrow, Friday, July 17, 1998, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

10001. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Tart Cherries Grown in the States of Michigan, et al.; Establishment of Rules and Regulations for Grower Diversion and a Compensation Rate for the Cherry Industry Administrative Board Public Member and Alternate Public Member [Docket No. FV97–930–2 FR] received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10002. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Removal of U.S. Grade Standards and Other Selected Regulations [Docket Number FV–95–303] received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10003. A letter from the Chief, Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting notification that the Commander of Pacific Air Forces is initiating a multi-function cost comparison of the Supply and Transportation functions at Andersen Air Force Base (AFB), Guam, pursuant to 10 U.S.C. 2304 nt.; to the Committee on National Security.

10004. A letter from the Chief, Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting notification that the Commander of the United States Air Force Personnel Center is initiating a single-function cost comparison of the Master Personnel Records function at the Air Force Personnel Center, Randolph Air Force Base (AFB), San Antonio, Texas, pursuant to 10 U.S.C. 2304 nt.; to the Committee on National Security.

10005. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Mexico, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

10006. A letter from the Acting Director, Office of Management and Budget, transmitting a report to Congress on direct spending or receipts legislation, pursuant to Public Law 105—178; to the Committee on the Budget.

10007. A letter from the Acting Director, Office of Management and Budget, transmitting a report to Congress on direct spending or receipts legislation, pursuant to Public Law 105—180; to the Committee on the Budget.

10008. A letter from the Acting Assistant General Counsel for Regulations, Department of Education, transmitting the Department's final rule—Systems-Change Projects to Expand Employment Opportunities for Individuals With Mental or Physical Disabilities, or Both, Who Receive Public Support (RIN: 1820–ZA11) received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10009. A letter from the Assistant Secretary, Office of Special Education and Rehabilitative Services, Department of Education, transmitting the Department's final rule—Systems-Change Projects to Expand Employment Opportunities for Individuals With Mental or Physical Disabilities, or Both, Who Receive Public Support (RIN: 1820–ZA11) received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10010. A letter from the Acting Director, Regulations Policy and Management Staff, Office of Policy, Department of Health and Human Services, transmitting the Department's final rule—Drug Products Containing Quinine for the Treatment and/or Prevention of Malaria for Over-the-Counter Human Use [Docket No. 94N–0355] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10011. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Department of Health and Human Services, transmitting the Department's final rule—Food Labeling: Health Claims; Chromium and the Risk in Adults of Hyperglycemia and the Effects of Glucose Intolerance [Docket No. 98N–0424) received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10012. A letter from the AMD—Performace Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.207(b) of the Commission's Rules Regarding Minimum Distance Separations To Mexican Broadcast Stations— received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10013. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Antioxidant Vitamin A and Beta-Carotene and the Risk in Adults of Atherosclerosis, Coronary Heart Disease, and Certain Cancers [Docket No. 98N–0428] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10014. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administraion's final rule—Food Labeling: Health Claims; Antioxidant Vitamins C and E and the Risk in Adults of Atherosclerosis, Coronary Heart Disease, Certain Cancers, and Cataracts [Docket No. 98N–0426] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10015. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Zinc and the Body's Ability to Fight Infection and Heal Wounds in Adults [Docket No. 98N–0421] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10016. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Garlic, Reduction of Serum Cholesterol, and the Risk of Cardiovascular Disease in Adults [Docket No. 98N–0422] received June 26, 1998, pursuant to U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10017. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Omega 3 Fatty Acids and the Risk in Adults of Cardiovascular Disease [Docket No. 98N–0419] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10018. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Calcium Consumption by Adolescents and Adults, Bone Density and The Risk of Fractures [Docket No. 98N–0423] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10019. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers [Docket No. 97F–0440] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10020. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; B-Complex Vitamins, Lowered Homocysteine Levels, and the Risk in Adults of Cardiovascular Disease [Docket No. 98N–0427] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10021. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Health and Human Services, transmitting the Administration's final rule—Food Labeling: Health Claims; Vitamin K and Promotion of Proper Blood Clotting and Improvement in Bone Health in Adults [Docket No. 98N–0420] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10022. A letter from the Deputy Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Year 2000 Readiness Reports to be made by certain transfer agents [Release No. 34–40163; File No. S7–8–98] (RIN: 3235–AH42) received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10023. A letter from the Deputy Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Reports to be Made by Certain Brokers and Dealers [Release No. 34–40162; File No. S7–7–98] (RIN: 3235–AH36) received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10024. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Israel (Transmittal No. DTC–77–98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

10025. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to the Government of Japan (Transmittal No. DTC–83–98), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

10026. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

10027. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 98–25, reporting that Pakistan, a non-nuclear-weapon state, detonated a nuclear explosive device on May 28, 1998, pursuant to AECA section 102(b); to the Committee on International Relations.

10028. A letter from the Inspector General, General Services Administration, transmitting Activities of the Inspector General, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

10029. A letter from the Interim Auditor, District of Columbia, transmitting Results of investigations of the District of Columbia Auditor, pursuant to D.C. Code section 47—117(d); to the Committee on Government Reform and Oversight.

10030. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued or released in May 1998, pursuant to 31 U.S.C. 719(h); to the Committee on Government Reform and Oversight.

10031. A letter from the Chairman, Federal Housing Finance Board, transmitting Management reports of Government Corporations, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform and Oversight.

10032. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Employment In The Senior Executive Service Promotion And Internal Placement (RIN: 3206–AH92) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

10033. A letter from the Director, Office of Surface Mining Reclamation and Enforcement, transmitting the Office's final rule—West Virginia Regulatory Program [WV–078–FOR] received July 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10034. A letter from the Assistant Secretary of Commerce and Commissioner of Patents and Trademarks, Department of Commerce, transmitting the Department's final rule—Changes to Continued Prosecution Application Practice [Docket No. 98108007–8131–02] (RIN: 0651–AA97) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

10035. A letter from the Administrator, Federal Aviation Administration, transmitting a report to Congress entitled, ''Child Pilot Safety Manipulation of Flight Controls,'' pursuant to Public Law 104—264, section 602; to the Committee on Transportation and Infrastructure.

10036. A letter from the National Director of Appeals, Internal Revenue Service, transmitting the Service's final rule—Salvage Value On Vessels Placed In Service Prior To January 1, 1981—received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10037. A letter from the National Director, Tax Forms and Publications Division, Internal Revenue Service, transmitting the Service's final rule— General Rules for Filing and Specifications for the Private Printing of Substitute Forms W–2 and W–3 [Rev. Proc. 98–33] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McCOLLUM: Committee on the Judiciary. H.R. 3633. A bill to amend the Controlled Substances Import and Export Act to place limitations on controlled substances brought into the United States from Mexico (Rept. 105–629, Pt. 1). Ordered to be printed.

Mr. BLILEY: Committee of Conference. Conference report on H.R. 629. A bill to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact (Rept. 105–630). Ordered to be printed.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Commerce discharged from further consideration. H.R. 3633 referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. SMITH of Oregon: Committee on Agriculture. H.R. 3654. A bill to amend the Agricultural Trade Act of 1978 to require the President to report to Congress on any selective embargo on agricultural commodities, to provide a termination date for the embargo, to provide greater assurances for contract sanctity, and for other purposes; with an amendment; referred to the Committee on International Relations for a period ending not later than August 7, 1998, for a period ending not later than August 7, 1998 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(i), rule X (Rept. 105–631, Pt. 1).

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 3633. Referral to the Committee on Commerce extended for a period ending not later than July 16, 1998.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. JOHN (for himself, Mr. BALDACCI, Mr. GILCHREST, Mr. CARDIN, Mr. ETHERIDGE, and Mr. TAUZIN):

H.R. 4235. A bill to authorize appropriations for the National Oceanic and Atmospheric Administration to conduct research, monitoring, education, and management activities for the prevention, reduction, and control of harmful algal blooms, including blooms of Pfiesteria piscicida and other aquatic toxins, hypoxia, and for other purposes; to the Committee on Science, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of Michigan (for himself, Mr. STENHOLM, Mr. BOB SCHAFFER, and Mr. MCINTOSH):

H.R. 4236. A bill to amend the Merchant Marine Act, 1920 to limit the restriction on carriage of certain noncontainerized agricultural and bulk cargoes in coastwise trade by foreign-built freight vessels; to the Committee on National Security, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. NORTON (for herself, Mr. DAVIS of Virginia, Mrs. MORELLA, Mr. MORAN of Virginia, and Mr. WYNN):

H.R. 4237. A bill to amend the District of Columbia Convention Center and Sports Arena Authorization Act of 1995 to revise the revenues and activities covered under such Act, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GEJDENSON (for himself, Ms. DELAURO, Mrs. KENNELLY of Connecticut, Mrs. JOHNSON of Connecticut, Mr. SHAYS, and Mr. MALONEY of Connecticut):

H.R. 4238. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to establish requirements in the case of pension plans covering less than 100 participants relating to entities that hold plan assets and annual asset statements regarding such assets; to the Committee on Education and the Workforce.

By Mr. LEACH (for himself, Mr. LAFALCE, Mr. MCCOLLUM, and Mrs. ROUKEMA):

H.R. 4239. A bill to revise the banking and bankruptcy insolvency laws with respect to the termination and netting of financial contracts, and for other purposes; to the Committee on Banking and Financial Services, and in addition to the Committees on the Judiciary, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DREIER (for himself and Mr. COX of California):

H.R. 4240. A bill to provide that an action, including one to recover damages, resulting from a computer date failure shall be deemed to be based solely in contract when certain conditions have been met, and for other purposes; to the Committee on the Judiciary.

By Mr. RIGGS (for himself, Mr. GOODLING, Mr. BARRETT of Nebraska, Mr. GREENWOOD, Mr. GRAHAM, and Mr. SOUDER):

H.R. 4241. A bill to amend the Head Start Act, and for other purposes; to the Committee on Education and the Workforce.

By Mr. BARCIA of Michigan (for himself, Mr. NEY, Mr. FRANK of Massachusetts, Mr. SCOTT, Mr. CHRISTENSEN, Mr. BALDACCI, and Mr. ALLEN):

H.R. 4242. A bill to amend the Federal Water Pollution Control Act to require that discharges from combined storm and sanitary sewers conform to the Combined Sewer Overflow Control Policy of the Environmental Protection Agency, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. HORN (for himself, Mrs. MALONEY of New York, Mr. SESSIONS, Mr. SUNUNU, and Mr. KANJORSKI):

H.R. 4243. A bill to reduce waste, fraud, and error in Government programs by making improvements with respect to Federal management and debt collection practices, Federal payment systems, and Federal benefit programs, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committees on the Judiciary, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HORN (for himself, Mrs. MALONEY of New York, Mr. DAVIS of Virginia, Mr. SESSIONS, and Mr. KANJORSKI):

H.R. 4244. A bill to amend the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) to provide for measurement of the performance of the Federal procurement system, to enhance the training of the acquisition workforce, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHADEGG (for himself, Mr. COBURN, Mr. BRYANT, and Mr. HYDE):

H.R. 4245. A bill to amend section 1964 of title 18, United States Code, to provide protection for nonviolent advocacy; to the Committee on the Judiciary.

By Mr. COMBEST (for himself, Mr. DOOLEY of California, Mr. SMITH of Oregon, Mr. STENHOLM, Mr. BARRETT of Nebraska, Mrs. CLAYTON, Mr. POMBO, Mr. MINGE, Mr. EVERETT, Mr. BISHOP, Mr. LEWIS of Kentucky, Mr. THOMPSON, Mr. CHAMBLISS, Mr. BALDACCI, Mr. LAHOOD, Ms. STABENOW, Mrs. EMERSON, Mr. ETHERIDGE, Mr. MORAN of Kansas, Mr. JOHN, Mr. PICKERING, Mr. THUNE, and Mr. JENKINS):

H.R. 4246. A bill to improve the provision of agricultural credit to farmers and ranchers under the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. COSTELLO (for himself and Mr. POSHARD):

H.R. 4247. A bill to allow a credit against income tax for contributions used for the construction and renovation of public schools in certain high school districts; to the Committee on Ways and Means.

By Mr. CUNNINGHAM (for himself, Mr. TANNER, Mr. DINGELL, and Mr. WELDON of Pennsylvania):

H.R. 4248. A bill to authorize the use of receipts from the sale of the Migratory Bird Hunting and Conservation Stamps to promote additional stamp purchases; to the Committee on Resources.

By Mr. DEAL of Georgia (for himself and Mr. CHAMBLISS):

H.R. 4249. A bill to amend title XIX of the Social Security Act to make optional the requirement that a State seek adjustment or recovery from an individual's estate of any medical assistance correctly paid on behalf of the individual under the State plan under such title; to the Committee on Commerce.

By Mr. GINGRICH (for himself, Mr. HASTERT, Mr. ARCHER, Mr. BLILEY, Mr. GOODLING, Mr. BILIRAKIS, Mr. FAWELL, Mr. NORWOOD, Mr. MCCRERY, Mr. HOBSON, Mr. GOSS, Ms. PRYCE of Ohio, Mrs. KELLY, Mr. TALENT, Ms. GRANGER, Mr. CHAMBLISS, Mr. GILCHREST, Mr. WELDON of Florida, Mr. METCALF, Mr. PETERSON of Pennsylvania, Mr. TIAHRT, Mr. BARTLETT of Maryland, Mr. BUNNING of Kentucky, Mrs. NORTHUP, Mr. HUTCHINSON, Mr. GIBBONS, Mr. CHABOT, Mr. BOEHNER, Mr. GREENWOOD, Mrs. FOWLER, Mr. SPENCE, Mr. DUNCAN, Mr. SKEEN, Mr. HERGER, Mrs. CUBIN, Mr. DREIER, Mr. UPTON, Mr. COLLINS, Mr. SESSIONS, Mr. FOLEY, Mr. GILLMOR, Mr. ENGLISH of Pennsylvania, Mr. REDMOND, Mr. ROGERS, Mr. SMITH of Michigan, Mr. MICA, Mr. ADERHOLT, Mr. LATHAM, Mr. FOX of Pennsylvania, Mr. MCKEON, Mr. GALLEGLY, Mr. TAUZIN, Mr. NEY, Mr. HILLEARY, Mr. PAXON, Mr. BALLENGER, Mr. KASICH, and Mr. REGULA):

H.R. 4250. A bill to provide new patient protections under group health plans; to the Committee on Commerce, and in addition to the Committees on Education and the Workforce, Ways and Means, the Judiciary, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DEAL of Georgia (for himself, Mr. ROHRABACHER, Mr. CUNNINGHAM, Mr. BILBRAY, Mr. STUMP, Mr. TRAFICANT, Mr. NORWOOD, Mr. BLILEY, Mr. RILEY, and Mr. GALLEGLY):

H.R. 4251. A bill to provide for the assessment of civil penalties for aliens who illegally enter the United States and for persons smuggling aliens within the United States; to the Committee on the Judiciary.

By Mr. ENGLISH of Pennsylvania (for himself and Mr. NEAL of Massachusetts):

H.R. 4252. A bill to amend title XVIII of the Social Security Act to revise the interim payment system for home health care furnished to Medicare beneficiaries; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GUTIERREZ:

H.R. 4253. A bill to amend the Electronic Fund Transfer Act to establish a maximum amount limitation on the exchange rates used in international wire transfers originating in the United States; to the Committee on Banking and Financial Services.

By Mr. HALL of Ohio (for himself and Mr. KASICH):

H.R. 4254. A bill to amend the Community Services Block Grant to provide for the establishment of demonstration projects designed to determine the social, civic, psychological, and economic effects of providing to individuals and families with limited means an incentive to accumulate assets and to determine the extent to which an asset-based policy may be used to enable individuals and families with limited means to increase their economic self-sufficiency; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KASICH (for himself, Mr. SOUDER, Mr. ENGLISH of Pennsylvania, Mr. KNOLLENBERG, Mr. KOLBE, Mr. MCINTOSH, Mr. PACKARD, Mr. PITTS, Mr. TALENT, Mr. WAMP, and Mr. WATTS of Oklahoma):

H.R. 4255. A bill to assist States in providing individuals a credit against State income taxes or a comparable benefit for contributions to charitable organizations working to prevent or reduce poverty and to protect and encourage donations to charitable organizations; to the Committee on Ways and Means, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KOLBE (for himself, Mr. STENHOLM, Mr. CAMPBELL, Mr. SMITH of Michigan, and Mr. SANFORD):

H.R. 4256. A bill to amend title II of the Social Security Act to provide for individual security accounts funded by employee and employer Social Security payroll deductions, to extend the solvency of the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PITTS (for himself, Mr. MARTINEZ, Mr. GOODLING, Mr. PETERSON of Pennsylvania, Mr. SOUDER, Mr. MCINTOSH, Mr. GEKAS, Mr. COBURN, and Mr. ENGLISH of Pennsylvania):

H.R. 4257. A bill to amend the Fair Labor Standards Act of 1938 to permit certain youth to perform certain work with wood products; to the Committee on Education and the Workforce.

By Mr. SALMON (for himself, Mr. SCARBOROUGH, Mr. LIVINGSTON, Mr. GILMAN, Mr. TRAFICANT, Mr. ENGLISH of Pennsylvania, Mr. SMITH of New Jersey, Mr. RILEY, Mr. WELDON of Pennsylvania, Mr. PAPPAS, Mr. HILLEARY, Mr. HAYWORTH, Mr. LOBIONDO, Mr. SAXTON, Mr. BOB SCHAFFER, Mr. PITTS, Mr. BARTLETT of Maryland, Mr. NEUMANN, Mr. KING of New York, Mr. ENSIGN, Mr. FOX of Pennsylvania, Mr. FOLEY, Mr. MCHALE, Mr. CHRISTENSEN, Mr. WELLER, Mr. CUNNINGHAM, and Mrs. FOWLER):

H.R. 4258. A bill to penalize States that release individuals convicted of murder, rape, or a dangerous sexual offense involving a child under the age of 14; to the Committee on the Judiciary.

By Mr. SNOWBARGER:

H.R. 4259. A bill to allow Haskell Indian Nations University and the Southwestern Indian Polytechnic Institute each to conduct a demonstration project to test the feasibility and desirability of new personnel management policies and procedures, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SNOWBARGER:

H.R. 4260. A bill to amend title 5, United States Code, to limit the number of years a Member of Congress may participate in the Civil Service Retirement System or the Federal Employees' Retirement System, to deny Federal retirement benefits to any Member convicted of a felony, and for other purposes; to the Committee on House Oversight, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska:

H.R. 4261. A bill to designate the Federal building located at 709 West 9th Street in Juneau, Alaska, as the ''Hurff A. Saunders Federal Building''; to the Committee on Transportation and Infrastructure.

By Ms. BROWN of Florida (for herself, Mr. WELDON of Pennsylvania, Mrs. MEEK of Florida, Mr. WEXLER, Mr. MILLER of Florida, Mr. FOLEY, Mr. CANADY of Florida, Mrs. FOWLER, Mr. BOYD, Mr. HASTINGS of Florida, Mrs. THURMAN, Mr. DEUTSCH, Mr. MCCOLLUM, Mr. BILIRAKIS, Mr. DAVIS of Florida, Mr. DIAZ-BALART, Mr. STEARNS, Mr. YOUNG of Florida, Mr. MICA, Mr. GOSS, Mr. SHAW, Mr. SCARBOROUGH, Mr. GALLEGLY, Ms. ROS-LEHTINEN, and Mr. WELDON of Florida):

H. Con. Res. 298. Concurrent resolution expressing deepest condolences to the State and people of Florida for the losses suffered as a result of the wild land fires occurring in June and July 1998, expressing support to the State and people of Florida as they overcome the effects of the fires, and commending the heroic efforts of firefighters from across the Nation in battling the fires; to the Committee on Transportation and Infrastructure.

By Mr. COLLINS (for himself, Mr. PAUL, Mrs. CHENOWETH, Mr. ISTOOK, Mr. SKEEN, Mr. HUTCHINSON, Mr. ENSIGN, Mr. DEAL of Georgia, Mr. NORWOOD, Mr. GOODE, Mr. POMBO, Mr. DOOLITTLE, Mr. MCINTOSH, Mr. WAMP, Mr. BLUNT, Mr. CALLAHAN, Mr. ROHRABACHER, Mr. BOB SCHAFFER, Mrs. LINDA SMITH of Washington, and Mr. LATOURETTE):

H. Con. Res. 299. Concurrent resolution expressing the sense of Congress that executive departments and agencies must maintain the division of governmental responsibilities between the national government and the States that was intended by the framers of the Constitution, and must ensure that the principles of federalism established by the framers guide the executive departments and agencies in the formulation and implementation of policies; to the Committee on the Judiciary, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SOLOMON:

H. Con. Res. 300. Concurrent resolution affirming United States commitments under the Taiwan Relations Act; to the Committee on International Relations.

By Mr. BARTON of Texas (for himself, Mr. SOLOMON, and Mr. HASTERT):

H. Res. 503. A resolution amending the Rules of the House of Representatives to provide for mandatory drug testing of Members, officers, and employees of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. YOUNG of Florida introduced a bill (H.R. 4262) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Orca*; which was referred to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mrs. CAPPS.

H.R. 145: Ms. LEE and Mr. GEPHARDT.

H.R. 158: Mr. PALLONE and Mr. DEAL of Georgia.

H.R. 162: Mr. SAM JOHNSON.

H.R. 465: Mr. SANDLIN and Mr. SNYDER.

H.R. 884: Mr. PAYNE.

H.R. 979: Mr. PAXON and Mr. GILCHREST.

H.R. 1063: Mr. CANNON and Mr. HANSEN.

H.R. 1173: Mr. SANDERS, Mr. FORBES, and Ms. VELAZQUEZ.

H.R. 1234: Ms. LEE and Mr. MARTINEZ.

H.R. 1283: Mr. PITTS, Ms. KILPATRICK, and Mr. DOYLE.

H.R. 1320: Mr. OBERSTAR.

H.R. 1813: Mr. MILLER of California.

H.R. 1850: Mr. BLUMENAUER.

H.R. 2009: Mr. FALEOMAVAEGA, Mrs. CLAYTON, Ms. FURSE, Mr. COOK, Ms. KILPATRICK, and Mrs. MEEK of Florida.

H.R. 2397: Mr. FRELINGHUYSEN, Mr. LEWIS of Georgia, Mr. FRANK of Massachusetts, and Mr. OLVER.

H.R. 2504: Mr. DIAZ-BALART.

H.R. 2509: Mr. SKEEN.

H.R. 2537: Mr. STEARNS.

H.R. 2541: Mr. CUMMINGS.

H.R. 2547: Mr. SHAW.

H.R. 2560: Mr. MEEKS of New York, Mr. TIERNEY, Mr. MARKEY, Mr. BOEHLERT, Ms. PELOSI, Mr. LEACH, and Mr. COSTELLO.

H.R. 2609: Mrs. BONO.

H.R. 2701: Mr. FROST and Mr. BROWN of California.

H.R. 2720: Mr. BARTON of Texas.

H.R. 2733: Mr. WALSH, Mr. COLLINS, Mr. CLAY, Mr. WELLER, Mrs. BONO, Mr. KIND of Wisconsin, and Mr. YOUNG of Alaska.

H.R. 2802: Mr. WAXMAN.

H.R. 2908: Mr. FATTAH.

H.R. 2946: Ms. LEE.

H.R. 3053: Ms. LEE.

H.R. 3066: Mr. FILNER.

H.R. 3067: Ms. KILPATRICK.

H.R. 3081: Mr. BERMAN and Ms. MCKINNEY.

H.R. 3240: Mr. THOMPSON.

H.R. 3248: Mrs. CUBIN, Mr. JONES, and Mr. MICA.

H.R. 3318: Mr. COYNE.

H.R. 3341: Mr. HINCHEY.

H.R. 3396: Mr. TIAHRT, Mr. PETERSON, of Minnesota, Mr. BARTLETT of Maryland, Mrs. MCCARTHY, of New York, Mr. MORAN of Kansas, Ms. STABENOW, Mr. MCINNIS, Ms. KILPATRICK, Mrs. EMERSON, Mr. EVERETT, Mrs. CUBIN, Mr. PETRI, Mr. BLUNT, Mr. SAWYER, and Mr. SHADEGG.

H.R. 3400: Ms. LEE and Mr. LAMPSON.

H.R. 3496: Mr. CONYERS, Ms. JACKSON-LEE, Mr. OWENS, Ms. CARSON, Mr. FROST, Mr. UNDERWOOD, Mr. THOMPSON, Mr. BROWN of California, Ms. NORTON, Mr. MEEKS of New York, Mr. WYNN, Mr. CLAY, Mr. REYES, Mr. CLYBURN, Ms. CHRISTIAN-GREEN, Mr. STOKES, Mrs. MEEK of Florida, Ms. WATERS, Mr. FATTAH, Mr. DAVIS of Illinois, and Ms. KILPATRICK.

H.R. 3567: Mr. GOODLING and Mr. POSHARD.

H.R. 3615: Mr. MARTINEZ, Ms. LEE, and Mr. FATTAH.

H.R. 3622: Mr. FROST, Mr. NEAL of Massachusetts, Mr. JEFFERSON, Mr. DIXON, and Mr. RODRIGUEZ.

H.R. 3629: Mr. DOOLITTLE, Mr. MANZULLO, and Mr. MILLER of Florida.

H.R. 3636: Mr. CHABOT, Mr. BENTSEN, and Mr. LANTOS.

H.R. 3637: Mr. ACKERMAN and Mr. MEEKS of New York.

H.R. 3726: Mr. VENTO.

H.R. 3731: Mr. BLAGOJEVICH and Mr. TRAFICANT.

H.R. 3795: Mr. OBERSTAR, Mr. TOWNS, Mr. STARK, Mr. FROST, Mr. TORRES, Mr. LEACH, Mr. ANDREWS, and Mr. WYNN.

H.R. 3807: Mr. CHAMBLISS, Mr. LATOURETTE, Mr. BURR of North Carolina, and Mr. THORNBERRY.

H.R. 3843: Mr. LEWIS of California, Mr. BENTSEN, Mr. CONDIT, Mr. UNDERWOOD, Mrs. LINDA SMITH of Washington, Mr. TOWNS, Mr. DOOLEY of California, Mr. PASTOR, Ms. CHRISTIAN-GREEN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LAMPSON, Mr. LANTOS, Ms. HARMAN, and Ms. WOOLSEY.

H.R. 3879: Mr. RADANOVICH, Mr. SHAW, and Mr. SHADEGG.

H.R. 3885: Mr. EVANS.

H.R. 3925: Mr. SANDERS, Mr. LAFALCE, Ms. SLAUGHTER, Mr. OLVER, and Mr. WAMP.

H.R. 3933: Mr. BATEMAN and Mr. COSTELLO.

H.R. 3942: Mr. MCKEON, Mr. TOWNS, Mr. SESSIONS, and Mr. HALL of Ohio.

H.R. 3946: Mr. MCGOVERN, Mr. TORRES, Mr. NEAL of Massachusetts, Mr. GOSS, and Mr. DEUTSCH.

H.R. 3949: Mr. SMITH of Oregon, Mr. GIBBONS, Mr. LATOURETTE, Mr. COMBEST, Mr. COBURN, and Mr. HEFLEY.

H.R. 3981: Mr. BOEHLERT, Mr. CASTLE, Ms. DELAURO, Mr. DOYLE, Mr. GOODLATTE, Mr. POSHARD, Mr. SOUDER, Mr. WOLF, and Mr. DAVIS of Illinois.

H.R. 3990: Mr. BROWN of Ohio.

H.R. 3991: Mr. NUSSLE and Mr. MANZULLO.

H.R. 4031: Mr. FROST.

H.R. 4032: Mr. GOSS.

H.R. 4062: Mr. KANJORSKI.

H.R. 4071: Mr. CANADY of Florida.

H.R. 4075: Mr. GOODLATTE, Mr. PAUL, and Mr. RAHALL.

H.R. 4092: Mr. THOMPSON.

H.R. 4118: Mr. STRICKLAND.

H.R. 4121: Mr. GREEN.

H.R. 4152: Mr. POSHARD.

H.R. 4154: Mr. HILLEARY, Mr. JONES, Mr. LEWIS of Kentucky, and Mr. COBURN.

H.R. 4160: Mr. GONZALEZ, Mr. ENSIGN, Mr. BISHOP, and Mr. GOODE.

H.R. 4188: Ms. WOOLSEY.

H.R. 4196: Mr. POMBO and Mr. ROYCE.

H.R. 4217: Mr. HINCHEY.

H.R. 4219: Mr. KLECZKA and Mr. FROST.

H.R. 4220: Mr. FILNER.

H.R. 4228: Mr. OBERSTAR, Mr. HOSTETTLER, and Mr. SESSIONS.

H.R. 4232: Mr. ROYCE, Mr. MCINTOSH, and Mr. CALLAHAN.

H.J. Res. 123: Mr. FROST, Mr. MURTHA, Mr. JENKINS, and Mr. GOODLING.

H. Con. Res. 27: Ms. LEE, and Mr. GEJDENSON.

H. Con. Res. 154: Ms. LOFGREN and Mr. SANDERS.

H. Con. Res. 239: Mr. LANTOS.

H. Con. Res. 249: Mr. HINCHEY.

H. Con. Res. 274: Mr. SHAYS, Mrs. CLAYTON, Mr. TOWNS, Mr. KILDEE, Ms. RIVERS, and Mr. SCHUMER.

H. Res. 212: Mrs. CLAYTON and Mr. GUTIERREZ.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2183

OFFERED BY: MR. SMITH OF MICHIGAN

(To the Amendment Offered By Mr. Shays or Mr. Meehan)

AMENDMENT NO. 165: Add at the end of title V the following new sections (and conform the table of contents accordingly):

SEC. 510. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

''(b)(1) Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be less than 5 years or more than 20 years, fined in an amount not to exceed $1,000,000, or both.

''(2) Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 511. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 326. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by sections 201(b) and 307(b), is further amended by adding at the end the following:

''(22) DONATION.—The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal

Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 4194

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 20: Page 91, after line 3, insert the following:

SEC. 425. None of the funds made available by this Act may be used by the Administrator of the Environmental Protection Agency to implement or enforce any national primary drinking water regulation for copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.).

H.R. 4194

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 21: Page 91, after line 3, insert the following:

SEC. 425. No part of any funds made available by this Act may be used to pay salaries and expenses of any officer or employee of the Environmental Protection Agency to propose, promulgate, or implement any rule under the Safe Drinking Water Act requiring public water systems to use disinfection for public water systems which rely on ground water.

H.R. 4194

OFFERED BY: MR. HINCHEY

AMENDMENT NO. 22: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 425. None of the funds made available in this Act may be used by the Department of Veterans Affairs to implement or administer the Veterans Equitable Resource Allocation system.

H.R. 4194

OFFERED BY: MS. JACKSON-LEE OF TEXAS

AMENDMENT NO. 23: Page 17, line 25, insert ''(increased by $183,000,000)'' after ''$10,240,542,030''.

Page 20, line 22, insert ''(increased by $183,000,000)'' after ''$100,000,000''.

Page 24, line 2, insert ''(decreased by $183,000,000)'' after ''$3,000,000,000''.

H.R. 4194

OFFERED BY: MR. RIGGS

AMENDMENT NO. 24: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. ____. None of the funds appropriated by title II may be provided to any locality that requires as a condition for an organization to contract with, or receive a grant from, the locality, that the organization provide health care benefits for unmarried, domestic partners of individuals who are provided such benefits on the basis of their employment by or other relationship with the organization.

H.R. 4194

OFFERED BY: MR. RIGGS

AMENDMENT NO. 25: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. ____. None of the funds appropriated by title II may be provided to the political entity known as the City and County of San Francisco, California.

H.R. 4194

INTRODUCED BY: MR. SANFORD

AMENDMENT NO. 26: page 76, line 24 strike ''2,745,000,000'' and insert ''2,545,700,000.''

Page 90, line 18 strike '', and $70,000,000 is appropriated to the National Science Foundation, 'Research and related activities'.'' and insert ''.''

H.R. 4194

OFFERED BY: MR. STEARNS

AMENDMENT NO. 27: Page 91, after line 3, insert the following:

SEC. 425. No part of any funds made available by this Act may be used to pay salaries and expenses of any officer or employee of the Council on Environmental Quality to carry out any activity regarding the American Heritage River Initiative.

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PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, SECOND SESSION

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Senate

The Senate met at 10 a.m. and was called to order by the Honorable TIM HUTCHINSON, a Senator from the State of Arkansas.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have called us to be creative thinkers. You endowed us with a thinking brain so we could think Your thoughts after You. That's awesome, Father, You are omniscient. You know everything. You also know what is best for our future as a Nation. This is Your land; we are Your people; we are a Nation under Your sovereignty. In response, we make Proverbs 16:3 the motto for this day, ''Commit Your works to the Lord and Your thoughts will be established.'' Throughout the day, we will intentionally submit the work of this Senate to You, seek Your guidance, and claim this promise for clarified convictions in keeping with Your will. A profound peace invades our souls as we say with the psalmist, ''I commit my way to the Lord and trust also in Him, and He shall bring it to pass * * * I rest in the Lord and wait patiently for Him.''—Psalm 37:5,7. Speak to our minds, Lord, we are listening. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 16, 1998.

TO THE SENATE: Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TIM HUTCHINSON, a Senator from the State of Arkansas, to perform the duties of the Chair.

STROM THURMOND,
President Pro tempore.

Mr. HUTCHINSON thereupon assumed the chair as Acting President pro tempore.

Mr. COCHRAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi.

SCHEDULE

Mr. COCHRAN. Mr. President, at the request of the majority leader, I am pleased to make the following announcement concerning the schedule of the Senate today.

This morning, the Senate will immediately resume consideration of the agriculture appropriations bill. It is expected that Senator GRASSLEY will offer an amendment which will be considered by the Senate. Following disposition of the Grassley amendment, it is hoped that Members will come to the floor to offer and debate any remaining amendments to the agriculture appropriations bill so that the Senate can complete action on this legislation by early afternoon.

Following disposition of the appropriations bill, the Senate may resume consideration of the VA-HUD appropriations bill or begin the legislative branch appropriations bill. The Senate may also consider any other legislative or executive items cleared for action.

Therefore, Senators should expect rollcall votes throughout the day and into the evening during today's session.

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

The ACTING PRESIDENT pro tempore. The Senate will now resume S. 2159, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2159) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Mr. WELLSTONE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Christy May Carlson, an intern in my office, be allowed on the floor during today's debate on the legislation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRASSLEY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

AMENDMENT NO. 3172

(Purpose: To express the sense of the Senate concerning appropriate actions to be taken to alleviate the economic effect of low commodity prices)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The clerk will report.

The Senator from Iowa (Mr. GRASSLEY), for himself, and Mr. ROBERTS, Mr. LUGAR, Mr. HAGEL, Mr. BROWNBACK, and Mr. BOND, proposes an amendment numbered 3172.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 67, after line 23, add the following:

SEC. 7__. SENSE OF THE SENATE CONCERNING APPROPRIATE ACTIONS TO BE TAKEN TO ALLEVIATE THE ECONOMIC EFFECT OF LOW COMMODITY PRICES.

It is the sense of the Senate that—

(1) Congress should pass and the President should sign S. 1269, which would reauthorize fast-track trading authority for the President;

(2) Congress should pass and the President should sign S. 2078, the Farm and Ranch Risk

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

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Management Act, which would allow farmers and ranchers to better prepare for fluctuations in the agricultural economy;

(3) the House of Representatives should follow the Senate and provide full funding for the International Monetary Fund;

(4) Congress should pass and the President should sign sanctions reform legislation so that the agricultural economy of the United States is not harmed by sanctions on foreign trade;

(5) Congress should uphold the presidential waiver of the Jackson-Vanik amendment to the 1974 Trade Act providing normal trade relations status for China and continue to pursue normal trade relations with China;

(6) the House and Senate should continue to pursue a package of capital gains and estate tax reforms;

(7) the President should pursue stronger oversight on all international trade agreements affecting agriculture and commerce dispute settlement procedures when countries are found to be violating such trade agreements;

(8) the President should sign legislation providing full deductibility of health care insurance for self-employed individuals; and

(9) the Congress and the Administration should pursue efforts to reduce regulations on farmers. The President should use the administrative tools available to him to use Commodity Credit Corporation and unused Export Enhancement Program funds for humanitarian assistance.

Mr. GRASSLEY. Mr. President, this is a sense-of-the-Senate resolution regarding the problems that our farmers are experiencing and what we can do to ease the burden of uncertainty and risk that every farmer faces.

As those of us from States with major ag economies know, and as my friends on the other side of the aisle have discussed, farmers across the Nation have legitimate concerns about the prices they receive for their products. I know, as do my colleagues who represent ag States, that commodity prices are not good.

Making that problem worse, in Iowa, for example we are looking at the possibility of a bumper crop and we still have nearly 40 percent of last year's grain in storage, which obviously, will work to keep prices low.

I am not here to say everything is just fine with the ag economy right now. But I am here to say that in addressing these problems we must take our marching orders from farmers and the folks who represent farm interests such as Farm Bureau, the corn growers and the soybean producers, among others. Opening up the 1996 farm bill, as some advocate, is not the way to legitimately address these very real concerns. And it is not what these very respected farm organizations advocate, and I must say, it is not what farmers in my State have been telling me to do. Nonetheless, we need to do something to alleviate the worries our farmers face. Earlier this year, representatives of all the major agriculture organizations came to Capitol Hill to discuss the problems the ag industry is facing. Frankly, opening up Freedom to Farm did not make their list of priorities. In fact, this list consisted almost entirely of initiatives to support and enhance trade opportunities. Farmers tell me the most important thing Congress can do to ensure the long-term prosperity of the family farm is to open and expand foreign markets for their products. That's why we must give our farmers the opportunity to compete for every sale, in every market in the world.

In fact, the message that we were sending to the rest of the world when we passed Freedom to Farm is that we intend to compete for every market anywhere in the world and we are going to be a sure supplier in that market.

We in the Senate ought not be telling farmers what they should want and need. We should be listening to farmers and doing what they tell us is important. That is what my resolution is all about. My resolution is nothing less than a commitment to the American farmer that we have heard you and we share the principles that you support and we will work with you to make those principles a permanent part of farm policy.

It is a reiteration of the principles of Freedom to Farm. But it is 3 years later a reiteration of what we ought to be doing and an admission that in some places we have come up short as far as the marketing opportunities we promised that they should produce and that there will be markets for that product.

And as we know, at least in my part of the country, we export about 40 percent of our production, so farmers have to have open markets. They must be overseas. Anybody who wants to price the United States out of the world market is saying that we ought to shut down 40 percent of our productive capability. That is not only intolerable for farmers, but it is economically disadvantageous to small business people of America who depend upon the business that farmers bring to them, both in processing of our agriculture products as well as inputs in agriculture.

So I do not pretend that there is anything new here. But I do intend to carry out the principles of Freedom to Farm, which is dependent upon market-opening opportunities overseas. There is a crisis in trade policy right now and we need to focus more on it. And some of that crisis is politically oriented. There is not enough activity in this town on market promotion and on setting a political tone that the United States will continue to be a leader in market-opening negotiations around the world, which we have been for the last 50 years, and it is an expression of all of these things coming together, that we have to have more of an emphasis on trade opportunities.

So this Sense-of-the-Senate resolution states that we in Congress should act on a variety of measures that have been endorsed by agriculture groups as providing the best hope for farmers across the country for sustained economic growth and opportunity. These measures include fast-track negotiating authority for the President, legislation that I introduced establishing farm and ranch savings accounts, sanctions reform legislation, normal trading status with China, stronger oversight on international trade agreements affecting agriculture, additional estate and capital gains tax reform, full deductibility of health care insurance for self-employed individuals, reducing the regulation on farmers, and finally using the CCC and the EEP funds for food aid.

Mr. President, these are reforms that the leaders of the farm groups we met with have asked for. Many of these items were also promised to farmers when we passed the 1996 farm bill. It is time for Congress to live up to these promises.

We have heard today and in the days past in the debate on this bill about the serious problems facing American farmers in the northern plains States, particularly the Dakotas. So I met with North Dakota Governor Ed Schafer yesterday morning, and he told me about the serious circumstances in which his farmers find themselves. But he also told me emphatically that reopening Freedom to Farm would be a tremendous disservice to his constituents; that doing so would not give his people the help they need. It is time that we show our solidarity with the American farmer and pledge to give these hard-working men and women fundamental, long-term assistance that they count on from year to year rather than so-called emergency measures.

I have lived and worked on a family farm all of my life. My son operates our family farm. I know that farmers are independent, and I know they want as little Government interference in their business as possible. The initiatives listed in my resolution will help ensure that independence. It will help make sure that the promises of Freedom to Farm, that the farmer was going to be able to operate according to the marketplace and not according to the dictates of bureaucrats in Washington, DC, are adhered to.

The 1996 farm bill took positive and necessary steps to bring this about for the American farmer. Some in this body would reverse that progress. Let's show that we really listen to farmers' concerns and put the Senate on record as supporting our farmers in the initiatives they have asked. I strongly urge a ''yes'' vote on this legislation. It is a sense-of-the-Senate resolution. It does not change any policy, but it reaffirms what we did 3 years ago. It acknowledges the problems that come from the Southeast Asian economic situation—less exports going to that part of the world and a deteriorating income situation because of that.

Now, some people might say, well, what is different than 2 days ago or just yesterday when there were some negative votes for some help for the American farmer offered by people on the other side of the aisle? Well, the difference is this. Those programs would have changed Freedom to Farm. Those programs would have been short

term rather than long term. Those programs would not have been budget neutral. Keeping the budget balanced to keep interest rates low for American farmers is very, very important.

But what has also happened is very bad signals coming from the White House. Now, let me emphasize—very bad signals coming from the White House and coming within the last 24 hours, and so this was not a part of the political environment when we were talking about farm legislation yesterday and the day before. The White House is sending very clear signals through the business community of America that they do not want fast-track trading authority for the President brought up this year. They do not want to vote on it.

So we are hearing from the White House, for the first time, that the United States should withdraw from leadership in world trade as a matter of fact because of the absence of policy we have had, because we have not had fast-track negotiating authority for the last 4 years. But now there is a signal sent that nothing should be done about fast track.

To this point, the administration kept telling us we should be pushing for fast-track trading authority because this President wants it, and also because it has been the tradition of this country since World War II to lead in this area. The administration sent signals, both through the legislation and the activity of the White House, that the president wants to continue to get this authority, to continue to lead.

But now I hear there are meetings going on at the White House with the business community where the administration is sending a signal that, no, now is not the time for fast track. Well, this is the first time in 50 years that now is not the time for the President of the United States, Republican or Democrat, to be a leader in breaking down barriers to free trade so that our farmers can export and be prosperous because of it.

Now, when we are in this environment, where the administration is sending this signal that they do not want fast-track trading authority, then it is time for us to reiterate Congress' stand, which has been the stand of this Congress since World War II, that we should be a leader in marketing opportunities for our farmers, for our businesses, and for our services in America.

It is a sad day to hear, particularly for those involved with us in the Senate who are leaders in international trade, that we are not getting the support from the White House that we need to pass fast track. It does not send a very good signal to the people we have been working with around the world for the last 50 years, looking to the United States for leadership, that the United States doesn't want to lead. We are saying to the rest of the world: You lead. We are saying to the rest of the world: We don't see that it is necessary for us to be at the table. We don't think it is necessary for the President of the United States to be at the table to protect our farmers, to be at the table to protect our business interests, to be at the table to protect our producers that want to export.

This is an intolerable situation. If we do not reverse this policy, the legacy of this administration is going to be that the United States has withdrawn from world leadership in trade barrier reduction. I don't think that is the legacy this President wants. I don't think that is a very good legacy for this country as we go into the 21st century.

What is so important? It is not just the economic opportunities we lose, but commerce breaks down barriers between people. Commerce promotes peace. Commerce is going to expand the world economic pie for a growing population so we have more for more people rather than less for more people, not only from the standpoint of the quality of their life but from the standpoint of their ability to just survive—just survive. When we have a growing economic pie, we are going to have more political stability in the world and we are going to promote the process of world peace.

That is what is at jeopardy when a President of the United States is sending a signal—or even his staff is sending a signal—to the business community of America: Forget fast track.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, my colleague from Kansas asked whether he might speak, and then I know the Chair wants to speak briefly. I will be pleased to defer to my colleague. I ask unanimous consent that I then be allowed to follow those two Senators.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Kansas.

Mr. ROBERTS. Mr. President, I especially thank my colleague from Minnesota. I know he will have some important things to say, too.

Mr. President, I rise today as a cosponsor of the Grassley amendment. While this vote is nonbinding, as the Senator has said, I believe it does give the Senate the opportunity to make a very important statement on our commitment to our farmers and ranchers. We have had a rather spirited and I think a rather good debate in these past few days in regard to the many challenges that face farm country. I think this amendment is very clear. It simply lays out the issues Congress must address before we finish this session. Time is certainly drawing near. The time for action is now.

None of these issues, as the distinguished Senator from Iowa has pointed out, is more important than fast-track trade negotiating authority. Senator GRASSLEY did actually consider offering the fast track as an amendment to this bill, but obviously, due to the need to complete this bill, he has decided not to offer the amendment. So we have a sense of the Senate, if you will, that this is our priority action. That does not mean we should not come back to the issue as of this session, and that is the plan.

Before the Senator leaves the floor, let me point out, I do not know anybody in this Senate who has been a more distinguished leader in behalf of agriculture than the Senator from Iowa. There is an expression in farm country that you need to sit on the wagon to be able to listen to farmers. CHUCK GRASSLEY is the personification of that. There isn't anybody who speaks more in concert with the corn producer of Iowa or the hog producer of Iowa or livestock producer or any other farmer in Iowa, and I think that is reflective of his position of leadership in the Senate and all throughout the country.

As a matter of fact, this sense-of-the-Senate resolution mirrors a letter sent to the President, to the Secretary of State, the Secretary of Agriculture, to the distinguished Democratic leader, to our leader. This is the letter I referred to in my remarks when we had the debate on the Daschle amendment. It was sent, as I have said, to the President, the Secretary of State, to our Special Trade Representative, the Secretary of Agriculture, everybody on the House Committee on Agriculture, the Senate Committee on Agriculture, Ways and Means.

The person who really paid attention to this was, in fact, the distinguished Senator from Iowa. He pretty much took what these farm organizations—and I might add, it is: the American Farm Bureau Federation, the American Soybean Association, the National Association of Wheat Growers, the National Barley Growers Association, the National Cattlemen's Beef Association, the National Corn Growers—obviously they would be here if Senator GRASSLEY did it—the National Cotton Council of America, the National Grain Sorghum Producers Association, National Grange, National Oilseed Processors Association, National Pork Producers Council, National Sunflower Association.

They had a meeting with Senator LOTT and 12 Senators, attended by Senator GRASSLEY. Not content with just saying, ''Here's the list of what we need to do,'' Senator GRASSLEY has come to the floor of the Senate and said, ''These are our marching orders. It's the sense of the Senate that we do these things.'' Consequently, he listened to agriculture. He followed the farm summit that the agriculture leaders of America had with Republican Senators, and this is bipartisan as well. So I certainly credit him in that regard.

I do have some concern about the President first saying, ''Yes, let's do this,'' and then, ''Perhaps, you know,

let's not.'' So, consequently, in that regard I am happy that both the distinguished majority leader of the Senate, Senator LOTT, and Speaker of the House NEWT GINGRICH, have indicated we will vote on fast track, and hopefully it can be combined with IMF funding, a Caribbean initiative, or the African trade bill. I cannot think of a more important message to say to our farmers or more important work that we should do prior to this session ending.

With that, I thank, again, the Senator from Minnesota, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I have suggested to the Democratic manager, on the other side, that this amendment ought to be accepted. But I understand that there are some Senators who have objections to certain provisions of the resolution.

My observation is that at the beginning of the debate on this bill there was a sense-of-the-Senate resolution, which we approved unanimously on a recorded vote, that talked about the plight of agriculture, the problems in production agriculture, the low prices in some commodities, disasters that occurred in some parts of the country. It is a very uneven situation in agriculture right now. But the serious problems are serious. There are serious problems that need the immediate attention, as that resolution said, of the Congress and the President. This resolution spells out what some of those specific things are that can be done by the Congress and the President to relieve problems in production agriculture and strengthen our agricultural economy.

So I applaud the Senator from Iowa for going further than the sense-of-the-Senate resolution in getting into the details of some specific ideas that he has for improving the plight of farmers and those involved in the agriculture sector. I intend to support the resolution. I recommend the Senate approve it. There will be some others who will have other ideas, and they are here on the floor to speak to them, but I suggest to Senators, if you do want to be heard on this resolution, you should come to the floor and express yourself on the resolution, because I expect we will vote on it—whether it is a voice vote or a record vote—and that could occur soon.

Several Senators addressed the Chair.

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

Mr. BUMPERS. I just want to echo the words of my chairman, Senator COCHRAN, and state, first of all, this is a sense-of-the-Senate resolution. So the world is not going to come to an end, no matter how strenuously somebody might object to a particular provision of the bill. I would have been willing—when I came on the floor, I discussed it with Senator COCHRAN—I would be willing to accept it and go to conference with it. It doesn't seem all that ominous to me. But there are some really strenuous objections on this side. So I suppose, as the chairman said, we are going to have to have a vote on it. I not only find nothing objectionable, I find a lot in it to commend.

I think it is an excellent, very thoughtfully crafted proposal, and I agree with every one of the items he has listed here. I understand, as I say, that there are strong feelings on the other side.

In conclusion, this is one of those things—I see my colleague from Arkansas seeking the floor, and I think I know which provision he dislikes intensely in it, and Senator BYRD, I think, has voiced objection to the fast-track provision. I wish we could adopt it on a voice vote. If we can't do that, why, then do something else. Maybe we can get Senator GRASSLEY on the floor and at least get a time agreement on this amendment. It is the kind of amendment that can just go on all day long and it is a sense-of-the-Senate resolution. We never will get the bill passed if we spend this much time on sense-of-the-Senate resolutions. We have a lot of work to do here. If we finish this bill today, we will be lucky, in my opinion.

In any event, Mr. President, I hope that people who want to speak on this bill will hurry to the floor and get said whatever they want to say, and we can get Senator GRASSLEY on the floor and maybe work out a time agreement so we have some definition of what the day in front of us is going to look like. I yield the floor.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The other distinguished Senator from Arkansas is recognized.

Mr. HUTCHINSON. I thank the Chair. Mr. President, before I raise my concerns about this sense-of-the-Senate resolution, I pay my respects and my thanks to the Senator from Iowa for his leadership and his advocacy for agriculture, as well as the Senator from Kansas, who is presiding at this time, for his many years of service to agriculture and service to our country as a proponent and advocate for the agriculture community. I think that the intent of the sense-of-the-Senate resolution is admirable. It has many very laudable provisions. Certainly, I am a proponent of fast track. We need to give the President fast-track authority. I regret that President Clinton has expressed his unwillingness to pursue that aggressively in the House of Representatives, and I applaud the Speaker of the House for scheduling a vote in September on fast-track authority.

I believe the votes are there to pass fast-track authority in the Senate, and I hope we have the opportunity to do that. I hope we have more than sense of the Senate. I hope we will, in fact, have the opportunity to give the President that negotiating authority, which I believe will be an important step in opening markets for the agriculture community. I am glad that we have a sense of the Senate that has that provision in it.

I also applaud the provisions regarding sanctions reform. I believe very strongly that we misuse the sanctions tool. Sanctions is not a policy; sanctions is a tool, and it is a tool that we should not abandon. We have only three great tools: one is military, one is economic, and one is diplomatic. We need all three of them, and it would be a mistake for us to make a wholesale abandonment of the use of sanctions in dealing with other nations. It would make the use of military force a greater likelihood, and that would be a mistake.

There is no doubt we need to reform sanctions laws in this country, and I am glad to be serving on the leader's bipartisan task force to bring about comprehensive reform of the sanctions laws. It is important, and the leader has said by September 1, we should try to produce comprehensive reform of the sanctions in this country. I don't know that we will make the September 1 deadline, but it is a mistake for us to prematurely begin to make those kinds of reforms incrementally. I think we should wait for a comprehensive approach to sanctions reform, but I am glad to support the sense of the Senate that advocates that we reform the sanctions.

My concern about this resolution, nonbinding though it is, is that there is a provision included that would put us on record in support of extending most-favored-nation status to China. Next week, the House of Representatives will begin what I think will be a heated and intense debate on whether we should, once again, provide most-favored-nation trading status to the People's Republic of China. For the U.S. Senate, 1 week before the House begins its debate, to have, in a sense of the Senate, one little provision that says, ''Yes, we should extend MFN and, in fact, extend MFN permanently to China,'' would be a great mistake. I regret that the authors of the sense-of-the-Senate resolution saw fit to include that one provision which I think, more than any other provision in this resolution, becomes controversial.

This week there was a headline in the Washington Post that said this: ''Chinese Resume Arrests.''

Mr. President, perhaps nothing is more prophetic or revealing about the lack of impact the President's recent trip will have on the future of democracy in China than this week's headlines announcing a multitude of new arrests of political dissidents in China.

Less than 1 week after the President of the United States ended his tour of China, Chinese police arrested 10 pro-democracy advocates in China. I will read the first paragraph in that Post article, dated July 12, Beijing:

Police detained 10 democracy advocates just one week after President Clinton ended a tour of China, during which he emphasized the benefits of freedom and the rule of law, and praised Chinese President Jiang Zemin as a man who could transform this nation into a modern democracy.

The detainees included two cofounders of the opposition China Democratic Party, who tried to register it on June 25, the day Clinton began his nine-day visit.

These people were arrested for one reason: They dared to start an opposition party to the Communist Party in China. For daring to say we will be an opposition voice, for daring to say we will dissent from the ruling political party in China, they were arrested.

I asked an advocate of MFN today, a Member of the House of Representatives who is a proponent of MFN, ''Sir, what would it take for you to vote against normal trading status with China? What would they have to do? What abuse would they have to perpetrate in order for you to cast a vote against MFN?''

There was a thoughtful response, and I think a cause for pause. I ask all those who say we need to adopt a sense-of-the-Senate resolution today advocating MFN for China to ask themselves the question: What would it take? Is it forced abortion? Apparently not. So a nation that continues to practice taking women who are 7, 8 and 9 months pregnant against their will forcibly to a labor camp, putting them in a cell and forcing them against their will to have an abortion, if that is not enough to deny normal trading status or MFN, what does it take?

China today continues to persecute religious minorities, whether they are Hindus, whether they are Buddhists or whether they are Evangelical Christians, they continue to incarcerate them, they continue to require registration, they continue to monitor the messages.

If religious persecution is not enough to deny MFN for China, what does it take? What would they have to do? China continues to proliferate weapons of mass destruction. In committee testimony this week, officials of this Government admitted they cannot guarantee that China is not today continuing to proliferate. So if the proliferation of missiles and weapons technology is not enough to deny MFN, what does it take? What would it require that we say no to giving them normal trading status?

For us to go on record in light of the ongoing abuses—what a thumb in the eye to the U.S. Senate and to the United States of America and to the President of this country, within 1 week of our President's visit, to round up those who dare to say, ''We would like to be an opposition political party,'' and who dare to call their political party the Democracy Party. They rounded them up and put them in jail. How ironic that the President would refer to, and I quote the President's words in his speech in China, what he called ''a steady breeze of freedom blowing through China.''

That gentle breeze has become a brittle wind chilling any hope for true freedom—freedom of speech, freedom of political expression, freedom of religion in this Communist nation.

So while there were dazzling pictures and eloquent rhetoric about human rights, the President's tour of China was full of missed opportunities and mistakes that are sure to have a much more detrimental impact on human rights in China in the long run than the benefit of any short-term afterglow.

I will not today itemize what I think were the missed opportunities during the President's trip to China. But there is one—there is one—certainty, that on the heels of that trip, the Chinese Government once again cracked down on those who would make the mildest of political dissent and seek to register as a new political party.

Any pretense that the government, the regime, that dominates China today is moving toward reform and democracy should have been dispelled by what they did this week. And for the U.S. Senate to say, we are going on record in favor of most-favored-nation status, in view of what they did, I think would be a great mistake.

I would welcome the opportunity for the sponsors of this amendment to simply take the MFN provision out of this sense of the Senate; and I would wholeheartedly support it. But I think it is a mistake for us to go on that kind of record in view of what China has done in the wake of the President's recent trip in which he spoke so eloquently for freedom and for democracy.

I add, to my colleagues in the Senate, that it was this week that the Communist government in China rebuked the U.S. Senate for our audacity in passing a resolution reaffirming our traditional support for Taiwan.

I believe the President made mistakes in his trip to China, and I could enumerate them. But the greatest mistake was this: pinning our hopes for democratic reform in China to this regime. And the laudatory comments made about Jiang Zemin and the expression of the belief that he would be the leader to move in a transition from the current totalitarianism and repression to democracy and freedom, that hope was surely dashed in the actions of the Chinese Government this week.

I ask my colleagues to think again. I ask my distinguished colleague from Iowa, whom I admire and respect so much, to rethink the inclusion of a pro-MFN statement in this sense-of-the-Senate resolution.

I thank the Chair and yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, my colleagues—I have been waiting for awhile—have asked me whether they could have a minute—a minute, I say to my colleague from Arkansas—to speak. But I understand their passion and know how strongly they feel about these issues.

My very good friend from New Mexico has also asked for some time, and I would be pleased to defer to him. I ask unanimous consent that I follow the Senator from New Mexico, and that then I will be free to speak and take more than a minute.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. DOMENICI. I thank my good friend.

The ACTING PRESIDENT pro tempore. The distinguished Senator from New Mexico is recognized.

CBO MIDYEAR REVIEW

Mr. DOMENICI. Mr. President, yesterday the Congressional Budget Office released its annual midyear review. I believe every Senator should acquaint himself with it. This CBO analysis speaks volumes about the success that the Republican-led Congress has had in putting the Federal Government's fiscal house in order—because policies aimed at reducing Federal spending, stimulating economic growth, coupled with the passage of the Balanced Budget Act last year have produced remarkable results.

The Congressional Budget Office, which is our official scorekeeper and economic analysis group, now projects that there will be a Federal budget surplus of $1.6 trillion over the next 10 years. Let me repeat, the Congressional Budget Office now projects a Federal budget surplus of $1.6 trillion over the next 10 years. This is up significantly from the $650 billion, 10-year number they gave us in January.

The Budget Office forecasts surpluses of $63 billion for this year; but they tell us that surplus will grow, rising to $80 billion in 1999; $251 billion in 2008. The Congressional Budget Office estimates that the total accumulated surplus—I repeat —during the next 10 years will be a whopping $1.6 trillion.

More importantly, the Budget Office projects that in the second 5 years, from 2003 to 2008, we will produce a $168 billion operating budget surplus. That means a surplus, excluding the money borrowed from Social Security.

For those who said they wonder when the day will ever come when we will have a balanced budget, having returned to the Social Security trust fund whatever was used in the general funding of this Nation, the Congressional Budget Office says that day will arrive in the year 2003. And it will produce a very genuine and solid $40 billion a year, more or less, in a genuine surplus on budget, taking into consideration the Social Security trust fund in its entirety.

In other words, under the leadership of this Congress, we have moved from Federal budgets that produced deficits for as far as the eye can see to budgets that project surpluses for as far as the eye can see. I believe we must now

move to protect this surplus from those who would use it to expand Government. Rather, our first priority must be to protect and preserve the fiscal integrity of Social Security for the future.

We are committed to that goal. But we are also committed to providing needed tax relief to our hard-working families. We now know that we will have an operating surplus, roughly $40 billion a year, beginning in the year 2005. Therefore, I believe we must see to it that this surplus is available for tax cuts for the American people and that we not spend this money to grow Government. Let us spend this money to grow the paychecks of Americans.

Mr. President, there will be a lot of talk about this Congressional Budget Office's re-estimating of our national fiscal policy. I commend it to those who are concerned, legitimately concerned, about where we ought to go in the future based upon our successes.

I also would like Senators to know that the Congressional Budget Office did not assume a robust, strong, growing economy for the entire next 10 years. They have taken into consideration the potential, although we hope it will not occur, of a downturn in the economy, and we still have these kinds of surpluses—indicating that the economy is vibrant, productive, that the increases in productivity are far greater than we have estimated in the past, tax revenues are growing faster than we estimated in the past.

Clearly, an opportunity now is before us to make sure Social Security is taken care of and also to look carefully and surely right in the eye of, Should we give tax cuts to the American people? I think the answer is going to be a resounding yes.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. WELLSTONE. I ask unanimous consent that I be able to speak briefly as if in morning business, and then go right to this amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WELLSTONE. Thank you, Mr. President, and I thank my colleagues for their courtesy. I will definitely speak to the amendment in a moment.

AUTOWORKERS OF FLINT, MICHIGAN

Mr. WELLSTONE. Mr. President, for more than 5 weeks, the Nation's largest industrial corporation has been locked in a labor dispute with workers in two of its Flint, MI, plants. I do not believe that we have had any discussion on the floor of the Senate about this. I want to speak about it. The company and the workers are fighting over local issues—health and safety, speeding up the production lines, and sending work to outside suppliers—but these local disputes also highlight a broader national concern that affects millions of working Americans: how U.S. corporations invest, how they compete, and where they invest.

GM's hard-line stance and labor-war tactics endanger the livelihoods of tens of thousands of workers in the automotive industry and in the industries that rely on auto production for their business. Ironically, these hardball tactics also undermine the very competitiveness that GM says it wants. Competitive firms need good labor relations; and good labor relations begin with a handshake, not a 2 by 4.

Monday's Washington Post reported that high-level negotiations to end the strike broke down Sunday ''amid signs the auto maker now may be willing to risk an all-out labor war.'' The company has asked an arbitrator to rule on the legality of the strike. The union has said fine. But GM's vice president in charge of labor relations broke off negotiations, refusing to even participate further in talks to reach an overall solution to the strike. The Post further reported, ''A GM source said some top company officials are pushing for a form of drastic action to 'send a clear message to the UAW' * * * Options reportedly under consideration, the source said, range from a legal action challenging the walkout * * *; cutting off health-care benefits to all UAW members idled by the strike; or shutting down the two strike-bound parts plants in Flint, Mich., and contracting out the work. Such a move,'' the Post explained, ''would amount to an all-out war.''

GM has taken the first step, filing a lawsuit against the union. GM would apparently rather sue than negotiate. They would rather fight than talk. The Post has reported that, ''Company sources said the lawsuit is probably the first step in an escalating war between the company and the union.''

This is no way for the Nation's largest industrial organization to treat its workers and their representatives. The duly recognized representatives of GM workers, the United Auto Workers, had sought to negotiate a global settlement. GM senior representative should come back to the table.

Yes, GM has every right to seek to improve productivity and profits. But as yesterday's New York Times reported, ''G.M.'s biggest productivity problem lies in its auto parts factories, which were * * * starved of investment during the 1980's * * * and have antiquated machinery as a result.''

GM entered into agreements with the United Auto Workers to invest more in its American operations but has fallen short of making new demands on workers before it would comply with what it had already promised.

What is really at stake here are American jobs—good jobs, with good benefits. The workers at GM's Flint parts plants are fighting to preserve those American jobs. Over the next 2 years, in this act alone GM threatens to transfer about 11,000 of these jobs to subcontractors or out of the country altogether. GM's workers are justifiably concerned with what the New York Times calls ''G.M.'s steady push to build factories overseas while slowing investment in its low-profit American operations.''

GM should stop fighting its workers and get back to investing in the creation of those good jobs which bring good benefits right here in the United States. Strikes are hard on everyone—on the company, on the economy, and hardest of all on the men and women on the picket line. The best way for GM, or any corporation, to avoid picket lines is to address the underlying problems that lead to strikes, not to challenge the right of workers to strike.

The free world looked upon strikes in the 1930s with hope, because, as Franklin Roosevelt said in 1939, ''Only in free lands have free labor unions survived.'' As long as there have been unions, we have known that the right to strike and liberty go hand in hand.

That is why, in 1860, Abraham Lincoln told striking New Haven shoe factory workers, ''Thank God we have a system of labor where there can be a strike.''

I have confidence in the auto workers of Flint, MI. Although I stand here today on the floor of the U.S. Senate, in my heart I stand with the auto workers of Flint, MI. They know the history of work, the auto workers of Flint, MI.

It was the auto workers of Flint, MI, who, on December 30, 1936, called another strike against the same company, General Motors. The goal of that strike was simple, too. All the strikers wanted was for GM to recognize the union. For over 6 weeks, the auto workers of Flint, MI, stopped production in the famous Sit-Down Strike of 1937. They slept on unfinished car seats and ate what food their families could slip through the factory windows. The auto workers of Flint, MI, faced tear gas, heat shutoffs, and company security guards. Led by their new 29-year-old president of Local 174, a man named Walter Reuther, and the great union leader, John L. Lewis, the auto workers of Flint, MI, prevailed.

Because the auto workers of Flint, MI, were willing to strike, the auto industry was forever challenged. Because the auto workers of Flint, MI, were willing to strike, over the years the automotive industry became a source of good jobs with good benefits and the Nation prospered. GM was the most successful auto maker in the world when it paid the highest wages, not the lowest. Americans want to be the beneficiaries of a more competitive firm, not their victims. And that is exactly why the auto workers of Flint, MI, walk the picket lines today.

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

The Senate continued with consideration of the bill.

AMENDMENT NO. 3172

Mr. WELLSTONE. Mr. President, I wanted to briefly speak to this amendment, as well, and I thank my colleagues for their indulgence. I don't know ultimately how we will dispense with this. I understand there has been some change in the language from the original amendment that was brought to the floor.

By the way, I would like to associate myself with the remarks of the Senator from Arkansas, Senator HUTCHINSON.

In addition, I would like to say to my colleague, Senator GRASSLEY from Iowa, a colleague for whom I have a tremendous amount of respect, that there are some provisions in this amendment I just don't quite understand. The idea of most farmers right now being able to put money in IRAs just doesn't make a lot of sense. If I go to northwest Minnesota this weekend and I say, ''We have a sense-of-the-Senate resolution that talks about your being able to put all the extra money you are making into IRAs, tax free,'' they are going to look at me like I have been living on the Moon. What good does it do for farmers who are going under to have a provision talking about IRAs—that you can take all the extra money you have and put it into savings?

For the last several days we have been talking about a farm crisis. We have been talking about 20 percent of the farmers in Northwestern Minnesota in economic trouble. We have been talking about people not being able to cash-flow. Why are we talking about IRAs, tax-free savings, for people who not only can't save but can't cash-flow on the record low prices they are getting?

Second, we can talk about trade and fast track and all the rest. Our farmers can compete with anybody, anywhere, anytime, if we have fair trade. But in all due respect—and my colleague from North Dakota talked about this the other day—if I was to take a look at the United States-Canadian Free Trade Agreement, which was the precursor to NAFTA, which then superseded that agreement, and asked the wheat farmers in northwest Minnesota, ''How are you doing on the basis of that trade agreement?'' they would say, ''What are you all talking about? You cut an agreement that did great for intellectual property rights, that did well for all the big grain companies, but left us completely out in the cold. Why in the world would you want to extend or expand that trade agreement that never gave us a fair shake or level playing field in the first place?''

Maybe the wording of this amendment has changed, and maybe everybody can agree, but I only saw the original version; I was down here on the floor listening to my colleague from Iowa. I have to say, maybe we hear what we want to hear. Maybe we talk to different kinds of farmers. Maybe there is something else that explains this. But I have been to a fair number of farm gatherings, now called ''farm crisis meetings.'' When you walk into a school in northwest Minnesota, there is a sign outside ''Farm Crisis Meeting.''

When people start talking about what is happening to them, there are two things that I hear: No. 1, we need some direct assistance; this is a disaster. In northwest Minnesota, that means scab disease, wet weather, and low prices.

My colleague, Senator CONRAD, I think, will have an amendment on the floor talking about indemnity payments. People are saying, ''In the here and now, please get that payment to us.'' It is like in Ada, Minnesota, I say to my colleague from North Dakota. We got hit with the flooding. It destroyed the high school. FEMA, the Federal Emergency Management Assistance, came in with direct grant money that enabled the communities to rebuild their school. That is what we are talking about—some direct assistance to family farmers so that they can rebuild their lives, so they at least have a chance to go on and don't go under.

The other thing that I hear farmers talking about over and over and over again is price. In all due respect, this Freedom to Farm legislation which my colleague, Senator GRASSLEY from Iowa, talks about, and I have heard other colleagues talk about staying the course, is a disaster. When prices were up, yes, people were for it—some were—when there were the transition payments. But we cut out the safety net; we took away from farmers their ability to have any leverage and get a fair price in the marketplace. Farmers can't cash-flow on less than $2 a bushel of corn and $2.58 a bushel of wheat. It is that simple. I think I am pretty good at arithmetic. If on every bushel of corn and every bushel of wheat you continue to lose a lot of money because it costs you far more to produce it than the price you get, then just producing more bushels of corn and more bushels of wheat will put you further into debt.

The way it works, colleagues, vis-a-vis trade, is we should go with the trade, go with the exports. But if you don't get the loan rate up, the family farmers have no leverage with the grain companies, and the grain companies make the money on the trade; it is not the family farmers. The loan rate is what is key to the price. We are talking about price. It is like when I was teaching in Northfield, MN, at Carleton College, I remember one evening bringing in a bunch of farmers from the community so they could teach the class. Many of the students, even though Rice County, where they lived, was very much an agricultural county, hadn't had a chance to learn that much about agriculture. I remember one farmer coming in and he came up to the blackboard and he wrote down ''price,'' and then underneath it ''price,'' and then underneath it ''price.''

I just want to say one more time, since we had this discussion on the floor here today, that if we don't do something about the loan rate and get it up to give the farmers a price, they can't cash-flow. The exports will be great for the grain companies, but the farmers aren't going to get the fair price. Do you think that farmers, when they are dealing with the big grain companies, are dealing with Adam Smith's invisible hand, some small businesses? They are dealing with a few large companies that dominate. They are facing an oligopoly. They need to have some leverage in the marketplace, so we need to get the loan rate up.

So, with all due respect, I am in profound disagreement about staying the course on Freedom to Farm. It has become freedom to fail. It is great for the grain companies and terrible for family farmers. If you don't get the price up, all the speeches and rhetoric in the world will not help, and the surest, quickest, most efficient, fairest way to get the price is to at least take the cap off of the loan rate.

We lost that amendment yesterday. We are going to come back to it because, in the fall, this situation could be even worse. In the short run, to lead up to my colleague from North Dakota speaking, who is about to lay down an amendment, I fully support this effort by my colleague from North Dakota, which at least will get some indemnity payments out there and give farmers some assistance so our families can stay on the land and they can have a chance at least to dream about a better tomorrow.

I yield the floor.

Mr. GORTON. Mr. President, I must comment on Senator GRASSLEY's sense-of-the-Senate. While I unequivocally support many of the provisions within the amendment, I must voice my concern over the provision regarding extending most-favored-nation trading status to China.

For more than 20 years, the Pacific Northwest has been unable to break China's ban on our wheat. In addition, China has consistently barred imports of our apples and other high quality commodities. With these obvious barriers to American agriculture, I question the wisdom of extending MFN to China when it refuses to open its agricultural markets to our produce.

I have serious reservations regarding extending MFN status for China, but because of the dire situation facing the family farm in America, I will support Senator GRASSLEY's sense-of-the-Senate.

Mr. KYL. Mr. President, the Grassley amendment that is before us today expresses the sense of the Senate about a

wide array of issues, about nine different issues in all. I agree with some of the ideas expressed in the amendment, but I have serious reservations about others.

Mr. President, among the ideas I favor are the provisions of the amendment that express support for additional capital-gains and death-tax relief.

Although it is unclear from the language of the amendment what form that relief should take, I hope Senator GRASSLEY would agree with me that a good approach on capital gains would be something like the 70-percent exclusion that would be allowed by S. 73, the Capital Gains Reform Act, which I introduced last year. That is the same exclusion proposed by President John Kennedy some 35 years ago.

Preferably, death-tax relief would mean outright elimination of the death tax, as proposed in S. 75, the Family Heritage Preservation Act. That bill, which I introduced last year, is cosponsored by 30 other Senators.

Fast-track trade authority is something that I have voted for in the past, and I will vote for it again. Hopefully, we will have the chance to do that before the year is out.

And I have long supported legislation that would provide full deductibility for health insurance for the self-employed. There is no good reason why people who are self-employed are singled out for disparate treatment when full deductibility is allowed for all other employees. We ought to provide 100 percent deductibility, and do it now, not several years from now.

Unfortunately, there is more to the amendment than capital-gains and death-tax relief, health insurance, and fast track. There are other issues, too, and some of them are quite controversial. For example, the amendment expresses the support of the Senate for full funding for the International Monetary Fund (IMF). But what does full funding mean? Is it $3.5 billion or $18 billion—or will it be more, now that the IMF and Russia are talking about another bailout? Will the funding be conditioned on meaningful reform of the way the IMF does business?

We do not know the answers to these questions from the language of the amendment. It is not designed to answer them, because it is merely a sense of the Senate amendment. But without knowing the answers, I believe it would be imprudent to go on record in support of ''full funding for the IMF.''

In fact, many of us have serious reservations about providing more money for the IMF, particularly it if is not accompanied by meaningful reform of the way the international agency does business. Many of us question the fundamental wisdom of having taxpayers bail out bad business practices and bad investment decisions abroad. Therefore, I would have to object to the IMF-related provisions we are considering here.

There is also language in this amendment on economic sanctions. We addressed that issue yesterday when we considered the Lugar, Dodd, and Torricelli amendments, so I am not sure why we are considering it again, particularly since the amendment does not specify what kind of sanctions reform is in order.

Most Favored Nation status for China is another controversial issue, and I believe we need to focus on it separately, more deliberately. There are far too many issues at stake this year to be considering MFN status along with myriad others in this sense of the Senate amendment.

Mr. President, as I said at the outset, this is only a sense of the Senate amendment. It has no force of law, no effect, regardless of whether it passes.

But I think it does cloud the record when issues like the IMF, economic sanctions, and MFN status for China are coupled with things like capital-gains and estate-tax reform, fast track, and health insurance. I would not want support for the latter set of issues to be construed as support for the former set.

Since we will still need to act on separate legislation to accomplish the things raised by the Senator from Iowa in his amendment, and since there are some key elements of the amendment to which I object, I am going to vote against the amendment. It accomplishes nothing, and it adds confusion by suggesting that members either oppose or support everything in it. My ''no'' vote should be construed as a vote against this irrelevant and confusing procedure.

Mr. BYRD. Mr. President, although I have great respect for the Senator from Iowa, Mr. GRASSLEY, and I recognize that he is one of the Senate's foremost experts on matters that affect the Nation's farmers, I nevertheless strongly oppose the pending amendment. The amendment merely expresses the ''Sense of the Senate,'' and in so doing would not, if adopted, result in any legislative action in any of the areas addressed by the amendment. Nevertheless, in my years of service in this body, I cannot recall having seen an amendment that attempted to address so many diverse issues at one time. It amounts to a virtual smorgasbord, a Dagwood sandwich, a grab bag, a hodgepodge designed to enable one to issue a zillion press releases rolled into one. It is intended to be all things to all people. It is analogous to wearing a pinstripe suit, a plaid tie, paisley trousers, and a polka-dotted shirt at the same time.

The amendment raises ten very important matters and expresses the Sense of the Senate that each of these ten matters should be enacted or undertaken by the President and Congress in short order. I will not take the time of the Senate to address in detail each of the areas contained in the amendment. But, for the interest of the viewers who may be following this debate, it urges the President and Congress to pass fast track trading authority—which authority, in my view, would grossly undermine the constitutional prerogatives of the Legislative Branch to oversee trade agreements; it states that Congress should pass and the President sign S. 2178, the Farm and Ranch Risk Management Act; it calls for full funding of the International Monetary Fund—some $18 billion—over which there is substantial controversy at this time as to how much funding should be given to IMF and what reforms should be undertaken by that organization in order to be able to access any appropriations that may be provided to them; it states that Congress should pass and the President should sign sanctions reform legislation so that the agricultural economy is not harmed by sanctioned foreign trade; it urges Congress to uphold the Presidential waiver of the Jackson-Vanik amendment to the 1974 Trade Act relating to normalizing trade relation status to China; it calls on the House and Senate to pursue a package of capital gains and estate tax reforms; it calls on the President to pursue stronger oversight on all international trade agreements affecting agriculture; it then shifts to the question of providing full deductibility of health care insurance for self-employed individuals—urging the President to sign such legislation; it then calls on Congress and the Administration to pursue efforts to reduce regulations on farmers—never mind what regulations, it just says to reduce regulations on farmers; and finally the tenth matter in the amendment calls on the President to use administrative tools available to him to use Commodity Credit Corporation and unused Export Enhancement funds for humanitarian assistance.

Mr. President, this is an amendment which is ill-conceived and should not be attached to this Agriculture Appropriation Bill. It is a very far-reaching resolution, basically outlining an ambitious agenda for the Senate on a number of very contentious issues. I do not want to prematurely endorse action on all the items on this list, particularly before I have had a chance to study the actual language on which he proposes we act. I remind my colleagues of the old adage, ''Act in haste, repent at leisure.'' Each of these matters in the amendment is very important and deserves extensive consideration and debate by the Senate. We should not attempt to address them in this manner at this time.

I urge Senators to oppose this amendment.

Mr. DORGAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. DORGAN. Mr. President, let me briefly rise in opposition to the sense-of-the-Senate amendment that has been offered. While I think there is much in that amendment to commend—and I support some parts of it—the first provision in that amendment is to suggest that Congress should bring up and pass fast-track trade authority. I could not disagree more with

that recommendation. I cannot support a sense-of-the-Senate resolution that includes it.

I want to just demonstrate for my colleagues with some numbers where we have been with fast-track trade authority. I know some people don't want to talk about the details; they want to talk about the theory. The theory is that if you have expanded trade around the world, that is good for everybody. I am all for expanded trade. Put me down as a ''yes'' checkmark on the line for expanded trade. Yes, this country ought to be a leader in expanding trade. But this country also ought to be a leader in saying that we demand and insist on fair trade agreements with our trading partners. And when we have trading partners that don't treat us fairly, this country ought to say, stop, wait, we won't allow that to continue to happen. We ought to say to the Chinese, Japanese, Canadians, Europeans and, yes, others that I could mention but have not, when we have a relationship with you, it must be different than the relationship we used to have just after the Second World War.

Just after the Second World War, almost all of our trade relationships were foreign policy issues. How do you treat this country? Well, this country is weak and rebuilding, so let's give them concessions here and concessions there, and we will open our market up to their products, and they can close their market to ours, because we are bigger and better and stronger and tougher and we can beat anybody with one hand tied behind our back, and that is fine. For a quarter of a century after World War II, that is the way we thought and behaved, and it didn't matter because we succeeded anyway. Income in this country had increased, economic growth was substantial, and we were just fine.

The second 25 years, post-Second World War, have been different. Our trading partners are now stronger, better, shrewder. We still have the softheaded notion that our trade policy ought to be foreign policy. We say to the Chinese, you can ratchet up in one decade a $50 billion or $60 billion trade surplus with the United States, or put the United States in a trade deficit position with China, and it is OK. Let the United States be your cash cow for your hard currency needs. That is OK. We are willing to do that. With Japanese trade, as far as the eye can see, there are $40 billion, $50 billion and $60 billion deficits every single year that we experience.

We are urged to pass fast track authority. Now, fast track—which is the reason I am objecting to this amendment—is a specific, unusual procedure that says, let's have the American trade negotiators go somewhere and negotiate a trade agreement. Almost always, it will be in a closed room, and almost always, behind a closed door. They negotiate the agreement and then bring it back. Here is the catch: Fast track means that when it is brought back to the floor of the House and the Senate, there are no amendments—no democracy here—just up or down. There are no suggestions for improvement, no objections, no amendments. You must vote up or down, yes or no, and that is fast-track authority.

Mr. President, let me just review a couple of the fast-track agreements we have had. Well, our folks went off and negotiated with Canada a fast-track trade agreement. At the time, we had about an $11 billion trade deficit with Canada. So our negotiators got involved and got behind those doors. I don't know whose ''jerseys'' they were wearing. I kind of wish we could buy them jerseys and they would say ''U.S.A.,'' indicating that they represent the good old U.S.A., that they are on our team, that they are negotiating for us. I kind of wish we could put jerseys on them and send them into the room. I expect that the people wear white shirts, and they have all the theories in mind, and they talk back and forth about trade theory.

In any event, when they did it with Canada, here is what happened. We had an $11 billion trade deficit with Canada. They went in and talked about their theories and did their little deal behind closed doors, and they brought it back to the Congress and said, OK, there's no chance for amendments. So the Congress passed it—not with my vote; I voted against it—Congress passed it, and guess what? The trade deficit with Canada doubles. It doubles. And the people that negotiated the agreement say, gee, didn't we do a good job? This is really working well. Well, what school did they go to? They do a trade agreement and our deficit doubles, and they think we are making progress? I don't know of any schools that teach that.

So they say, well, that is not enough. Now let's do a deal that includes Canada and Mexico and call it NAFTA, and we will do it under fast track. So we get them all at the table, close the room, bring more chairs to the table and negotiate some more. Still no jerseys, I expect. But they negotiate and negotiate, and they come back. Now, we had a $2 billion trade surplus with Mexico as we started negotiating.

They come back with a trade agreement, and they say to Congress, ''Gee, you've really done a good job this time.'' And Congress votes on no amendments with no opportunity to change it. I didn't vote for it. But Congress supports it, because fast-track trade authority prevents anybody from making any adjustments or changes. And the Congress then passes NAFTA, the North American Free Trade Agreement. At the time, we had a $2 billion trade surplus with Mexico. Guess what happened. The $2 billion trade surplus evaporates, and the $2 billion trade surplus we had with Mexico now becomes a $14 billion to $15 billion trade deficit—$14 billion to $15 billion deficit—and the same people who told us we ought to do it say, ''Gee, this is working really well.'' Apparently they went to the same school and took the same classes.

Let me give you some numbers with respect to Mexico, just as an example. This is how they describe these trade agreements. They say, ''From 1993 to 1996, do you know that we increased our exports from the United States to Mexico by $14 billion?'' Why, give them a blue ribbon at the county fair—$14 billion increase in exports from the United States to Mexico. They don't read what is on the other page, do they? The other page says, ''Oh, yes, we did increase our exports to Mexico some''—$14 billion. But imports from Mexico into the United States increased nearly double, from $39 billion to $73 billion—$34 billion increase in imports from Mexico. In fact, we now import more automobiles from Mexico into the United States than the United States exports to all the rest of the world.

We were told with NAFTA, by the way, ''If you pass NAFTA, guess what will happen. The products of low-skilled labor will come into the United States. That is what will happen with Mexico.''

What are the three largest imports from Mexico? The products of high-skill labor: Automobiles, automobile parts, and electronics.

But my point is simple. With Canada, with Mexico, the two most recent examples, they are saying: Take fast track, let us negotiate it, and we will essentially shove it down your throat with no opportunity for amendment, and things will work out just fine. If history is any guide, we ought to understand things don't work out fine. The NAFTA agreement was not a good agreement for this country. It is not working. It has increased this country's trade deficit. The agreement with Canada has not worked.

My colleague from Minnesota and I know other people get tired of me saying this and referencing the Canada agreement. And I am going to say it again. The Senator from Iowa acknowledges that he either heard it before or is tired of perhaps hearing it. But there is virtually a flood of grain coming into this country from Canada. Mr. Clayton Yeutter, good enough fellow, was trade ambassador at the time. He went up to negotiate this. I was on the Ways and Means Committee in the U.S. House at the time. I have in writing from the trade ambassador a representation that the trade agreement between the United States and Canada would not result in the increase in quantity of grain being shipped across the border either way—in writing, a guarantee from the trade ambassador. That is what the two sides agreed to. It wasn't worth the paper it was written on.

The agreement was passed. The fact is, we had this flood of unfairly subsidized grain coming in. We tried to enforce our laws and get the information that we ought to get from the Canadian Wheat Board.

By the way, in the negotiations with Canada, we said, ''We will allow your state monopoly trading enterprise to ship into this country.'' It would be illegal in this country, by the way, to have a state monopoly trading enterprise like the Wheat Board. But we will allow that Canadian Wheat Board to ship into our country and unfairly compete with United States farmers and refuse to disclose information about the shipping costs and the cost of acquisition.

So we finally decided to push really hard on this, and file complaints, and so on. Then we discovered a secret deal had been made with the Canadians by the trade ambassadors, and which had not been disclosed to any of us, which said in terms of antidumping, and so on, in the United States that we agree that certain payments under the GRIP payment system by the Canadian Wheat Board to Canadian farmers will not be included as acquisition costs for their grain, which means you would never be able to prove antidumping because, by definition, they excluded part of the cost of acquisition of the grain. It just essentially sold out American farmers.

I will never go for fast track—never—under these circumstances. It is not in this country's interests.

Is it in this country's interest to increase the Federal trade deficit? If so, how? Someone explain that to me. Is it in this country's interest to do another trade agreement that increases the deficit? I don't think so. Yet, what trade agreement have we in recent years negotiated that has not resulted in a substantial increase in this country's trade debt or trade deficit? Name one. No one in this Chamber can name one trade agreement that has turned out in recent years. That is because, as I have said before, our trade policies in this country are soft-headed and weak-kneed. And, yes, that is strong language, but it describes exactly what is happening to trade.

We have negotiators that negotiate fundamentally incompetent agreements because they don't have the nerve and will, it seems to me, to stand up for this country's interests. I have even thought that maybe on an appropriations bill I would offer an amendment that says let's add at least four or five employees down at USTR, and we will name them ''Backbone,'' ''Nerve,'' and will add a couple other names, and see if we can't inject some kind of passion to stand up for this country's interests and to say that we care about America's farmers, that we care about America's jobs, and we are willing to compete with anybody in the world—anybody. But the competition must be fair with respect to farmers. It is not fair.

If a state monopoly pushes the flood of unfairly subsidized grain across our border, it drops the prices for American farmers. It is not fair. It is not fair that factory workers in this country are told: ''You compete against 14-year-olds that work 14 hours a day for 14 cents an hour somewhere on the other side of the globe.'' That is not fair competition. Yet, that is precisely what is negotiated in these trade agreements.

My only point is—I will simplify it because others want to speak. I was going to offer a second-degree amendment to strip out the first provision which would push for fast-track trade authority. But in deference to time—Senator COCHRAN and Senator BUMPERS are gallantly trying to run this bill through the Senate in a way that is thoughtful and favorable to everybody—in deference to that, I will not offer a second-degree amendment. I will just oppose the amendment that has been offered. I want to cooperate. I think other Members do as well.

I do just want to say that while there is some in this amendment to commend it—some provisions to commend it, the first provision that says let's start doing again that which has failed us so badly, let's begin anew to stimulate trade policy that has resulted in such substantial increases in our Federal trade deficits, let's try once again and see if we can't do more trade agreements that have resulted in such unfairness to American farmers, I say there is no sense in that at all.

Let me complete my statement by just showing a couple of charts. This is the trade deficit. If this isn't an avalanche of red ink, I don't know what is. Those who say this is a successful strategy, I say get me the names of the people who negotiated these trade agreements and let's make sure they do not negotiate again for this country.

Let me just provide the one that shows what is happening with China. Our trade deficit with China is $50 billion and getting worse yearly. We don't get enough wheat into China. They displaced us as a major wheat supplier to China, as you know. We don't get enough pork into China. They consume half the world's pork. Our trade agreement with China, or the agreement by which we trade with China, is fundamentally unfair with us. If we take your trousers, shoes, shorts, and shirts, you take our beef and wheat, and don't tell us when you need to buy our airplanes from us, that you will only buy our airplanes from the United States if they come and manufacture them in China.

That is not fair trade.

Let's stand up for this country's interest.

There are some who say, ''Well, when you talk like that, you are a protectionist.'' I am not a protectionist. I am for expanded trade. But I am darned sure for insisting that this country demand fair trade.

Let me just, with one final chart, describe graphically what I have talked about now for a few minutes.

In 1993, when we negotiated the trade agreements with Canada and Mexico, we had a $2 billion trade surplus with Mexico and an $11 billion trade deficit with Canada. Two years later, three years later, that trade deficit went from $11 billion to $23 billion with Canada, and it went from a surplus of $2 billion with Mexico to a nearly $16 billion deficit with Mexico.

If that is progress, you give them the names of people who call it progress, and I think they ought to be banned from further trade negotiations.

So I cannot support the amendment that is offered because it calls for fast-track trade authority and the renewal of that authority. And while I will not offer a second-degree amendment to strip that, I will simply vote against the amendment for the reasons I have stated.

Mr. President, I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Idaho.

Mr. CRAIG. Mr. President, for just a few moments I would like to agree with the Senator from North Dakota on a couple of points that he just made. But I would also like to disagree with him on a few other points.

He, like I, voted against the Canadian Free Trade Agreement, and we both voted against the North American Free Trade Agreement because we felt they were not properly negotiated. We felt both agreements had loopholes in them. The Senator from North Dakota has pointed out some of those loopholes.

What we disagree on is the sense-of-the-Senate resolution that is before us now which clearly outlines what a lot of farm and commodity groups in this country feel they need this Congress and this administration to do to improve the situation down on the farm. The Senator from North Dakota is right. The situation down on the farm is not very good right now. There are a lot of farmers losing money. But the Government should not dictate rules to farmers, and the Government should not be the total safety net. In a free enterprise system, such as ours, there should be an element of risk. In the 1996 FAIR Act, Congress have offered farmers flexibility along with that risk. Today, the Senate must decide how to shape that flexibility in a way to assure that farmers can make a safe transition to Freedom to Farm. This is where the Senator from North Dakota and I disagree.

Yesterday I talked to the Governor of North Dakota, the president of the North Dakota Farm Bureau, and representatives from the North Dakota Wheat Growers. I left that meeting with the impression that these folks from North Dakota don't agree with the Senator from North Dakota either. They told me North Dakotans don't want to see Freedom to Farm reversed. They don't want Congress to lurch back into the failed policies of the past. They don't want the Government to be the largest provider of income to American agriculture, to be the one that holds the hand of the farmer and

tells the farmer what to farm, how to farm, and when to farm. They agree that these choices ought to be made by the individual, as a free person in a free market.

Now, Government has a role. The Senator from North Dakota is right when he states that the Government has not been fulfilling that role well. However, that role is not to be a safety net. It is not to be a caretaker. The proper role of the Government is to be the force which opens the door at the border. Government is to be a facilitator.

I agree with the Senator from North Dakota on that point. Our negotiators ought to put jerseys when they go into trade talks. I want it to be Team America working for America and America's farmers. But I don't want a government check to be the sole source of income to America's farmers. Past administrations tried it and farmers became victims of an agricultural system design by Government. It did not work.

Now agriculture is in transition. Times are not easy. And all of us are trying to sort out what can be done to help agriculture through that transition. But a step back into the past is not the route to take. I believe what the resolution before us today is exactly what American agriculture is looking for.

What I want to know is why was this administration asleep at the switch for 12 long months while commodity prices slid and never used the tools Congress have given them to make a difference? Was it politics or was it simply ignorance of what was going on? Did they not know what they could do and what they should have been doing?

What we heard from the commodity groups is very simple: Keep Freedom to Farm. Give us the flexibility and trade, trade, trade. They don't want crops stored on the farm—not for 1 year, not for 2 years, not for 3. They do not need a huge surplus hanging over the market. Let's move the grain. Let's sell the product.

Yet, what has this administration done? They haven't used one tool to make a difference, and they don't know how to do it. That is what is frustrating to me.

Mr. DORGAN. Will the Senator yield for a question?

Mr. CRAIG. I can't yield. We have a time limitation. Let me close, and then the Senator from North Dakota can speak if he wishes, because there is a lot that we agree on but there is also a lot that we disagree on.

I do not want to look into the past. I want to look into the future. I want American agriculture to modernize and develop the flexibility that it ought to have. I want to help them when they need help. That is what we are on the floor discussing.

The Senator from North Dakota talks about trade deficit. Trade deficits have occurred, and I do not like it either. But I have also watched our ability to trade expand with every agreement that we have struck. We know that in American agriculture today, if you don't sell 40 percent of the crop you raise in a foreign market, you are in trouble financially. That is why they are in trouble financially today—because this Government, this administration, this USDA, didn't help them sell the product at a time when markets were collapsing and other governments were aggressively pursuing those markets.

So there are things we can do, but I hope this Senate will not step backwards into a dark age of government programs, farming controlled by Government, forcing farmers to live with a government check arriving in the mailbox as their only source of income. My farmers don't want that. Most farm groups don't want that.

That is what this resolution is about—to craft a sense of the Senate in the area of trade, in the area that deals with taxes, to offer farmers the flexibility so that they won't be injured like they where when a Democrat controlled Congress in 1986 rolled back the ability of farmers to use income averaging. Congress ought not make those same mistakes again. I don't think we will.

So let me conclude by saying this. There is a lot that the Senator from North Dakota and I agree on. We agree on the Government's inability to negotiate good trade agreements. Our trade negotiators need to be out there, working for agriculture.

I voted yesterday and I will vote today and probably again next week for programs to help American agriculture out during this transition, but they have to be compatible with Freedom to Farm. We can't go back to all kinds of on-farm programs that store the wheat and store it and store it and store it for another year. Let's sell it, move it through the market, so we can get on with the business of transition. That is what I think this resolution represents. I hope the Senate will support it.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I will take just a couple minutes, but I must respond to the Senator from Idaho. There is no time agreement here. I wish the Senator would have allowed me to ask a question and he had responded to it.

Mr. CRAIG. I would be happy to respond to a question.

Mr. DORGAN. I would like us to have a debate. In fact, the Senator from Idaho was winning a debate we weren't having a few minutes ago. So that is the easiest debate to win. We weren't having a debate a couple minutes ago about price supports. We were having a debate about this amendment. But we did have a discussion yesterday about price supports, and the Senator from Idaho described the Democratic Congress previously that did so and so, and the President, and USDA.

This is not about which party has forsaken farmers. This is about, after all, what can be done to help farmers survive in the future. I am all for this nation to say to farmers, ''Get your money from the marketplace.'' I would love for a farmer to load up a truck and drive that truck to the country elevator and raise that hoist and drop that grain and sell it and get a decent price for it. But I will you this: that farmer loses money on every load of grain and loses big money, not because of something they have done but because of a whole range of other reasons—because, first of all, we have bad trade agreements, we have unfair grain coming in undercutting their markets, we have trade sanctions that mean 10 percent of the international wheat market is outside of their ability to sell, when they market up into the neck of a bottle against grain trade firms that hold an iron fist around the neck of that bottle when they buy farm machinery and equipment—guess what. They pay for it. They pay through the nose because those prices are going up.

When they try to get their grain to a flour miller, four milling firms own over 60 percent of the milling capacity in this country. The same thing with wet corn milling. The same thing with meatpackers.

If the Senator from Idaho can tell me that a family farmer driving on that lonely road in an old truck, in most cases a 10- or 12- or 15-year-old truck, trying to get those few bushels of grain to market, hoping above hope that they will be able to get something for that grain that meets their cost of living and meets their cost of production—if the Senator from Idaho can tell me that the deck isn't stacked against those farmers, that we don't have virtual monopolies in every area they turn around, that they don't show up at a railroad track and find that there are not two or three railroads ready to serve them, there is one (and in my State they will double-charge because there is no competition)—if the Senator from Idaho can tell me that that farmer driving that truck is driving down the road towards free and open and fair competition, then I say that is just fine, then we ought to butt out.

But if the Senator can't say that—and I do not think he can say that in a million years—then somebody, somebody, had better say that family farmers matter and the future of this country will be benefited and enhanced if we decide that family farming has value and merit.

I said it yesterday, and I am going to say it again. There is something so fundamentally wrong with what is happening in this country with respect to agriculture. We have people starving on the other side of the world, people trying to eat leaves on trees because they don't have food, and we have people driving their trucks to the elevator, sweating all year and risking everything they have in life to plant a crop

and harvest it, and they are told when they get to the elevator that their grain doesn't have value, their crop doesn't have value. That is a situation we must find a way to correct and change.

So, while we agree on some things, the Senator from Idaho and I, one thing we don't agree on is suggesting, as he has suggested, that, ''Gee, it is the Democrats here, Democrats there.'' All of us, Republicans and Democrats, have a stake in whether there are family farmers in the future.

I wish very much that we never again have to have a farm program that provides support prices. But I will say this, when grain prices collapse and crops are ravaged by disease, if someone is not available to step in to say to family farmers, ''We are here to help; you matter,'' if someone isn't around to say, ''We are not going to pull the safety net out from under you because we want you in our future,'' then they are not going to survive and we will have corporate agrifactories farming America from the west coast to the east coast. And some might be fat and happy about that, thinking it is good for the country, but it won't be me, because we will have lost something very important in rural areas of our country.

I know the majority leader wishes to be recognized. I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, this is a sense-of-the-Senate resolution. I know the issue is very important. I know Senators had wanted to be heard on it. But we have now been in session for 1½ hours and we have been on a sense-of-the-Senate resolution. I wonder if the Senate is not prepared to vote here momentarily. I know Senator COCHRAN has been working on that. Senator HARKIN will use just a couple of minutes, and Senator DASCHLE—did the Senator want to comment on this?

Mr. DASCHLE. Mr. President, I agree with the majority leader. There is no reason why we can't bring this to closure. I think there is going to be a strong vote for it. We ought to just get on with it.

I will be prepared to go to a vote immediately. I know Senator HARKIN had a couple of minutes he wanted to speak. Then we can hold it open, if we have to accommodate a Senator. So we can get on with the vote.

Mr. LOTT. I would like to do that, because someone else will come in and say, ''Could you delay it a little longer?'' Or, ''Do it quicker?'' I would like to accomplish it quickly, but it is impossible to accommodate everybody.

I want to make this point. We have had some good debate on this. I know there are some important issues out there. But we need to get on with it and we need to complete this bill this afternoon. I would say to my colleagues, we are going to have to finish it today because we have other votes.

I hope everybody would recognize that this afternoon at some point we should just start, on both sides of the aisle, moving to table all amendments. If we had a vote right now on this bill, it would get over 90 votes. So I hope the Senate would cooperate. I know Senator DASCHLE and the managers on both sides are trying to do that. But I am a little nervous that the tempo is not there yet to get this completed so we could go on to other appropriations bills and so Senator DASCHLE and I can continue to work to try to get agreement on other important issues.

So please let's cooperate. Let's bring this to a conclusion by the middle of the afternoon. I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I agree with the majority leader. We have had a good debate. We have had some very important issues debated. We were on the Lugar amendment most of the day yesterday, for good reason. It was a very controversial issue that I think was important. We had a good opportunity to discuss it. We have had some good amendments on this side.

But there comes a time when we have to bring this matter to a close. I hope my Democratic colleagues can work with the leadership here in an effort to come to a finite list that is narrower than the one that currently exists, in an effort to accommodate our schedule. I am hopeful we can do that in the next couple of hours so we have a very definitive list of what needs to be done and we can finish this bill sometime tonight or this afternoon.

I yield the floor.

Mr. DORGAN. Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Iowa.

Mr. HARKIN. Mr. President, I have been listening, of course, to the last couple of days of debate. I sympathize with the majority leader and minority leader on the issue of moving ahead with the legislation. I think we should. There are some very important issues here on agriculture. We have a crisis looming for our farmers, ranchers, and our rural economies all over America.

Maybe it has not hit with full force and effect yet, as it has in North Dakota, and maybe a couple of other places, but we are on the cusp of it in Iowa. I had an Iowa farmer call me yesterday. The corn price in northwest Iowa is down to $1.89 a bushel, and it is dropping every day. It doesn't look like it is going to get any better. There is nothing out there, nothing out there that is going to do anything between now and harvesttime.

I was checking the figures a little bit, with what we had in the 1980s. We had corn priced in the 1980s—about 1985, it was down to $1.50 a bushel, and after that we had a whole wave of foreclosures and farm bankruptcies. Those of us who have been around remember that in the 1980s. The corn price in Iowa is getting down to that same level again, when you consider the increase in the cost of inputs and everything like that. So we are back where we were, right before the wave of foreclosures and bankruptcies in 1985, 1986, 1987, and 1988.

You would think we would learn from history not to repeat that, not to wait too long before we respond to this crisis. But that looks like what we are going to do here. We are just going to jaw it around and talk about it and not do anything.

I had a sense-of-the-Senate resolution a couple of days ago that basically said there is a crisis out there. There are problems out there. There is a sense of the Senate that the President and the Congress should immediately respond to this farm crisis out there. Mr. President, 99 Senators voted for it.

Yesterday, we really had a chance to do something about it by lifting the caps on the loan rates, at least for 1 year, and giving farmers more flexibility in being able to market their crops, and giving them 15 months rather than 9 months to pay it back in a marketing loan procedure—which would not leave grain hanging over the market. I heard that debate around here. Obviously, people don't understand marketing loans if they say that. So we had a good debate on that. And we lost, 56 to 43. Not one Member of the Republican side voted for it—not one. Not a single one. Yet the day before they said there was a crisis there and we have to do something about it.

Now we have another sense-of-the-Senate resolution by my colleague from Iowa. It has a lot of good language in there. There are a lot of good things we ought to do. Funding IMF, I am all for that; China; capital gains and estate tax reforms, I am all for that. That is good. Oh, yes, the Farm and Ranch Risk Management Act, which allows farmers to have IRAs. That is fine, too. But before you can have an IRA, you have to have some money. They don't have any money.

So, while my colleague's sense-of-the-Senate resolution sounds very nice, it doesn't do anything. So, once again, I guess the Senate is going to be the greatest deliberative body in the world. We will deliberate it but we won't do anything. So that is basically what we have here in this resolution.

I must say that I have one serious reservation about this amendment the Senator from Iowa offers. It says:

> Congress should pass and the President should sign S. 1269, which would reauthorize fast-track trading authority for the President; . . .

There may be a fast-track bill that I could support, but I cannot support that one. While I might vote for this amendment, I want to be clear on the

Record that I do not support S. 1269. I had an amendment to that bill that I thought had a good chance of being adopted if we ever got it on the floor. We never did. But I could never vote for S. 1269 as it is drafted.

Some of the other things in here are pretty good. I would say probably about 70 percent of this amendment is pretty good, and 30 percent is not too good. You have to weigh those around here.

We can all vote for it. It might make you feel good, but it doesn't do anything. This resolution doesn't do a thing to get the price up for our farmers. Why don't we just have sense-of-the Senate resolutions around here forever, then we won't have to do anything, but it will make you feel good. If you want to feel good, you can go ahead and vote for the Grassley amendment, but I don't think it is going to do one single thing to get the price up for our farmers that is going to help them get through this next year, not one single thing. I yield the floor.

Mr. COCHRAN. Mr. President, 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.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to amendment No. 3172. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

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

The result was announced—yeas 71, nays 28, as follows:

[Rollcall Vote No. 206 Leg.]

YEAS—71

Abraham	Domenici	Leahy
Akaka	Durbin	Lieberman
Allard	Enzi	Lott
Baucus	Faircloth	Lugar
Bennett	Feinstein	McCain
Biden	Ford	McConnell
Bingaman	Frist	Moseley-Braun
Bond	Gorton	Moynihan
Boxer	Gramm	Murkowski
Breaux	Grams	Murray
Brownback	Grassley	Nickles
Bryan	Gregg	Robb
Bumpers	Hagel	Roberts
Burns	Harkin	Rockefeller
Chafee	Hatch	Roth
Cleland	Hutchison	Santorum
Cochran	Inouye	Shelby
Collins	Jeffords	Smith (OR)
Coverdell	Johnson	Stevens
Craig	Kempthorne	Thomas
D'Amato	Kerrey	Thurmond
Daschle	Kerry	Warner
DeWine	Kohl	Wyden
Dodd	Landrieu	

NAYS—28

Ashcroft	Feingold	Kennedy
Byrd	Graham	Kyl
Campbell	Helms	Lautenberg
Coats	Hollings	Levin
Conrad	Hutchinson	Mack
Dorgan	Inhofe	Mikulski
Reed	Smith (NH)	Torricelli
Reid	Snowe	Wellstone
Sarbanes	Specter	
Sessions	Thompson	

NOT VOTING—1

Glenn

The amendment (No. 3172) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there further amendments?

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

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

Mr. LOTT. Mr. President, it is 12:15 and we have had one vote. We have dispensed with a sense-of-the-Senate resolution on the agriculture appropriations bill. Now the managers are having difficulty getting Senators to come to the floor and offer amendments. This is beyond ridiculous.

If we don't get going in the next 15 minutes or so, we are going to go live on a quorum. I am going to look, then, for the next serious action to take, because we should be through with this bill. If Senators are serious, they should be here offering their amendments. If they are not, then we are going so start having votes of another nature. We are not just going to stand in a quorum for the next hour, hour and a half. It is not fair to the managers. We will be here at midnight tonight, and I don't think anybody wants that.

So again, I call on Senators to come to the floor. Surely a Senator has an amendment, out of the 40 amendments we have pending, that could be offered. Let's dispose of it.

We will wait 15 minutes, or so, to get one going and then we will go to a live quorum.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I am in the majority leader's corner on this. This is unforgivable. Maybe there is some forgiveness in the order because most Members on our side are in a meeting with the President right now. I am hoping that somebody will have the nerve to walk out of that meeting to come over here and offer an amendment and get this show on the road.

The other thing that is mildly encouraging is that we have been going over the list of Democratic amendments, and an awful lot of them are folding, and some are going to be accepted. I only know about three or four fairly controversial amendments that are probably going to require a rollcall vote—in the vicinity of three or four. The rest, I think, are either not going to be offered, or we are going to be able to accept them. Hopefully, we can get through here by sometime in the middle to late afternoon.

I certainly appreciate the majority leader's frustration, with all of these amendments lying around and nobody here to offer them. In all fairness, the reason nobody is over here is because they are all in a meeting with the 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. KYL. 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. KYL. Mr. President, I ask unanimous consent to proceed as if in morning business for not to exceed 15 minutes.

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

CHINA TASK FORCE INVESTIGATION

Mr. KYL. Mr. President, I was disappointed by some of the actions of the majority leader's statement the day before yesterday in which he provided an update on the Senate inquiry into U.S. policy on satellite exports to China.

In particular, some charged that the majority leader was engaging in partisan politics when he simply presented some of the things that we have learned in the 13 hearings and the numerous briefings and meetings held on that subject to date.

As a member of the task force appointed by the leader, I can state conclusively, Mr. President, that this investigation is driven by a desire to safeguard our Nation's security, and it is not motivated by partisan politics.

Let's examine the five main points that the leader raised in his remarks.

Point one: The Clinton administration's export controls for satellites are inadequate and have not protected U.S. security.

Many of us have been dismayed at the lax implementation and the irregular application of safeguards during launches of American satellites in China. For example, the Clinton administration has failed to require Defense Department monitors for every Chinese launch of U.S. satellites. Monitors are typically Air Force officers who are required to be present at all meetings with the Chinese launch service provider and the American satellite exporter. The monitor's presence is necessary because sensitive know-how can be inadvertently disclosed.

Chinese officials make no secret of their desire to obtain high-tech information, and the incentive for an American company to provide information

necessary for a successful launch of a multimillion-dollar satellite is great, therefore a monitor can be extremely helpful in reducing the amount of information that is shared with Chinese engineers and scientists.

Although Clinton administration officials routinely note the importance of monitors in testimony and briefings, under the current system, monitors are not required by statute, regulation, or international agreement. In fact, during three satellite launch campaigns conducted in China since 1995, monitors have not been present at any stage of the process. In three other launch campaigns in China, though not required by the government, monitors have been present only for the launch, but not the important technical exchange meetings dealing with mating the satellite to the launch vehicle and ensuring that it survives the stressful launch environment and is delivered intact to the intended orbit.

The majority leader's point that export controls on satellites are inadequate is not merely endorsed by the members of the task force. As the New York Times said in an editorial on the issue on May 26, ''In its eagerness to improve relations with Beijing and expand American commerce in China, the White House has been careless about enforcing security protections.'' One month later, the New York Times again commented on the subject in another editorial on June 19 which stated,

> Evidence keeps mounting that the Chinese Army is exploiting flawed American export controls to acquire sophisticated satellite communications technology for military and intelligence use. The Pentagon and State Department are now questioning the pending sale of a Hughes communications satellite whose upgraded design would let Chinese authorities eavesdrop on mobile telephone conversations at home and abroad. President Clinton should suspend this sale and the licensing of any more satellite deals with China until export control rules are tightened. In particular, he needs to put the State and Defense Departments back in charge of export approvals and diminish the role of the Commerce Department.

That is the New York Times speaking. That is not the majority leader. It is obviously a sentiment he shares.

This sentiment is shared on a bipartisan basis. During a hearing of the Governmental Affairs Subcommittee on International Security, Senator CLELAND criticized the administration for shifting responsibility for regulating satellite exports from the State Department to the Commerce Department stating, ''I've got more and more concern about Commerce becoming the lead dog here. I'd rather hedge my bets and put national security first and commerce second.''

The second point made by the leader day before yesterday was that in violation of stated United States policy, sensitive technology related to satellite exports has been transferred to China.

Mr. President, this is also an accurate, objective statement that is widely shared. Additional hearings will be necessary to continue to gauge how much damage has been done to United States national security, but several launches have occurred in China without the necessary safeguards and at least two analyses conducted by American companies of failed launches have been sent to China without first being reviewed by the State or Defense Departments.

As the Washington Post said on May 31,

> There is little dispute that some American know-how inevitably seeped across to the Chinese, despite strict rules covering what technology United States companies could share with the Chinese and despite the monitoring of contracts by United States Air Force specialists. The argument is over how much seepage occurred and whether any of it helped China improve its military rockets.

Again, the majority leaders' comments are vindicated by the press.

The third point made by the leader day before yesterday was that China has received military benefit from United States satellite exports.

Additional information in this regard may be uncovered as the Senate's inquiry continues, but some key information has already come to light. Last month, in a front page story published on June 13, the New York Times broke the news that,

> For the past two years, China's military has relied on American-made satellites sold for civilian purposes to transmit messages to its far-flung army garrisons, according to highly classified intelligence reports. The reports are the most powerful evidence to date that the American Government knew that China's Army was taking advantage of the Bush and Clinton Administrations' decisions to encourage sales of American high technology to Asian companies.

Again, the majority leader was not wrong. He is right.

The fourth point made by the majority leader was that the administration has ignored overwhelming information regarding Chinese proliferation and has embarked on a de facto policy designed to protect China and United States satellite companies from sanctions under United States nonproliferation law.

This is another objective observation about what we have learned from the hearings conducted so far. And again I turn to reports in the media in confirmation of the majority leader's point. As the Washington Post reported on June 12,

> The former chief of the Central Intelligence Agency's weapons counter-proliferation efforts told a Senate committee yesterday that the Clinton Administration's determination not to impose economic sanctions on China led it to play down persuasive evidence that Beijing sold nuclear-capable M–11 missiles to Pakistan. ''There's no question in my mind'' that China sold 34 M–11 missiles to Pakistan in November 1992, Gordon Oehler, former director of the CIA's Nonproliferation Center, told the Senate Foreign Relations Committee. Intelligence agencies are ''virtually certain'' the sale occurred he said, but ''intelligence analysts were very discouraged to see their work was regularly dismissed'' by Clinton aides.

Yet despite this overwhelming evidence, the Clinton administration has not imposed sanctions and as a result of the transfer of authority over satellite exports from the State Department to the Commerce Department, satellite exports have been shielded from the effects of sanctions. Prof. Gary Milhollin made this point in testimony to the Armed Services Committee on July 9, stating,

> One of the main effects of this transfer has been to remove satellites from the list of items that are subject to U.S. sanctions for missile proliferation. In effect, the transfer has given Chinese firms a green light to sell missile technology to Iran and Pakistan. Chinese companies can now sell components for nuclear-capable missiles without worrying about losing U.S. satellite contracts.

The administration has been interested in shielding China from the effects of United States nonproliferation sanctions for some time. According to a classified National Security Council memo reprinted in the Washington Times in March, the administration believed one of the benefits of United States support for China's membership in the Missile Technology Control Regime would be ''substantial protection from future U.S. missile sanctions.''

And again what the majority leader said is on the record. It is vindicated. It is not wrong.

The fifth and final point made by the majority leader day before yesterday was that new information has come to light about China's efforts to influence the American political process and that the Attorney General should name an independent counsel to investigate.

I serve on the Intelligence Committee which recently received classified testimony from the Attorney General and the Director of Central Intelligence on this subject. While obviously I will not comment on that testimony here, I simply point out that over the past few months a great deal of troubling information has been published on the subject in the press. As the Senate investigation proceeds we may uncover additional information in this area, but in my view the appointment of an independent counsel to investigate these allegations is already long overdue.

As I have tried to demonstrate today, attempts to portray the majority leader's statement or the work of the task force as partisan politics are simply invalid. The protection of our nation's security has been—and should be—our only concern. I urge my colleagues to examine the RECORD before leveling such charges. Although the Senate investigation will continue, it is clear that we must change the way we handle export controls on sensitive technology or risk further jeopardizing America's security.

The bottom line, Mr. President, is that when the majority leader made his controversial remarks, he was right and the record needs to reflect that.

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

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

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

The Senate continued with the consideration of the bill.

Mr. CONRAD. Mr. President, I am going to begin discussing the amendment that we have been working on, on a bipartisan basis here, for a number of days, awaiting final determination from the Budget Committee on the question of a budget point of order. That is being discussed now by their legal people and the chief of staff of the Budget Committee. While we are awaiting that determination, I would like to take this opportunity to talk about the circumstances we find ourselves in and why the amendment that we have been discussing is needed.

The basic idea is that we have enormous economic distress out across farm country. Certainly, in my own State, we have seen a triple whammy of bad prices, bad weather, and bad policy. The result has been collapsing farm income, and the result of that is thousands of farmers being forced off the land.

This chart shows North Dakota farm incomes being washed away in 1997. According to the Government's own figures, from 1996 to 1997, farm income reported to the Commerce Department, reported by the Labor Department, went down 98 percent in North Dakota from 1996 to 1997. We all know there are many factors here. Low prices are a chief culprit. In addition to that, dramatically reduced production as a result of unusual weather patterns that have led to a massive outbreak of disease, so-called scab, which is really a fungus, which cost us a third of the crop in North Dakota last year.

Let me just say it is not just North Dakota that is affected. USDA has informed us that many States would benefit by such an indemnity payment; that North Dakota, South Dakota, and Minnesota would be key beneficiaries, but so, too, would Texas, Oklahoma, North Carolina, South Carolina, Mississippi, Alabama, and the State of Idaho, and many other States as well. In a few moments I will show a map of the United States and show the States affected.

What is happening is, in addition to all of those things, the so-called Asian flu is costing us our most important export market. And on top of that, our own Government is sanctioning other countries and, as a consequence of those sanctions, removing us from being able to sell into those countries. So the fundamental problem is a dramatic loss of income in many States in the country.

This chart shows that farm income has dropped in a majority of the States. We can see those that are over a 40-percent drop are in red. That is North Dakota, at 98 percent; Missouri, I think their loss is in the 40-percent range. You can see New York, Maryland, Virginia and West Virginia. These States have all suffered very dramatic income declines in the agricultural sector.

In addition to that, in orange are those States that have seen a 20- to 39-percent reduction in farm income: Minnesota, Wisconsin, Illinois, Kentucky, Tennessee, Pennsylvania, Maine and Connecticut are in that category, as well as Washington, Nevada and Utah out West. Those that are in the zero to 19-percent decline: Montana, Idaho, South Dakota, Iowa, Arkansas, Louisiana, Mississippi, Alabama, Georgia, South Carolina, North Carolina, New Jersey, Rhode Island, New Hampshire and Vermont.

Farmers are suffering in silence. It has not gotten a lot of attention, but it is nonetheless real and it is nonetheless urgent. We can see the change in income by major industry from 1996 to 1997. All of these major industries saw increases with one exception—agriculture saw a $3.4 billion decline. But we saw increases in mining—theirs were modest; in forestry and fishing, in transportation and public utilities, in construction, in wholesale trade, in government services, in retail trade, in finance, insurance and real estate, in manufacturing and services. Services, by the way, saw an enormous increase of over $100 billion as we move increasingly towards a service economy.

One of the key reasons that we have seen the steep drop in North Dakota and some of the other States is these very unusual weather patterns. In Texas and Oklahoma it is drought. In North Carolina it is hurricanes. In North and South Dakota and Minnesota it is overly wet conditions.

This is a picture of the North Dakota farm country. This picture, if you can see it, shows not the kind of dry landscape one would associate with North Dakota, but one sees water everywhere. We are swamped in North Dakota. When I say farm income has been washed away, that is exactly what has happened. Farmland can't be planted. That which has been planted is drowned out. That which isn't drowned out is suffering from a massive outbreak of disease that has cost a third of the crop last year, to this dreadful scab outbreak.

I wish we could say it was restricted to scab, but in addition to that we have white mold, now, attacking the canola crop. That will affect not only our State but Minnesota, Montana, and South Dakota as well.

These are an extraordinary set of circumstances with which our farmers are dealing, and it is forcing them off the land. We anticipate losing 2,000 farmers in North Dakota this year out of 30,000. The Secretary of Agriculture came to North Dakota 3 weeks ago and he had a disaster team that briefed him before the meetings. They told him, ''You could lose 30 percent of the farmers in North Dakota in the next 2 years''—30 percent. If that is not a disaster, I don't know what is.

It is not just North Dakota, although we are one of the hardest hit, but certainly Minnesota, South Dakota, Montana, and the other States I mentioned, Oklahoma and Texas, all were hard hit by drought, continuing drought; of course Florida with their fires, North Carolina with hurricanes, and we saw other States affected as well.

This is another picture of North Dakota. Again, everywhere you look—water. I was just in the southeastern part of our State, six counties. I met with a young farmer there. He had planted corn twice this year. Both times it drowned out. For mile after mile, we saw land under water, land that is not going to be planted again this year, land that has been not planted for 2 or 3 years. In that particular farmer's case, he had land he hasn't been able to farm for 4 years.

These exceptionally wet conditions in North Dakota, Minnesota, and parts of South Dakota are leading to perfect conditions for the breeding of this fungus disease—scab. That is not only reducing the production—as I indicated, we lost a third of the crop last year—but in addition to that, what you do harvest is then badly discounted when you go to the elevator to sell.

It is this combination of factors that is putting such a crunch on North Dakota agricultural producers. Again, as I say, it is not just our State but other States as well. It is very much related to a collapse in prices, very much related to natural disasters, very much related, in addition to that, to what is happening abroad. The collapse of the Asian financial markets is reducing demand for our products. That is where we sell most of our agricultural production. That is the fastest growing market for the United States, in Asia, and they don't have the funds to buy. As a result, we are seeing sharp reductions, sharp restrictions in agricultural exports.

This chart, I think, tells the story very well. It shows a 50-year pattern of spring wheat prices. These are all stated in 1997 dollars so we are comparing apples to apples. You can see we are about at an all-time low at the end of 1997. You see a long-term trendline of wheat prices coming down, but we are now at virtually an all-time low. If you then look at 1998, you see the pattern continuing. By June of this year, we are at a 50-year low for spring wheat prices. Wheat prices in North Dakota are now about $3.20 a bushel. To put that in some perspective, it costs about $4.50 to produce wheat, so you have an invitation to lose money if you are planting wheat.

Of course, the upper Great Plains are dominated by wheat production. It is not just wheat. We see exactly the

same pattern with respect to barley. Here is a 50-year trendline of barley prices, and you can see by the end of 1997, we were near a 50-year low.

If you go to this year, you can see what has happened this year—further price collapse—so that we are at a 50-year low. Prices for wheat and barley have not been this low in 50 years. When you then couple that with reduced production because of the massive outbreak of disease, what you have is an income collapse—as I showed in the first chart—an income collapse in my home State of North Dakota.

What does that mean? That means we are seeing record auction sales, as the little house on the prairie is auctioned off. That is what is happening in my State. It is a disaster. It is a calamity and something must be done.

We can debate at great length overall farm policy. We have differences on the question of long-term farm policy. I don't think we have differences on the question of responding to an emergency, and that is what we have. We have an emergency. It is a dire emergency, but we have very little ability to respond to it.

We did away with disaster programs for agriculture during consideration of the last farm bill and actually before that. We decided to do away with disaster programs and use crop insurance. The problem is, crop insurance does not work where you have multiple years of disaster. Even the head of the risk management agency has agreed with that proposition. In testimony before the Senate Agriculture Committee, he made very clear: Crop insurance, as currently constituted, does not work when you have multiple years of disaster.

Unfortunately, all across America, we see multiple years of disaster.

This chart shows where the losses have been most severe. As you can see on the chart, those areas that are in red are the parts of the country that have been hardest hit over the last period of time. You can see, yes, North Dakota and South Dakota and Minnesota hard hit, but we also see Oklahoma and Texas very hard hit and, of course, we go east and North Carolina and Virginia are very hard hit as well.

Interestingly enough, Pennsylvania; that is because they have been hit by tornadoes and have repeated losses as a result. But it is not just those States. You can see South Carolina, Georgia, Alabama, Mississippi—all of those States are badly affected. Go out west and the State of Idaho has been hard hit. This map doesn't reveal it, but there are parts of Montana hard hit as well.

This map doesn't reveal the individuals. This reveals the counties that are hardest hit. We also have many individuals, especially in the State of Montana, who have been hard hit by this same set of unusual conditions: Precipitous drop in prices, coupled with sharp drops in production because of natural disasters, weather disasters of one kind or another, and combined, they have led to an income collapse for many farmers in many parts of the country.

The question is, How do we respond? The idea has been we wouldn't have disaster programs for agriculture because we are going to use crop insurance. The problem is crop insurance doesn't work where you have multiple years of disaster. Some who are viewing may ask, Why is that? Why wouldn't crop insurance work if you have multiple years of disaster. Nobody knows better than the occupant of the Chair what the problem is. The problem with crop insurance is it is calculated based on your last 5 years of production. If you have 5 years of disaster, your production base erodes, it evaporates, and then you don't get much help from crop insurance. That is the fundamental problem that we have identified.

So how do you address it? What we are recommending is an indemnity program that will help make payments to those farmers who have had multiple years of disaster, who have had a sharp income decline, sharp losses in income so that they can get some assistance to carry over so that they will live to fight another day, so they can get through these depressed times and get on to better times.

Mr. President, we have worked with our colleagues on both sides of the aisle in terms of crafting a program that we think will be of assistance. Before I send that amendment to the desk, we are waiting for an evaluation on which one of the amendments best meets the budget requirements that the U.S. Congress is under. We are hoping for word on that very soon.

To sum up, this is a calamity. This is a disaster. This is an emergency. By the way, the President yesterday said he will support an emergency designation for an answer to what we are seeing across the country. The Secretary of Agriculture indicated he, too, will support an emergency designation, and that is critical so that we don't violate the budget caps.

The chairman of the Agriculture Appropriations Committee, Senator COCHRAN, and the ranking member, Senator BUMPERS, are under very sharp strictures with respect to what they can spend. They have allocations made to them. If we are going beyond that, we have to have an emergency designation. The President has indicated he is willing to make such a designation. I am hopeful that we will find the Budget Committee agrees as well. We are awaiting their word on that matter.

Mr. President, these sharp drops in farm income are certainly not isolated. It is not just North Dakota. The State of Missouri saw a very sharp drop, 72 percent drop there; Maryland, 44 percent drop; New York, 44 percent drop; West Virginia, 44 percent; Virginia, 42 percent; Minnesota, 38 percent; Wisconsin, the same; Nevada, 35 percent; Pennsylvania, a sharp drop, again, because of natural disasters with what is happening with tornadoes.

We also know that producers, on this map provided by USDA, in North Carolina have been very, very hard hit by a set of hurricanes. Of course, Oklahoma and Texas is burning up with this drought, and so many of their producers are under extreme economic pressure as a result.

I will enter into the RECORD a letter from the President. I will read from it before I send it to the desk. This is a letter sent to Leader DASCHLE yesterday. The President says:

> I am very concerned about the financial stress facing farmers and ranchers in many regions of the country. Natural disasters, combined with a downturn in crop prices and farm income, expected by the Department of Agriculture to remain weak for some time, cause me to question again the adequacy of the safety net provided by the 1996 farm bill. In some areas of the U.S., as many as five consecutive years of weather and disease-related disasters have demonstrated weaknesses in the risk protection available through crop insurance.

I think all of us who represent farm country certainly understand that. That is because of the formula. It is going to take us time to fix crop insurance. It is going to take a bipartisan effort to do that, but that takes time. Those of us who serve on the Agriculture Committee understand the complexities of reforming crop insurance. That is not going to happen this year. That is not going to be done in time to help these people who have been hit by repeated years of disaster and for whom the crop insurance system does not work. What we are saying together is we ought to move and fill in the difference, provide some assistance while we are waiting for crop insurance to be fixed.

The President said:

> Therefore, I am instructing the Secretary of Agriculture to redouble his efforts to augment the current crop insurance program to more adequately meet farmers' needs to protect against farm income losses. In the interim, to respond to the current unusual situations, I urge the Congress to take emergency action to address specific stresses now afflicting sectors of the farm economy.

He goes on to say:

> I agree with the intent of Senator CONRAD's amendment and recommend that funding to address these problems be designated as emergency spending. A supplemental crop insurance program for farmers who experience repeated crop losses, a compensation program for farmers and ranchers whose productive land continues to be under water, and extended authority for the livestock disaster program are examples of the type of emergency actions that could help farmers and ranchers.

Well, amen to that. I certainly thank the President for recognizing the extraordinary economic stress our farmers and ranchers are under.

The President concludes by saying:

> I am confident that you and your colleagues share my concern for American farmers and ranchers who are experiencing financial stress from natural disasters and low prices, exacerbated by the global downturn in agricultural trade, and I encourage

the Congress to take emergency action quickly.

Mr. President, I ask unanimous consent that the letter from the President be printed in the RECORD.

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

THE WHITE HOUSE,
Washington, July 15, 1998.

Hon. THOMAS A. DASCHLE,
Minority Leader, U.S. Senate,
Washington, DC.

DEAR MR. LEADER: I am very concerned about the financial stress facing farmers and ranchers in many regions of the country. Natural disasters, combined with a downturn in crop prices and farm income, expected by the Department of Agriculture (USDA) to remain weak for some time, cause me to question again the adequacy of the safety net provided by the 1996 farm bill. In some areas of the U.S., as many as five consecutive years of weather and disease-related disasters have demonstrated weaknesses in the risk protection available through crop insurance.

During the debate on the 1996 farm bill, I encouraged Congress to maintain a sufficient farm safety net, and since its enactment my Administration has repeated that call, proposing measures to buttress the safety net that are consistent with the market-oriented policy of the 1996 farm bill. The 1994 Crop Insurance Reform Act established a policy of improving the crop insurance program in order to remove the need for ad hoc disaster payments. This commitment to crop insurance as the preferred means of managing crop loss risks was reaffirmed in the 1996 farm bill. Farmers have responded to this policy by maintaining their enrollment in crop insurance at very high levels, especially in the Northern Plains states.

Therefore, I am instructing the Secretary of Agriculture to redouble his efforts to augment the current crop insurance program to more adequately meet farmers' needs to protect against farm income losses. In the interim, to respond to the current unusual situations, I urge the Congress to take emergency action to address specific stresses now afflicting sectors of the farm economy.

I agree with the intent of Senator Conrad's amendment and recommend that funding to address these problems be designated as emergency spending. A supplemental crop insurance program for farmers who experience repeated crop losses, a compensation program for farmers and ranchers whose productive land continues to be under water, and extended authority for the livestock disaster program are examples of the type of emergency actions that could help farmers and ranchers.

It is also crucial that the Congress provide the level of funding proposed in my FY 1999 budget in the regular appropriations bills and that the Congress pass the full IMF package to support the efforts of American farmers.

I am confident that you and your colleagues share my concern for American farmers and ranchers who are experiencing financial stress from natural disasters and low prices, exacerbated by the global downturn in agricultural trade, and I encourage the Congress to take emergency action quickly.

Sincerely,

BILL CLINTON.

Mr. CONRAD. Mr. President, I say to my colleagues, I will relinquish the floor at this point and await the word from the Budget Committee. We are expecting it momentarily. So I relinquish the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. COCHRAN. Will the Senator withhold the request?

Mr. CONRAD. I am happy to.

Mr. COCHRAN. I say to the distinguished Senator from North Dakota, I appreciate very much his going forward and offering this amendment. We have been discussing the amendment and the problems that he identifies as emergency problems because of drought and other problems throughout the agricultural sector. We are very sympathetic to these problems and the need for Congress and the President and the Department of Agriculture to act in a positive way and in an effective way to address these problems and to try to help solve them.

We have been advised there may be a problem with the Budget Act in getting an amendment, as drafted, approved in the Senate without having the amendment subject to a budget point of order. We have discussed this with the chairman of the Budget Committee. And there are other Senators with whom we have discussed the problem as well.

There is a lot of concern on both sides of the aisle that we have a bill for agriculture appropriations that takes into account all of the problems we have in the country, and that we respond in a thoughtful way. We are continuing to work on this issue. I want Senators to know that I hope we get it resolved so we can approve an amendment of some kind to provide relief, such as that sought in the amendment of Senator CONRAD.

But while we await further negotiations on this subject, I agree with the Senator that we probably should suggest the absence of a quorum. Some Senators are away from the Capitol right now who want to be involved in this discussion. I expect we will be able to make progress on it in the early part of the afternoon.

If there are other amendments that can be offered by Senators, we would encourage Senators to come to the floor to offer those amendments. We could set aside this amendment for that purpose to receive other amendments. And some of them may be agreeable. We are willing to work with all Senators. We appreciate the assistance we have had from many today indicating a willingness to reach agreement on proposed changes to the bill. I am hopeful we can complete action on the bill today, and I pledge to Senators that I will work very hard to try to help make that a reality.

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

The PRESIDING OFFICER (Mr. HAGEL). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

HEALTH CARE

Mr. GRAMM. Mr. President, I notice no one is on the floor debating this bill, so I thought I would take the opportunity to say a little bit about health care. I understand our President has come to Capitol Hill today to tell us about how, having rejected his proposal to take over the health care system 4 years ago, we now ought to join the President and Senator KENNEDY in letting the Government tell us how to run that health care system. Obviously, we are always flattered when the President comes to Capitol Hill to talk to us, to tell us about his views.

I want to make a couple of things clear. Yesterday, we offered the Republican alternative. The Republican health care proposal is superior in a lot of ways, but there are several ways that I think are very important. No. 1, we don't preempt States in those areas where they have already acted to deal with problems in providing health care. We differ with the President and with Senator KENNEDY in that we don't believe we know more about the interest of each individual State than their Governor and their State legislature do. What we do in our alternative proposal is deal with the parts of the problem that the Federal Government has jurisdiction over.

I notice the President and some of our colleagues made a big point out of the fact that their bill affects 140 million people, whereas our bill affects a smaller number. Why is that? The reason our bill affects a smaller number is, in those areas where the States have the power to deal with their own medical problems, we don't get involved in telling them how to do it. In those areas where they don't have jurisdiction because of ERISA, then we step in and try to deal with the problem.

We differ with the President on the whole issue of how to deal with the denial of services. The President says we can improve the situation by taking it to court. The President and Senator KENNEDY say it is indispensable that we give people the power to sue. We think there is a better way. We think the better way is setting up an appellate process on an expedited basis, both internal and external, to an HMO so that people can get a resolution. What happens when you take it to court is that it really does not solve the problem that you are trying to deal with. It may, after the fact, put money—most of it in the hands of a lawyer, maybe some of it in the hands of the patient.

I assert that when a mother has a sick baby she wants medical attention for the infant. She doesn't want the ability to go out and hire a lawyer and go to court and 2 years later get a judgment when it is too late to deal with the health care concerns of her baby. We believe we need to get a resolution in 72 hours on those issues rather than

going into court, exploding the cost of health care, and denying millions of Americans their right to health care.

We also believe in freedom. Here is the problem as stated very simply. We have a situation today where there is only one part of our health care system where anybody has any incentive to control cost. That is in the health maintenance organization, the HMO. Twenty years ago, very few people, outside of a very small number of States, were enrolled in HMOs. In the last 25 years, we have had an explosion of enrollment because the cost of health care has literally skyrocketed. The positive effect has been that for the first time since 1965 we have brought the cost of medical care and its growth below the Consumer Price Index. For the first time since 1965, we are not pricing blue-collar working families in America out of the health care market. That is the good news.

The bad news is that a lot of Americans are unhappy about a system where they have to get approval from the HMO in order to get certain kinds of treatment. I liken it to the situation where you go into the examining room and you expect to be in the examining room with only your physician and you find that you have a gatekeeper in the examining room with you.

Now, Senator KENNEDY's solution, President Clinton's solution, is to put a government bureaucrat and a lawyer in the examining room with the gatekeeper, with your doctor, and with you. That way, the government bureaucrat can be there to regulate the gatekeeper and the lawyer can be there to sue the doctor.

We believe there is a better solution. The better solution is something we call medical savings accounts.

I have two cards here. One is from the Mellon Bank. It is a medical savings account on MasterCard. The other is with American Health Value, and it is a medical savings account on Visa. How the medical savings account will work is, for the first time it will empower the individual family to make their own health care decisions and to control cost. How will it do that? It will do it in the following way: Say today that your family has a Blue Cross-Blue Shield policy, family of four, and that Blue Cross-Blue Shield policy costs $4,000 a year. If they had standard option, Blue Cross-Blue Shield, that would be about the average cost. That Blue Cross-Blue Shield policy gives you very low deductibles. Under the medical savings account, you would buy the Blue Cross-Blue Shield policy with a $3,000 deductible and it would cost about half as much as it costs now. You would take the $4,000 that your employer is currently spending, $2,000 would buy the high-deductible insurance policy and $2,000 would go into your medical savings account. Then, you would take the $1,000 that is typically spent annually on premiums and deductibles and deposit that in the medical savings account, adding it to the $2,000 contributed by the employer. Then you would make the health care decisions on when and how to spend that first $3,000 of health care. After meeting that deductible, your health insurance policy would kick in and cover all remaining costs.

Now, there are two things that are very important about this program. One is, you have an incentive to be cost conscious; the other is, you are in charge.

Under Senator KENNEDY's proposal and under the President's bill, if you call up the gatekeeper and you can't get to see your doctor, you can then call a government bureaucrat and you can talk to him, he talks to the gatekeeper, and then if you can't see your doctor, then you can call a lawyer, who will talk to the Government bureaucrat and the gatekeeper, and he might file suit, and 2 years from now you might get a resolution. That is the Kennedy–Clinton alternative.

Here is our alternative: When you want to see your doctor, under the medical savings account, you pick up your card and you pick up the phone and you make the decision: Do you need a general practitioner? Is it an OB/GYN? Should you call a pediatrician? Is it Dr. Frist, who does heart and lung surgery? You pick up the Yellow Pages, you call the doctor of your choice, and you have to ask only one question—not, ''Is it approved?'' or, ''Are you at our point-of-service option?'' Your simple question is, ''Doc, do you take Mastercard or Visa, or do you take a check?'' If he takes Mastercard, Visa, or a check, you walk into the doctor's office and you make the choice for yourself.

Now, which would you rather have? Would you rather be alone with your doctor in the examining room, where you are in control, because you have the ability to give him your medical savings account credit card, without anybody saying ''yes,'' ''no,'' or ''maybe''? Or would you rather go into the examining room with your doctor, with the gatekeeper from the HMO, with a Federal bureaucrat, and with a lawyer? I think most Americans would rather do it themselves. They want to get everybody out of the examining room, except their doctor. They want the freedom to choose.

The Republican health care bill gives them the freedom to choose, because it empowers them.

Now, as I said yesterday, Senator KENNEDY and the President are as afraid of this credit card, this Mastercard and this Visa, they are as afraid of these cards as a vampire is afraid of a cross. They fear these cards because they fear choice, because they know that if we empower families to make their own health care decisions, they will never, ever tolerate the Federal Government taking over and running the health care system. And we know that, deep in their hearts, the President and Senator KENNEDY want the Government to take over and run the health care system, and they want the Government to run the health care system because they ''feel our pain,'' and they believe that the Government could do it better. They know that if they could make everybody go to a Government-run health care system, it would all work better, and that the Government would be caring, and that a Government that does not work well in any other area of our lives would be magic in health care. And so they give us the alternative, which is to regulate HMOs so that they can't control costs, so that then we can have one HMO—the Government HMO—and it, of course, will control costs, because when it says ''no,'' you have nowhere else to go.

I do think it is an incredible paradox that the same people who, 4 years ago, wanted to put every American family into a Government-run HMO, where the government would have had absolute authority to say ''yes'' and ''no,'' now they want to tell private HMOs how to be run, and they suddenly are concerned that HMOs have too much power.

We have an alternative, and the alternative is to take the power away from HMOs and give it to families. Let families have medical savings accounts so that they can determine which doctor they go to see and they can decide when they go.

Finally, I want to respond to two charges that are made by the Democrats against medical savings accounts. The first one is that they are for rich people. Well, why would rich people need or want high-deductible insurance? They can buy any insurance they want. But if you cut the cost of health insurance in half, you let working families, for the first time, have coverage for those expenses when they have to go to the hospital, or when something terrible happens. Working families can begin, over the years, to build up their medical savings account until they have the same kind of coverage everybody else has. Medical savings accounts cut in half the cost of the insurance you really need and have to have. That is not for rich people, that is for working people.

Secondly, the charge is made that only people who are healthy will go into medical savings accounts. I think exactly the opposite is true. If you have a chronic health problem, do you want to go to an HMO where some gatekeeper makes the decision about your health care? It seems to me that if you have a chronic health care problem and any morning you might wake up with a life-threatening illness, you would much rather be in a position, instead of calling the gatekeeper, the Government, a lawyer, or a Government bureaucrat, to call up a doctor and say, ''I would like to come in. Do you take Mastercard or Visa?''

So I think we have a very clear choice, and we are ready to vote. We are glad the President has come to Capitol Hill to tell us, once again, that he knows what is best for our health

care. Four years ago, he told us he wanted the Government to take over and run the health care system, and we listened with respect and reverence, and we said ''No,'' and the American people said ''No,'' with an expletive in front of the ''no.''

Now the President is telling us, 4 years later—he appears before Government employee groups and says, ''I haven't changed my mind; I still want the Government to take over and run the health care system, only we have to do it one step at a time.'' It seems that he believes the next step is to let the Government run the HMOs. How does he think that make the patient better off? Well, it presumable makes the patient better off because when we go into the examining room with the doctor and the gatekeeper, a Federal bureaucrat and a lawyer will now join us. I don't think that is what people want. People want to be alone in the examining room with their doctor.

The Republican plan, which empowers the family to decide, puts only the patient and the doctor in the examining room. It throws out the Government bureaucrat, it throws out the lawyer, it throws out the gatekeeper, and it replaces all of that mechanism of Government bureaucracy with one simple question: ''Do you take Mastercard, or do you take Visa, or do you take a check?'' If the answer to any of those questions is ''yes''—and it will be yes to all three—then you go to the doctor of your choice.

That is our alternative. It is a better alternative. That is why we are going to defeat the President and Senator KENNEDY once again. The American people do not want a Government-run or a Government-controlled health care system, and we can give them an alternative. The alternative is freedom.

Once again, America is at a crossroads. We are going to have to choose. Do we believe the solution to our problems in medicine will be found with more Government interference, with more time in court, with more time working under the control of Government bureaucrats? Or do we believe the solution is to be found in freedom? Well, I am going to bet the future of my family and the future of the 19 million people in Texas, who hired me to represent them in the Senate, on freedom because I know freedom works, and I know something else—I know Government does not work.

Four years ago, the American people didn't want Government to run the health care system, and today they don't want Government to control the health care system. So Republicans and Democrats agree on one thing: There are problems in the health care system. But where we disagree is, we want to empower families with innovations like medical savings accounts, and the President and Senator KENNEDY want to empower the Federal Government. That is the choice. It is a clear choice.

I yield the floor.

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

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

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

The Senate continued with the consideration of the bill.

Mr. DORGAN. Mr. President, in a few minutes Senator CONRAD from North Dakota will send an amendment to the desk on behalf of himself and myself and some others that will deal with an indemnity program, an amendment that I think he has already described to Members of the Senate. I think this is one of the most important amendments we will vote on on this bill while it is on the Senate floor.

I want to just describe again, as I think my colleague has and I have on other occasions, what causes us to feel the need and the urgency to respond to an agricultural crisis. The agricultural crisis is occurring in a number of States in our country in a way that is causing family farmers to lose their farms, to have the auction sales, to sell out and lose their hopes and dreams. We feel that because of collapsed prices and rampant crop disease, and other things which are not the farmers' fault, that we ought to do something to extend a helping hand and say to them that we want to help them over this tough period.

I would like to show my colleagues a map that describes the problems we have had in North Dakota for family farmers. The red represents counties that have been declared disaster areas every year for 5 straight years. All of these counties have been declared disasters every year for 5 years in a row. That means if you are farming here, or here, any one of these areas, you have been out there farming in an environment and in a climate in which there is, in most cases, a devastating wet cycle with you being prevented from planting because the fields are full of standing water that has not left and has not absorbed, and if you did get a crop in, you have had it devastated by the worst crop disease in this century in North Dakota.

The orange have been declared disaster areas for 4 years out of 5 years, and the yellow, 3 years out of 5 years,. The farmers in these areas have confronted a disease called scab. This picture doesn't mean much to a lot of folks. But it is the picture of a field of hard red spring wheat infested with scab disease. It is called fusarium head blight. But it is a devastating disease that decimates the quality of this crop, so that when and if the farmer gets a crop and hauls it to market, the farmer discovers it is worth very, very little.

The cereal scientist, Bryan Steffeson, said, ''I have never faced anything as tough as fusarium head blight. Make no mistake about it. This is the worst plant disease epidemic that the United States has faced with any major crop during this century.''

This is very unusual and devastating to the pocketbooks of family farmers.

With respect to wheat, I just described the previous chart; with respect to barley, the same plant scientist says, ''North Dakota's barley industry is hanging by a thread, even though it is typically the leader in feed malting barley products.''

As a result of crop disease and collapsed market prices, our farmers' incomes in North Dakota dropped 98 percent in 1 year—a devastating drop in income. And I think almost anyone can imagine if, in their neighborhood, or on their block, or among their friends, they had a 98-percent drop in income, they would understand this is very, very difficult to live through. A lot of family farmers aren't able to survive it. The result is they are forced off the farm and forced to sell out.

This was in the New York Times accompanying a story on July 12. ''Across the northern tier, farmers' income drops.'' And it says we have a problem with farm income dropping in Montana, North Dakota, South Dakota, Nebraska, Minnesota, Wisconsin, and elsewhere. The point of that is that this is a pervasive, difficult problem that requires an urgent response.

The Fargo Forum in an editorial yesterday indicates that, ''The crisis in farming is for real. The social and economic damage piling up in farm country cannot be minimized. Politicians who believe the revolutionary Freedom to Farm law is working should spend some time in rural America, especially in the upper Midwest.''

This is a paper, incidentally, that has editorialized in favor of the Freedom to Farm bill. They say that it needs some adjustments and changes. You can't ignore that.

They say at the end of this editorial, ''The least Congress can do now, while in the longer term enlighten lawmakers to revisit and revise the Freedom to Farm, is to try to pass some type of supplemental legislation that would respond to urgent needs for some payments in farm country.''

A number of us, led by Senator CONRAD, and joined by myself and others, have worked on a program that would provide the opportunity for some indemnity payments, which is just another way of saying those farmers who have had their income washed away would be given some short-term interim help with the passage of this amendment. The amendment would provide up to $500 million for the Indemnity Payment Program.

It is supported by President Clinton. We were meeting at the White House yesterday with President Clinton. My colleague, Senator CONRAD, myself, and a number of others from farm country, received a letter from President Clinton that describes in writing what he told us personally yesterday during the meeting—that he supports the amendment we are offering now, and it is part of a three-pronged approach that he himself espouses: No. 1, a supplemental benefit program of the type we have described, an indemnification program; No. 2, compensation for farmers who have flooded lands; and, No. 3, extended authority for emergency livestock needs.

Mr. President, I mentioned earlier—I want to say again—that this is not a political or a partisan issue. Out in the country they don't drive Democratic or Republican trucks. They don't pull Democratic or Republican plows. They are only family farmers trying to make a living in a very difficult set of circumstances. They are some of the hardest working Americans. They get up early, work hard all day, and go to bed late. They risk everything they have. Everything they have is on the line—all of their hopes, all of their dreams—and all of their savings are invested in a crop that might or might not grow. If it is grows, it might or might not yield them an income that allows them to repay the expenses they incurred to put in the crop.

That is the nature of family farming. I think family farmers have always understood that risk and always accepted that risk. But they have always hoped. And they have sometimes been the recipients as a result of that hope that when times are tough, when the bottom falls out, when prices collapse, when they are hit with devastating crop disease, that somehow there would be a basic safety net to try to be helpful to them to allow them to get over those price valleys; some kind of a bridge to allow them to cross that difficult period.

If you are a very, very large corporation, you can cross that price valley. Things get tough, you can tighten your belt, and you can survive. But the thin financial nature of a family farm often cannot cross that price valley. When prices collapse, or disease conspires, then there must be some kind of a bridge, some kind of mechanism of support that says, ''Let us step in and help.''

That is what the amendment offered by Senator CONRAD, myself, and others will do. It simply says, ''Let us step in and provide some help to respond to a growing and urgent farm crisis.''

Mr. President, with this, I would yield the floor. I believe we are close to having the amendment in order to send to the desk. When we do, I believe that Senator CONRAD, a couple of others, and I will make brief additional comments. We would hope very much that our colleagues will respond favorably to this.

We think it is thoughtful. It is supported by the President and it is supported by the Secretary of Agriculture. Editorially it is supported by newspapers that support the Freedom to Farm bill, because the editorials, others, and family farmers recognize this need is urgent and the response to it cannot be delayed.

Let me commend my colleague, Senator CONRAD, with whom I am privileged to work. We work on a lot of issues together but none more important than the issue of trying to respond to and to help family farmers survive during times of crisis and times of urgent need. His leadership and efforts on this legislation are significant.

I am pleased to be a part of the effort today to offer this amendment, and I hope for the favorable consideration of our colleagues.

I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 3173

(Purpose: To provide funds for and improve the reserve inventories program)

Mr. CONRAD. I thank my colleague, Senator DORGAN, who has been with us every step of the way in developing this amendment, in offering it to our colleagues and persuading others to support it, and in convincing the White House that this is an emergency matter.

I am very pleased with the outcome of the meeting we had yesterday. I think there is a real sense of urgency not only by the President but by the Secretary of Agriculture and others in the administration who recognize that in many parts of the country we are simply faced with a collapse of income as a result of badly depressed prices, and in addition, a loss of production because of natural disasters that have taken many forms in many places—as I described earlier, monsoon conditions in North Dakota and Minnesota and parts of South Dakota, but, on the other hand, terrible drought in Oklahoma and Texas; and then perversely in the eastern part of the United States, hurricane activity that has had a devastating effect on North Carolina and Virginia. And I was just talking to a Senator from Pennsylvania; they have also been hard hit. So this amendment would move to provide resources to provide assistance to those areas.

Now, some may say, gee, I thought we put crop insurance in place so we didn't have to have this kind of program. And that is precisely right. Unfortunately, what we have discovered is the Crop Insurance Program we put in place does not work when you have multiple years of disaster. And the reason for that is the formula. The formula in crop insurance looks at your last 5 years of production. If you have had 3 to 5 years of disasters, whether it is drought, whether it is overly wet conditions, whether it is a terrible disease outbreak as we faced in North Dakota, or hurricanes as they have faced in the East, your base for crop insurance is so badly depressed it does not provide the risk management tool that all of us intended.

I was just talking to the Senator from Idaho, who is one of the most knowledgeable members of the Agriculture Committee with respect to this matter, and he was saying what we see is that when the base goes down, crop insurance cannot provide the coverage we all intended.

We are not going to get crop insurance reform this year, as much as many of us would like to do; that simply takes a longer effort. And so, Mr. President, until crop insurance gets fixed, something has to be there to allow farmers to survive. If we do not, we are going to have a calamity of staggering proportions.

USDA tells us in North Dakota that we are going to face potentially the loss of 30 percent of our farmers in 2 years—30 percent. That is a disaster by any description.

So what we have tried to do is work in a way that is not subject to a budget point of order, that does provide assistance to these farmers all across the country.

We have now received a letter from the Executive Office of the President, the Office of Management and Budget, which indicates that this amendment would not be subject to a point of order, that this would qualify for an emergency designation, and the President supports an emergency designation for this legislation. We will submit that for the RECORD when we have a chance to actually submit the language. It is being typed now.

We have it. The final provision is here. We will send that to the desk. We need to get copies distributed to our colleagues.

The Budget Committee of the Senate has informed us this would not be subject to a budget point of order.

I ask unanimous consent that there be printed in the RECORD the letter from the Office of Management and Budget, the Executive Office of the President, indicating that they, too, agree that this qualifies for an emergency designation and would not be subject to a budget point of order.

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

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,

Washington, DC, July 16, 1998.

Hon. KENT CONRAD,
U.S. Senate,
Washington, DC.

DEAR SENATOR CONRAD: This responds to your request for the views of the Office of Management and Budget (OMB) on whether your proposed amendment relating to farm payments under 7 U.S.C. 1427a qualifies for the emergency adjustment under the Budget Enforcement Act (BEA).

Section 251(b)(2)(A) of the BEA provides that an adjustment in the discretionary spending limits shall be made for appropriations designated as an emergency by Congress and the President. That section also

states that the designation is not available for ''appropriations to cover agricultural crop disaster assistance.''

We have examined your proposed amendment, and we are of the view that it qualifies as emergency relief under Section 251(b)(2)(A) and is not an appropriation to cover agricultural crop disaster assistance. Your amendment would provide funding for the reserve program established under 7 U.S.C. 1427a. That program is designed to establish a reserve of certain crops through the price support program. The purpose of purchasing the commodities is to hold a reserve that then may be disposed of to relieve distress at a later time. The purpose of the program is to establish a reserve of crops for future use, not to make assistance available to the producers from whom the crops are purchased. Thus, it is OMB's view that the funding does not provide ''crop disaster assistance'' within the meaning of Section 251(b)(2)(A), and the adjustment provided by that section for emergencies may thus be applied to the funding in your amendment.

Sincerely,

ROBERT G. DAMUS,
General Counsel.

Mr. CONRAD. Mr. President, we are ready for any additional debate, and we are ready to move, after people have had a chance to speak, to a vote at a time that the chairman of the committee thinks is appropriate.

Mr. COCHRAN. Mr. President, I think we are at a point now where we can ask the question, What is the will of the Senate? Because that is the question. We have an amendment here that proposes a new program of spending based on an emergency of about one-half billion dollars. I think that is the number. Five-hundred million is the total projected cost of the bill, but it is based on an emergency that is declared in this legislation to exist in agriculture. We understand the President has agreed that there is an emergency, not specifically that this amendment describes that emergency, but that a response should be made by the Government to deal with this problem.

Now, I know that there are Senators who are wondering, well, what are the criteria? How are farmers going to be declared eligible to participate in payments under this program? There are questions that are very legitimate and, frankly, this legislation does not tell us much about that. It is leaving a lot of discretion in the hands of the Secretary of Agriculture. That is very clear. And this amendment could be subject to the criticism that it is too much, there is too much discretion. I am confident the department would have to issue regulations and describe some program payment benefit scheme that farmers would have to be governed by in terms of applications and eligibility.

So there are some legitimate questions that can be asked. I am willing to listen to the advice of other Senators and be governed by the will of the Senate on this issue. I do not want to reject this out of hand and say that it is not a good amendment. I think it is based on a legitimate interest in helping deal with very real problems that exist in certain parts of the country, primarily in North Dakota, South Dakota, Minnesota, where half the payments are projected to occur under the amendment, but there are other States as well. We know that Texas, Oklahoma, and Colorado would be eligible. We know that southern-tier States, parts of States in the Southeast, North Carolina, in addition to South Carolina; there are some parts of my State, I am told, that would benefit from the legislation.

So it is time now in the consideration of this amendment for Senators to take a look at the proposal and come to some consensus on what to do about this. We can accept the amendment on a voice vote, the managers could accept the amendment, if that is the will of the Senate, or if some Senators want to have a record vote on the amendment, we could do that. I had been told earlier that this amendment would probably be subject to a budget point of order in that it would violate the Budget Act. But because of changes the drafters, the authors of the amendment have made within the language, I am advised that the Budget Committee staff director has told us there is no violation of the Budget Act. That could be confirmed by a statement from the chairman of the Budget Committee, and I would like for him to tell us that formally before we make a decision on whether a point of order would be made on the basis of the Budget Act.

Those are my reactions to the proposal, and I will await other Senators coming to the floor to let us have some suggestions and guidance about how to proceed at this point.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the Senator from Mississippi, the chairman of the Agriculture Appropriations Subcommittee, for the gracious way he has allowed us to work through this. He has been very patient, and we thank him very much for his patience. We also thank him very much for his open-mindedness. I think he does recognize there are real problems around the country. Unfortunately, we do not have the perfect tools to deal with them. The Senator from Mississippi raises questions that are absolutely legitimate questions: What kind of system would be used to use these funds?

This is not a new program in the sense that this is replenishing a program and an authority that the Secretary has had. This is a program that the Secretary has utilized. And those funds are now depleted.

The way it was done in the past was to use actual commodities, but one thing we have learned is, it is really much more efficient to use money in that fund rather than commodities, because when we use commodities, we find that about 25 percent of what is used is used up in distribution costs, in handling charges, and the rest. So USDA, in examining this, has said it would be much more taxpayer friendly, really, to have money in this fund that is now depleted rather than to have commodities.

We are using the same model we used for the Livestock Indemnity Program last year; that is, to give the Secretary broad discretion, because when you sit down and try to write the specifics here on the floor with this relatively short period of time, we have discovered there are a series of problems. One of them is, we would probably become subject to a budget point of order. So we find doing it this way, with the general authority of the Secretary that he already has, which is recognized, but we restore the fund, we replenish the fund that has been depleted so the Secretary has the ability to respond to these various circumstances around the country.

It is not one set of events that is affecting us. We have one set of events in North Dakota and Minnesota and South Dakota, and the Senator is exactly right, we would get a significant portion of this. But other parts of the country as well—in Texas and Oklahoma it is a drought; in North Carolina, where they have been so badly hit, and Virginia, it is hurricanes. In Pennsylvania, the Senator from Pennsylvania tells us, it is a combination of factors. In Idaho, it is much the same thing that has been happening in these northern-tier States; they have, in many cases, overly wet conditions.

But combining it all, we have a natural disaster and we have price collapse. What is happening is, we are left with dramatically reduced farm income that is forcing people off the land. The question is, Do we act? Do we do something? Do we provide the tools to respond? I think the will of the Senate will be, as it has been in the past: Yes, we should respond. We have a chance to do that.

I also will indicate, in the amendment I sent to the desk, the original cosponsors are Senator DORGAN and Senator CLELAND. I welcome other Senators. I am very hopeful this is a bipartisan enterprise. I have been talking to Republican Senators over the last several weeks about this matter, and I very much hope they join in and we make this a fully bipartisan effort. They certainly have contributed thoughts to what we could do here.

So I hope, before we reach conclusion here, we have a healthy number of Senators on both sides of the aisle who cosponsor this legislation, that we join together and say, ''Yes, there are problems out there. Let's address them. Let's provide some assistance.''

This does not mean we are voting on overturning agricultural policy. We have differences there. We recognize those differences. This is one case where we are rising above those differences to march together and try to help those who clearly are in need.

I yield the floor.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for himself, Mr. DORGAN and Mr. CLELAND, proposes an amendment numbered 3173.

Mr. CONRAD. 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:

On page 29, after line 21, add the following:

RESERVE INVENTORIES

For the reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $500,000,000: *Provided,* That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further,* That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

On page 67, after line 23, add the following:

SEC. 7___. RESERVE INVENTORIES.

Section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) is amended—

(1) in the first sentence of subsection (a), by inserting ''of agricultural producers'' after ''distress'';

(2) in subsection (c), by inserting ''the Secretary or'' after ''President or''; and

(3) in subsection (h)—

(A) by striking ''(h) There is hereby'' and inserting the following:

''(h) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are''; and

(B) by adding at the end the following:

''(2) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments that don't go for crop disasters, but for income loss to carry out the purposes of this section.''.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, Let me make two points that I think Senator CONRAD and I and others would want to make. One responds a bit to some comments made earlier.

The potential benefits of this amendment would be available to people in a range of areas of the country who have suffered, in one form or another, substantial income loss and are going through an agricultural crisis. That includes Texas, South Carolina—a whole range of areas of the country. But I want to make it clear, this is not simply an amendment that would target one or two or three States. Farmers in many other parts of the country who face similar circumstances and a similar crisis would be eligible.

Second, and I think most important, while there has been a lot of discussion on the floor of the Senate about agricultural policy, I think it is important to make clear, this amendment is not a substitute for or a denial of the interest many of us have in some of the arguments that have been offered and proposed in recent days by others on the floor about the increased need for additional effort in trade. Some of our colleagues have stood on the floor and talked about the need for moving American grain overseas, for additional efforts in trade, additional use of the Export Enhancement Program, and other things. I support all of that.

I think we ought to be more aggressive with respect to Food for Peace. I have mentioned that there are people starving around the world: A million people to a million and a quarter people face starvation in Sudan today. We can and should, in my judgment, with the quantity of grain we have, substantially increase shipments under title II and title III of Food for Peace.

We can and should be more aggressive with the use of the Export Enhancement Program. We can and should be more aggressive with a range of other programs. The Secretary of Agriculture, I would say, has been very aggressive with the GSM program and others. But I would like our country to meet competition anywhere around the Earth. If the European Union wishes to deeply subsidize its grain and attempt to take markets away from this country, we ought to go to those markets and meet them and compete and win that competition. If that requires export subsidies to meet what the Europeans are doing, then so be it; that is precisely what we should do.

So, those who insist on a much more aggressive approach in international trade will find no quarrel with me. I believe we should have a more aggressive posture with respect to trade issues. That is one, but only one, of the issues we need to address.

Another of the issues we need to address is the issue of emergency response in times of crisis to farmers, particularly in some areas of the country that have seen almost a total collapse of their income. That is the purpose of the amendment we have sent to the desk.

I, too, listened carefully to the Senator from Mississippi. I think he is an awfully good legislator. He is certainly fair. I hope we can achieve some bipartisan support here in this Chamber on this kind of legislation. I don't think there is any pride of authorship here either. My expectation is that in the coming period we will be able to discuss some of the specifics of this legislation and perhaps reach a conclusion on it.

With that, I know my colleague from Montana is here, although he apparently is not going to speak at this point. Let me yield the floor to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, last night, after we had our last recorded vote, there were two amendments which we discussed and recommended to the Senate that we accept and they were accepted, one of which was offered by the Senators from Florida. Senator GRAHAM offered an amendment, it was cosponsored by Senator MACK, and it dealt with disaster problems that exist in Florida because of the recent wildfires that we are all familiar with because we saw these vividly photographed on television. For days and days, fires raged throughout the State of Florida. As a result of that, the Senators are asking that emergency funds be made available to compensate victims of that disaster who were involved in agriculture. I invite the attention of the Senators to the record of the discussion of that issue last night.

The proposal was to make available funds from the account that has been described by the Senators from North Dakota. There is no indication right now, from the Department of Agriculture, whether or not the disaster fund that is discretionary with the Secretary has been depleted to the extent that replenishment is necessary in order to compensate the victims in Florida. What I said during the discussion of the amendment involved an assurance that we would receive from the Department of Agriculture and the President a supplemental request for funds to replenish that discretionary disaster fund of the Secretary's, so that appropriate disaster relief could be made available to agriculture producers and others who are eligible for those funds. That satisfied the Senators from Florida, and, on that basis, the amendment was accepted by the Senate.

I am prepared to make the same suggestion to the Senate on this amendment. There is no question that there are differences, however—one of which is that farm producers would have to show that, out of 3 of the last 5 years, there had been declarations declaring disasters, either by the Secretary of Agriculture or the President, in the areas where eligibility would be considered to have been established.

At least that is what I understand the amendment provides.

The point is this: The year is not over. This fiscal year that we are appropriating money for right now begins on October 1. We don't know what the full needs for agriculture producers around the country will be by the time we get to the beginning of the fiscal year.

I am suggesting that it may be appropriate to take this proposal to conference with the House and await the receipt from the President or the Secretary of Agriculture of specific requests for supplemental funds beyond that requested in the budget that has already been submitted by the administration for next year that they foresee will be needed to replenish the Disaster Assistance Discretionary Fund of the Secretary to compensate disaster victims for their losses.

There are other programs available to provide benefits, Senators realize. There are crop insurance programs, there are other assistance programs that are authorized in the 1996 farm bill.

As I understand it, this does not create a new disaster assistance program,

and because it doesn't, it is not subject to a budget point of order.

I am mentioning that idea that I have as an alternative way of considering this and would like to have the benefit of other Senators' thoughts on it, particularly those who chair the legislative committees on the budget and on agriculture legislation. It may be we can work out some way to take this amendment to conference. If that is not possible, then the question will be whether we move to table the amendment and bring this issue up later as a freestanding bill—that is a possibility. This legislative session doesn't end with the passage of this agriculture appropriations bill. There may be other opportunities to assess the disaster situation around the country.

I thought since the similarity between the amendment offered by the Senator from Florida last night which was accepted by the Senator, and the presentation of the amendment which we have heard now from the Senators from North Dakota were so similar, that it presented us with the same alternative that we exercised last night.

Let me read what I said on the floor of the Senate last night:

> . . .the Department of Agriculture advises us that they cannot at this time verify whether available disaster money has been depleted. I understand this has been a devastating disaster for Florida and that other areas of the country have also been affected by various disasters. We will work with the administration and the House conferees to address the needs of the areas affected by these recent disasters and to determine whether these needs are being met through available funds.
>
> It is my hope that the Department of Agriculture and the Office of Management and Budget are assessing the need for additional funding to meet the needs resulting from these most recent disasters and that the President will soon submit to the Congress requests for supplemental funds which are determined to be required.

I am prepared to suggest to the Senate that on that basis, we take this amendment to conference, but I will not make that suggestion without further discussing my idea with the appropriate legislative committee chairmen.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I listened carefully to the Senator from Mississippi. I understand he wants to hear from other Senators. It seems to me that one of the suggestions he made makes a lot of sense. Having the opportunity to go to conference with a provision similar to this in the piece of legislation that comes from the Senate will put us in the position of sending a message to those areas that have been hardest hit, a number of areas of the country ranging from the Southeast, to the South, to the North, that we understand this is, in fact, a crisis; that we are responding as we did in the sense-of-the-Senate resolution passed earlier this week without a dissenting vote, that the ag crisis is something that we are willing to address.

I accept the point made by Senator COCHRAN that there may well, in the coming days or weeks, be a need to change the response. Perhaps the response will need to be more aggressive. Perhaps the response may need to be characterized differently. But it seems to me appropriate to go to conference with a provision of this type in the legislation, because it is, I think, telling the family farmers in this land that this Senate does care, does want to respond, and understands that there is a crisis in certain parts of the country.

Again, I certainly respect the interest of the Senator from Mississippi wanting to gauge the reaction of a number of Senators on this subject, but I hope when the day is out and this amendment is disposed of that it will be disposed of in a way—I guess ''disposed'' of is the wrong word—I hope that it is resolved in a way that reaches one of the suggestions perhaps offered by the Senator from Mississippi that we can include it in this legislation.

I must say that I have watched the Senator from Mississippi for some days on the floor. I have always felt he has the patience of Job. He is one of the most gracious and considerate Members of the Senate. I know this is a trying time. I am on the Appropriations Committee with Senator COCHRAN, and I am also someone who will sit here as a ranking member on one of the subcommittees. I know it is a trying time to bring a bill to the floor of the Senate and discover that a lot of folks want to address this bill with peculiar amendments on a range of issues.

I know he understands, because of the vote earlier in the week, that we face very unusual and, in fact, very difficult times in some parts of the country. The crisis we have in our State is unparalleled. I can't think of a time when we have suffered a 98-percent loss in net farm income. It has been devastating. The Senator from Mississippi understands that is what has occasioned amendments to be offered to this bill.

I must say, again, he has enormous patience. Even in exhibiting that patience, he has a graciousness and dignity that all of us appreciate. I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak as in morning business.

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

Mr. BAUCUS. I thank the Chair.

(The remarks of Mr. BAUCUS pertaining to the introduction of the bill are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. COCHRAN. 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. COCHRAN. Mr. President, in further discussions with the Senators from North Dakota and others, I am prepared to recommended that we accept the amendment offered by the Senators from North Dakota and take the issue to conference under the same understanding that I read into the RECORD last night when I accepted, and the Senate agreed to, the amendment offered by the Senators from Florida, Mr. GRAHAM, and Mr. MACK, who was a cosponsor of that amendment.

The statement is as follows:

> The Department of Agriculture advises us that they cannot at this time verify whether available disaster money has been depleted. I understand this has been a devastating disaster for Florida and that other areas of the country have also been affected by various disasters. We will work with the administration and the House conferees to address the needs of the areas affected by these recent disasters and to determine whether these needs are being met through available funds. It is my hope that the Department of Agriculture and the Office of Management and Budget are assessing the need for additional funding to meet the needs resulting from these most recent disasters, and that the President will soon submit to the Congress requests for supplemental funds, which are determined to be required.

It is also my understanding that the proposal in this amendment is a new program. I had suggested that it was a description of an existing discretionary program of the Department of Agriculture, and that I had misread or misunderstood the proposal offered by the Senators.

Nonetheless, I am prepared, under the same understanding, to recommend to the Senate that we accept this amendment. It has been, in this amendment, described as an emergency, which would require an emergency finding not only by Congress, but by the President, in order to avoid having an offset of the funds that are contemplated to be spent under the amendment. But because it does have the emergency declaration, it does not require an offset, and I am advised by the chairman of the Budget Committee that it is not subject to a budget point of order. On that basis, I recommend that the Senate approve it. I understand from my good friend from Arkansas that he has no objection to this recommendation.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. CONRAD. Mr. President, I ask unanimous consent that a letter I have sent to the desk be printed in the RECORD. It is from farm organizations endorsing this amendment.

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

JULY 16, 1998.

Hon. KENT CONRAD,
U.S. Senate, Washington, DC.

DEAR SENATOR CONRAD: On behalf of the farmers and ranchers of our organizations, we strongly support your amendment to the agriculture appropriations bill which would

provide supplemental assistance to those producers who have suffered multiple years of crop losses.

Your amendment is tailored to provide urgently needed assistance to those farmers who have purchased crop insurance, but are unable to obtain adequate coverage, due to multiple years of disaster.

The amendment would help over 45,000 producers. While there are regions in every state that would be eligible, it is especially important for Oklahoma, Texas, North Carolina, Virginia, Mississippi, western Pennsylvania, Idaho and the Upper Plains states.

The supplemental assistance will not only help the individual producers, but will also provide a critical boost to the rural communities in which they reside, which are suffering from the severe losses.

Our organizations share a strong commitment to strengthening the crop insurance program to allow producers to stay in business, even in times of disaster. This amendment will go a long way toward improving coverage for those producers who have purchased crop insurance.

Sincerely,

AMERICAN SOYBEAN ASSOCIATION.
NATIONAL FARMERS ORGANIZATION.
NATIONAL FARMERS UNION.
NATIONAL SUNFLOWER ASSOCIATION.
NORTH DAKOTA GRAIN GROWERS ASSOCIATION.
UNITED STATES CANOLA ASSOCIATION.

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

The amendment (No. 3173) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. CONRAD. Mr. President, would the Senator from Idaho like to be included as an original cosponsor?

Mr. CRAIG. Yes.

Mr. CONRAD. Mr. President, I ask unanimous consent that the Senator from Idaho, Mr. CRAIG, be added as a cosponsor.

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

Mr. CONRAD. Mr. President, I thank the chairman of the committee for his help with this amendment, and the many others who participated in these deliberations. I especially thank my colleague, Senator DORGAN, and the Senator from Idaho, Senator CRAIG, who helped us with this amendment.

I think we are moving in the right direction. Obviously, we will have additional opportunities to fashion a final package, as we all understand this will have to go to conference. Again, I thank, very much, the chairman and ranking member and all those who helped.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, let me thank my colleagues from North Dakota for the sincere effort they have made and the willingness of the chairman of the Agriculture Appropriations Subcommittee to review this and help them shape it and accept it.

Certainly, as we get to conference, there is going to be every effort made by this Senator and others to provide what can be provided, and to resolve, as best we can, this impending farm crisis. We clearly understand the problem, the growing problem, and we know that certain actions here can be very, very helpful. I am pleased to be a participant in this, to be supportive of it. I am sure we will be looking at other packages that we will want to bring together in a total effort to help agriculture during this time.

Let me say in my closing comments that our actions here on the floor have consequences. Every Senator who is on the floor now joined with us were active participants last Thursday when the Senate of the United States voted 98–0 to drop the sanctions against Pakistan and India. The Presiding Officer at this moment, the Senator from Kansas, led that dramatic effort to show that this country would stand united and not use food as a tool of foreign policy.

Just moments ago the Senator from Kansas and I had calls from the Ambassador of Pakistan. They have tendered an offer now of over a 100-million-ton purchase from the United States. It is my understanding that they will make an effort at a nearly 300,000-tons purchase within the next several months. That is significant, and those tonnages will be purchased from the United States.

Our actions here have consequences. If we want to be players in the world market, with and for our producers, we cannot throw up the artificial barrier of politics. We tore that down last Thursday in this instance, and the nations involved are responding.

I thank my colleagues.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, there are a number of issues we find strong agreement on today on the agricultural matters. And the matter that was just spoken about by the Senator from Idaho regarding sanctions is one in which I have very strong agreement with him, and also with the Presiding Officer, Senator ROBERTS of Kansas. All of us agree that it doesn't make any sense at all to use food as a tool of foreign policy and to tell farmers to pay the costs of sanctions, and so on. So I am very pleased that we were able, on a bipartisan basis, to work together to resolve that issue. I think we have done that in an effective way.

I am also pleased that the amendment which we have just offered and was accepted and cosponsored by the Senator from Idaho. We have worked with the Senator from Idaho and others, including the Senator from Kansas, Senator ROBERTS, in discussions on a wide range of income issues dealing with family farmers. The reason I sought recognition is just to make one final point; that is, this amendment now becomes part of the agricultural appropriations bill. It then goes from the Senate to a conference with House of Representatives. That is likely, between now and sometime in September, as this agricultural crisis continues to emerge, to occur in a way that may require some changes and some adjustments. We all understand that.

But I think this is an enormously important and a helpful first step to say to family farmers who are struggling that we recognize that this is, indeed, a crisis and we want to respond to that crisis.

I thank the Senator from Mississippi for his leadership, and the Senator from Arkansas for his leadership as well, and I thank my colleague, Senator CONRAD, who is as determined and effective and tough a legislator as there is to work with. I am pleased to have joined him in working on this amendment as well.

I think this is an important step, and it will be viewed as good news—not necessarily the final answer, but good news by family farmers, that on a bipartisan basis the Congress recognizes a crisis and is prepared to respond effectively to it.

I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota, Mr. CONRAD.

Mr. CONRAD. Mr. President, I ask unanimous consent that Senator DASCHLE, Senator HARKIN, Senator BAUCUS, Senator HOLLINGS, and Senator WELLSTONE all be added as original cosponsors.

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

Mr. CONRAD. Mr. President, I also thank my colleague who is in the Chair, Senator ROBERTS, for his good advice to us as we proceeded with this effort. I want to tell him that we look forward to working with him as we try to craft a bipartisan, long-term solution to the problems that we face. I thank the Chair and yield the floor.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senator from Montana, Mr. BURNS, be added as a cosponsor to the Conrad amendment that was previously offered and agreed to by the Senate.

The PRESIDING OFFICER. (Mr. SMITH of Oregon). Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, we are now moving toward the point where we are wrapping up the consideration of amendments on the agriculture appropriations bill. A number of Senators have advised the managers that they do not intend to offer amendments that they had originally proposed to the bill. We are encouraged by that, and with some effort I think the Senate can complete action on this bill very soon. We are awaiting the arrival in the Chamber of Senators who have suggested that they will offer amendments. We encourage them to come to

the floor, offer those amendments, and let's debate them. If we can agree to them, we will recommend that to the Senate. We appreciate very much the cooperation and assistance of all Senators who have been helpful to us in this effort.

1998 LOUISIANA DROUGHT AND CROP DISASTER

Mr. BREAUX. Mr. President, I call to the Senate's attention the serious and significant drought which has occurred in Louisiana this year. The combination of a prolonged lack of rainfall and persistent high temperatures have resulted in a natural disaster of historic proportions. For those affected, damages have been hard-hitting.

As we debate the 1999 agricultural appropriations bill and amendments to it which respond to severe agricultural distress throughout the nation this year, caused by weather-related damages and low commodity prices, I urge my colleagues to keep in mind the situation in Louisiana.

On June 18 of this year, Governor M.J. ''Mike'' Foster and Commissioner of Agriculture and Forestry Bob Odom wrote to Agriculture Secretary Dan Glickman about the drought in Louisiana.

Though adequate production records were not yet available at the time of their letter, Governor Foster and Commissioner Odom told Secretary Glickman substantial losses were expected in the state and that they expected to be requesting a disaster declaration as soon as adequate production information could be obtained.

Various row crops and pine and hardwood seedlings have been affected in Louisiana by the drought, they said. Cattle have been affected because of severe hay and pasture shortages. Poultry losses also have occurred due to the high temperatures.

Illustrative of the drought's historic character, they pointed out that records have been set for the least amount of rainfall received in the month of May, with rainfall records going back more than 100 years.

Though Congressionally-authorized programs are in place at USDA to respond to disasters, I urge the Senate to be prepared to respond further and promptly as conditions and impacts would worsen.

Mr. President, we know that production disruptions brought about by the drought will cause economic disruptions for producers. In addition, the communities in which our producers live also will be affected. It is for these reasons that I urge close attention to crop disasters and low prices and a readiness to act as warranted.

Ms. MOSELEY-BRAUN. Mr. President, earlier today I voted for Senator GRASSLEY's Sense of the Senate amendment that urges prompt action on a number of trade, tax, and regulatory issues in order to help the American farm community. I think our farmers are experiencing serious problems, and I believe that prompt action on many of the initiatives contained in the Grassley amendment will help expand U.S. agricultural export markets and improve farm profits.

The amendment Senator GRASSLEY put before the Senate recommended that the Senate act on S. 2078, the Farm Ranch Risk Management Act, which I have cosponsored. It urges action to provide full funding for the International Monetary Fund; I believe action to increase the capital of the IMF is essential to address the economic crisis in Asia and the current situation in Russia, both of which have enormous impacts on U.S. agriculture. It urges Congressional approval legislation to continue normal trading relations with China, which I also support. It calls for estate tax reform, reduced regulations on farmers, and use of the Commodity Credit Corporation and Export Enhancement Program at the Department of Agriculture, all of which are worthy of prompt attention by the Senate.

Notwithstanding my support for the general objective of Senator GRASSLEY's amendment, however, I do have one major reservation concerning his amendment, and that has to do with fast-track trade negotiating authority.

Senator GRASSLEY's amendment urges providing the President with new fast-track negotiating authority. I oppose giving the President that authority at this time, for both practical and philosophical reasons. As a practical matter, fast-track, and any agreements it might ultimately lead to, will only provide benefits to American agriculture in the distant future, not in the near term. In fact, the only possible trade agreement on the horizon is with Chile, and that agreement, even if it were put into place tomorrow, would be unlikely to have any significant impact on the economic health of American agriculture.

Moreover, granting the President fast-track authority is not currently warranted because of the total lack of consensus on American trade policy for the future. Large parts of the rest of the world cannot discern any consistent set of underlying principles governing U.S. trade policy decisions. Congress and the Administration have not come to an agreement on a trade policy framework, and in the absence of that framework, decisions are all too often made on an ad hoc basis.

Granting the President fast-track authority requires the Congress to delegate much of the trade authority given the legislative branch by our Constitution to the President. It is no less a delegation of Congressional authority than the line-item veto. Fast track is therefore an issue of the utmost importance institutionally and Constitutionally to the Congress. In the absence of real consensus on trade policy within both the executive branch and the Congress, I cannot and do not support this kind of diminution of Congressional authority over trade.

My support for the general objectives of the Grassley amendment does not represent any change in my view of the fast-track issue. In the absence of a consensus on a new trade policy architecture that includes not only the Congress and the President, but also American agriculture, labor, the business community, and the American people generally, I oppose providing the President with new fast-track negotiating authority.

Mrs. BOXER. Mr. President, I voted for the Grassley sense of the Senate amendment to the Agriculture Appropriations bill because I support nine of its ten provisions.

I do not support the provision stating that we should enact the bill S. 1269, which reauthorizes fast-track trading authority for the President.

It is premature and disruptive to endorse fast-track legislation now, before resolving questions about its effect on jobs and the environment. These are very controversial and complicated problems, and so far we have not figured out how to deal with them.

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. GREGG. 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. GREGG addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I ask unanimous consent to proceed as if in morning business for 5 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

TEAMSTERS UNION ELECTIONS

Mr. GREGG. Mr. President, I want to bring to the attention of the body an issue which is percolating under the surface as we move toward the end of this week; that is, the question of the financing of the Teamsters Union elections which were financed by tax dollars, and which elections may be held again for which there has been a request to finance them again with tax dollars.

The last time we went down this road, the Teamsters Union ran an election which was overseen by the U.S. attorney in New York with the assistance of the Justice Department. And the U.S. Marshals I believe were also involved in it. The taxpayers of this country spent $17 million to oversee this election. The election was then reviewed. It was determined that the election had been fraudulently run, that it had corruptly proceeded, and that it was basically an election which had to be voided by the Federal judge who was overseeing the election.

So for the $17 million of tax money which we invested in order to get a fair and honest election in the Teamsters

Union, the taxpayers got a dishonest, corrupt, and fraudulent election.

That is bad enough. What is even worse is that the taxpayers had to pay in the first place to oversee a union election.

This is the largest union in the United States, I believe, relative to membership. It is a very wealthy union. It is obviously a union which has had some significant problems over the years, both with its leadership and with the management, and especially with its pension funds for its rank and file. But it clearly is a union which has the financial strength to pay the cost of oversight of its elections to assure that the rank-and-file membership of the union get a fair and honest election.

I personally felt sorry for the membership of the Teamsters Union which has been put through this election which has been so fraudulently managed. But I also think that the taxpayers have to be concerned. We have to be concerned about the taxpayers. Why should the taxpayers of this country be asked to pay for the cost of overseeing a union election for a union which is so wealthy? Clearly, for any oversight that occurs, the cost should be borne by the union itself. I should think it would want to in order to obtain an honest and fair election. But no, that didn't happen.

In the last election, the taxpayers came up with $17 million, which was clearly wasted. Have we been reimbursed for that? Have the taxpayers been reimbursed for that $17 million? No, we haven't. I realize that in Washington $17 million seems like a meager sum, but I have to tell you, it is a lot of money.

There are a lot of people in New Hampshire both who are union members and who are nonunion members, who work very hard and who work all year long to pay their taxes. And if you were to add up their taxes, you would find it didn't meet $17 million. I suspect that is probably for 5,000 or 6,000 people in the State of New Hampshire the tax burden for a year. I am not sure. That is a guess. But I suspect it is a large number of people who work all year paying their taxes so they can be put into this union election, which is then fraudulently run. And we didn't get the money back.

Now they come to us again. They say, ''We need another—we don't know what the final figure might be.'' But initially they need another $8 million of tax money in order to run this second election. Fool me once, and it is your fault. Fool me twice, and it is my fault. Clearly, it is the taxpayer who is being taken down the road. If the Congress allows this to happen again, it is the Congress that is being taken down the road, and as a result we are not carrying out our obligation to support the taxpayers.

So for us to pay another $8 million—it may end up being much more than that. It may be $20 million in order to support another union election after we haven't been reimbursed for the $17 million we spent in the last election, which was basically totally mismanaged. It is inconceivable. It is inappropriate. It makes no sense. Fortunately, that is my view. Unfortunately, there are a number of people around here who have a different view.

The White House wants us to spend this money. The Justice Department wants us to spend this money. The Speaker of the House wants to spend, I guess, this money. A number of Members of our own body want to spend this money. But to get this money, they have to, at least in theory, come to the committee that I chair and get me to authorize and reprogram to do it.

I want to go on record as to why I am not doing it. I am not going to reauthorize that reprogram because I am not going to go back to New Hampshire and be walking through a factory somewhere, or on a farm somewhere, or in a small software company somewhere, and have one of my constituents come up to me and say, ''You know, last year I paid *X* dollars in taxes, and you just sent it to run a corrupt election for the Teamsters. What are you doing with my money? Aren't you supposed to be taking care of that money down there? Aren't you supposed to be my fiduciary? Aren't you supposed to be overseeing it so it doesn't get wasted?''

If I approve this transfer, my answer to them would have to be, I am not doing my job, that I am not fulfilling my obligation to protect the taxpayers from the fraudulent misuse of their funds.

The Teamsters Union has the financial wherewithal to pay the cost of overseeing its own elections. The last election was such an abysmal failure from the standpoint of integrity, from the standpoint of appropriateness of an election process, that it is absolutely inexcusable that the Court, that the Justice Department, that the White House, or that anyone else would come to us again and say, Taxpayers, we are going to go down this road one more time. We are going to take you on this ride one more time. We are going to spend your money one more time to run another election for a union which has proven itself to be so corrupt in the manner in which it runs elections.'' It is just beyond my comprehension how we can pursue that course of action. But that seems to be the desire of a number of members in this body and a number of members of the other body, of the White House and of the leadership of the Justice Department. However, if they are going to do it, they are going to do it without my support, and I will do everything I can in this body to make sure that those tax dollars are not spent in this way.

Mr. President, I yield the floor.

Mr. President I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

The Senator from West Virginia.

ANNIVERSARY OF THE GREAT COMPROMISE

Mr. BYRD. Mr. President, today marks the 211th anniversary of one of the more momentous, but little-understood, perhaps, events in our country's history. I will just take a few minutes to remind ourselves of that event and to consider just how the course of this Nation's history might have been forever altered if not for what transpired on July 16, 1787.

It should be of special significance to Members of this body, because it was, fortunately for us, that those who attended the Philadelphia Convention were some of the ablest, brightest figures of the time; in fact, of any time. Ah, Mr. President, to have been a fly on the wall at that gathering! Truly, this was a gathering graced by an accumulation—nay, an abundance—of wisdom, learning, grace, and dignity of a like not seen since the conclaves at Mt. Olympus! From Virginia alone, there were Washington, James Madison, George Mason, and Edmund Randolph; from Massachusetts, Elbridge Gerry and Rufus King; from Pennsylvania, James Wilson, Gouverneur Morris and Benjamin Franklin; and from New York, Hamilton. Here was a constitutional dream team for the ages! And what a starting five! What foe could resist a lineup featuring Wilson's full-court vision, Madison's patience and tactical prowess, Hamilton's aggressive offense, Franklin's experience, and George Washington's dominating presence in the center, as the one who presided over the gathering.

These five were just the tip of the iceberg. Fifty-five men in all presented themselves at the Convention, representing every State, save one—Rhode Island. And with passion and gusto they soon set about devising a plan to guide the country past the shoals and rocks and storms that beset it and into a new sea of tranquility and prosperity.

Nowadays, many of us overlook the tremendous physical and mental effort that were expended in drafting the Constitution. In reading this short document—here it is, I hold it in my hand—in reading this short document, with its precise and careful phrases, it is easy to forget the toil, the sweat, the frustration, the shouting, the argumentation, the thinking, speechifying, and the pleading that went into its creation during that hot Philadelphia summer. For progress was unavoidably slow, and the greatest sticking point—''the most threatening that was encountered in framing the Constitution,'' according to Madison—was the question of whether States should be

represented in Congress equally or on the basis of population.

This question was far from academic, of course. In order to create a Constitution acceptable to the States, the delegates needed to assuage the fears of the small States that they would be swallowed up in a more centralized union. The smaller States looked to Virginia, Massachusetts, and Pennsylvania, with fear and with distrust. The small States feared that a Congress based on population would soon fall under the sway of the large States. New Jersey's delegates declared that it would not be ''safe''—the word is theirs, not mine—they would not be safe to allow Virginia 16 times as many votes as Delaware. They rejected the Virginia Plan, which was presented by Governor Edmund Randolph, with its legislature of two houses, and instead proposed a Congress with a single legislative chamber in which the States had an equal vote.

The Continental Congress, of course, had been a single Chamber, a unilateral legislative branch. It was followed by the Congress, under the Articles of Confederation, again, one body. It was legislative, executive and, to some considerable part, judicial all in one. There was no Chief Executive in the form of an individual. It was the Congress under the Confederation.

Days, and then weeks, of prolonged and acrimonious debate failed to resolve the issue. Some suggested redrawing State boundaries so that all the States would be of roughly equal size. The Convention considered, and then failed to agree upon, equal representation of States in the lower House of Congress. Several times, Connecticut advanced a proposal, initially made by Roger Sherman, calling for equal representation of States in the Senate. This, too, failed to win support. Madison—James Madison—labeled it unjust. Massachusetts' Rufus King angrily announced that he would not, could not, listen to any talk of equal representation in the Senate. James Wilson declaimed that the small States had nothing to fear from their larger brethren in the large States. To this, Delaware's Gunning Bedford retorted, ''I do not, gentlemen, trust you!'' and warned his colleagues that the small States might themselves confederate or even find ''some foreign ally of more honor and good faith who will take them by the hand and do them justice.'' Bedford was roundly rebuked for his words, but the threat of foreign alliances lingered in the stale and sticky summer air. There was no air-conditioning, much like it was in this Chamber up until 1929, when air-conditioning first came to this Chamber.

Efforts to resolve this question ''nearly terminated in a dissolution of the Convention''—it came that close; the effort to resolve this question—according to Luther Martin of Maryland, whose own impulsiveness and heated language did little to calm matters. Washington, that charismatic sphinx who presided over the Convention but kept his thoughts mostly to himself, confided to Hamilton in July that he ''almost despaired'' of success. And Sherman of Connecticut lamented that ''[i]t seems,'' he said, ''we have got to a point that we cannot move one way or another.''

On Monday, July 16—Monday, July 16—some 2 months after the Convention began—the question was finally resolved. Perhaps it was fear of failure that led the delegates to settle, for they knew that the country's future was in their hands—their hands. Perhaps it was exhaustion, for they had already spent many long days and weeks in earnest debate. It may have been because of the heat that had tormented them for so long. Maybe that finally broke that day. Or perhaps the open exchange of opinions, that wrenching but vital process of questioning, debating, and argumentation—that process had successfully whittled away extraneous detail and opinion to arrive at an essential verity. Franklin had described the Convention as ''groping . . . in the dark to find political truth''; perhaps they had at last stumbled upon it. In any event, this day, 211 years ago, the delegates agreed that Congress would be composed of a Senate with equal representation for each State and a House based on proportional representation. This was the Great Compromise, as it was, and has ever since been, called.

Perhaps, Mr. President, we would do best to avert our mind's eye from the horrors that might have befallen this country had the framers not struck the Great Compromise. Perhaps we would be better off simply to thank them, and to also thank Providence, for the miraculous document—the miraculous document; there it is in my hand—the miraculous document that is our Federal Constitution. Perhaps . . . but one thing is clear; without the Great Compromise, the Senate as we know it would not exist.

Without that compromise, without that Great Compromise, the Constitution might not even exist; the Senate, as we know it, you can be sure, would not exist. For this body was conceived that day, 211 years ago today, in Philadelphia when the framers agreed to an upper House of Congress in which each State—each State—had an equal number of votes, each State had equal representation. This is the forum that was born on that day. This is the body—the unique; the body sui generis—that was born on that day, the Senate of the United States. But for the Great Compromise, the Senate—that beloved institution to which so many of us have dedicated our lives, our hopes, our reputations, our strength, our talents, our visions—might never have seen the light of day, let alone played an often pivotal and dramatic role in our national history over the course of more than two centuries.

Mr. President, we would all do well to recall from time to time that the chamber in which we sit owes its existence to a remarkable instance of compromise and conciliation.

Senator DALE BUMPERS of Arkansas, Senator THAD COCHRAN of Mississippi, Senator ROBERT C. BYRD of West Virginia might never have met, might never have known one another, might never have had an opportunity to work together in the interests of our respective constituencies, in the interests of this great Republic.

When next we in the Senate are unable to reach agreement—when we find ourselves plagued by seemingly insurmountable obstacles—when we become frustrated at the obduracy and narrow-mindedness of our opponents—perhaps then, we should remember that minds far more intelligent, visions far more far seeing, persons far more learned—Ah, that learned group of men, they knew about the classics. They knew about Rome and Athens, Persia, Polybius, Plutarch. They knew about Montesquieu. They knew about the colonial experience, the history of England, the history of the ancient Romans.

They were able to find common ground on a matter of far greater import and controversy than much of what we discuss here today. And we should then think to ourselves that just maybe we, too, can find some compromise, some meeting of the minds such as our framers found on that day so long ago in Philadelphia.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I rise to express my profound gratitude to my distinguished colleague from West Virginia, Senator BYRD, for always injecting a meaningful, penetrating history lesson such as we have just been subjected to. It had not occurred to me that it has been 211 years since those magnificent days in Philadelphia brought us this sacred document we call the Constitution which has made us the longest living democracy on Earth, under a Constitution that is the longest living organic law under which any nation has ever lived.

I have made speeches on the floor time and again about what I call the trivialization of the Constitution. When one considers since Congress first convened there have been over 11,500 efforts to amend this document, over 11,500 resolutions introduced in the House and the Senate to amend the work of Madison, Franklin, Hamilton and Adams, and all those great minds which, as the distinguished Senator knows, the great scholar Arthur Schlesinger called the greatest assemblage of political genius ever under one roof—I don't quarrel with that for an instant.

As you have so eloquently pointed out, those men were schooled in the art and the nobility of government. They were historians and they were lawyers, but they were brilliant men. They knew there would be charlatans coming down the pike, trying to trivialize

the Constitution. I remember some since I came to the Senate.

I am very pleased to say that I will, at the end of this year, have been a Member of this body for 24 years. I voted for one constitutional amendment the first year I was in the Senate, and it was a mistake. I am often asked by some member of the press, ''Do you regret some of your votes?''

Of course I do; I am not infallible. If I were doing it over again, I don't know which ones offhand, but if I went through my record, there would be votes I would change. And one amendment to the Constitution which I supported—which, in my opinion today, was dead wrong—I will tell you, was the Equal Rights Amendment. We didn't need a constitutional amendment to provide women with equal rights. We did that in the Civil Rights Act of 1964, and it has been working just fine. We did not have to tinker with the Constitution to do it.

I believe my staff has told me I have voted 38 times against constitutional amendments. I think I want that on my epitaph. And, while noble men may disagree on this, I do not intend before I leave the Senate to cast a vote to change the Bill of Rights. The Bill of Rights—I defer to my colleague—I think they were ratified in 1791. But when the framers left Philadelphia, it was understood that James Madison was going to compose these 10 amendments to the Constitution. These are today called our Bill of Rights. That is the first ten amendments to the Constitution, which provide us freedom of the press, freedom of religion—we have more freedom of religion than most of us are taking advantage of now—and freedom of speech.

Sometimes when I read stories in the press, I think, surely there is some way we can change the freedom of the press clause in the Constitution to stop this sort of irresponsible reporting. But I am not going to do that, because I don't think you can do it without creating a lot more problems than you will solve.

Senator BYRD, if I had my way, no youngster would graduate from college without a fundamental, profound understanding of the Constitution. And precious few of them are graduating with that knowledge today.

Congress deserves a lot of credit. Oh, we take a lot of slings and arrows in this body about knuckling under the special interests, the voters, and the money, and all that sort of thing, but does it not speak well for the Congress that, out of 11,500-plus efforts to change the Constitution, we have only seen fit to do it 27 times? And that includes the first block of 10, called the Bill of Rights, in 1791. You take the 10 in the Bill of Rights out; that leaves 17 times we have actually amended the Constitution. And you remember, we decided we wouldn't drink, and later we decided we would drink; you take those 2 out and there are only 15 times. That is pretty amazing, is it not?

We are importing workers. You heard the debate here just recently about how we are going to allow 75,000 to 95,000 high-tech personnel from abroad, special visa status to come to this country to work. I didn't vote for that bill, incidentally. I still think it was a mistake. But one of the things that troubles me about that is why we are going all out in this country to train people to be computer experts or high-tech gurus. Yet this poor document, the Constitution—which is next to the Holy Bible in sacredness to me—youngsters are graduating from college, and they don't know who James Madison is—the father of the Constitution.

Now, I don't want to denigrate any of my colleagues, but I have to look very carefully at somebody today who thinks he can improve on the words of James Madison. I can assure my colleagues and my constituents back home that I will leave here this fall still only having voted for only one constitutional amendment in my 24 years here.

So, Mr. President, I might just quit on this one note. If I were going to confess to this body the one thing about the Constitution that disturbs me more than anything else—it was a good idea in its time, but I am troubled about it now—that is the fifth amendment requirement of grand juries. The States have long since pretty much eliminated grand juries. But the grand jury system was guaranteed for serious offenses in the Fifth Amendment because they wanted a jury of your peers to make the decision to indict, not the King.

As a matter of fact, the authors of the Constitution intended to make sure that we had no more kings, and they succeeded very admirably. We have had 42 Presidents, I guess, and no kings, since 1787. But I will say this. Their idea was that you could trust the people with your deciding fate and your innocence or guilt a lot more than you could the Crown or anybody representing the Crown.

And, so, the grand jury system had the noblest of intentions. But I would be remiss if I didn't relieve myself of this thought for the benefit of whoever wants to listen. I can tell you, what is going on with the grand jury system in this country right now is dangerous—dangerous in the extreme. I am not suggesting we change the Constitution to do away with grand juries, but I am saying that the grand jury system needs some control and it needs reforming. I have introduced legislation which will do that.

Well, Mr. President, this conversation has been the highlight of my day. I hadn't thought lately about that hot July in 1787 in Philadelphia. It was so hot and George Washington was so intent on everything being secret, they closed the windows and they almost suffocated just to make sure that nothing of the deliberations was heard on the street. But what a lucky people we are to have the honor and the privilege of living in this great country of ours because of those men. Some of them fought in the Revolution, sacrificed their families to fight in the Revolution. And they went there and provided us with this magnificent document.

I thank the Senator again for raising our awareness level on that point.

I yield the floor.

Mr. BYRD. Mr. President, we might pause tomorrow, July 17, to remember that it was on July 17, 1789, 2 years later, that the Senate of the United States passed the Judiciary Act. The Senate was not expected to originate legislation. That didn't mean it could not, but it was anticipated that the House would originate about all the legislation and the Senate would tamper with it, improve it, refine it, and so on.

But in the U.S. Senate, on July 17, 1789, history will always mark the passage of the Judiciary Act, which created the judicial system. Oliver Ellsworth was a key player in that matter. He later became Chief Justice of the United States. But he was never as a justice what he was as a legislator. Oliver Ellsworth. It all causes one to marvel at how that first Senate came to grips with these problems and legislated for the first time on so many of these things. And it was in that first Congress that the two Houses learned to work together and have conferences on bills, where they resolved the differences between the two Houses.

Our forebears were remarkable men. That was a remarkable time in history. I will never fail to believe that Providence had its hand in the destiny of this country when those marvelous things happened in Philadelphia. When one pauses to think about it, the real miracle—and there were many miracles that happened there—was when men of different minds and different experiences, different temperaments, viewpoints, and attitudes, were able to mold their opinions and give and take, compromise, and come to a conclusion. That was a miracle in many ways.

It seems to me that the greatest miracle of all was the convergence of circumstances and people that took place with the Convention. Perhaps 5 years earlier it would not have happened, because the country had not yet fully experienced all of the weaknesses and shortcomings of the Articles of Confederation. A consensus had not yet formed as to the necessity for a new Constitution. Its experiences under the Articles taught it many things to avoid in this new Constitution. And it was fortunate that the Convention was not delayed until 5 years later, as we consider the events that occurred in France with the French Revolution and all of the horrors that took place there with the execution of King Louis XVI.

The fruit ripened just at the right time. That, to me, showed the hand of Providence, and that was somewhat of a miracle in itself.

I thank the Senator and I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I join my friend from Arkansas in thanking the distinguished Senator from West Virginia for his comments today. It is always a pleasure to hear him recount the history of our country. In doing so, I can't help but remember the time and effort and diligence he put to the task of writing the ''History of the U.S. Senate,'' which we have in our offices and others have had an opportunity to enjoy and appreciate over the last several years. It is one of the remarkable acts of scholarship that has been turned in by a U.S. Senator and probably ranks No. 1 in the list of books written by active Members of the U.S. Senate, for all of which I think we owe a deep expression, and sincere expression, of gratitude to the Senator from West Virginia.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, there is just one final little anecdote that I would like to share with the Senate.

When my former colleague, Senator Pryor, left the Senate last year, he went home to the University of Arkansas to teach. He is sort of a roving professor. He taught one day at the school of business, and the next day the school of agriculture, and so on. He was at the law school one day. He said that some smart law student got up and said, ''Why don't you deliver a lecture someday on the comparison of our democracy and the Athenian democracy?'' Senator Pryor said he didn't know what to do. So he went back to his office and he called the Senate historian and he told him what he was up against. The historian said, ''You are lucky. Senator BYRD has just delivered about 15 speeches on Athenian democracy.'' He sent those to him, and he said everybody in the university thinks he is an Athenian scholar.

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

The Senate continued with the consideration of the bill.

Mr. COCHRAN. Mr. President, I am hopeful that we can continue now with consideration of amendments of Senators who wish to offer them on the agriculture appropriations bill. We sent word out through the cloakrooms at 3 o'clock that we were prepared to conclude consideration and approve amendments, recommend acceptance of Senators' amendments, which have been brought to the attention of the managers, and those that could not be agreed upon, we would offer them for Senators and get votes on them if they wanted us to do that, or move to table them and dispose of them in that way, so that we could complete action on this bill. We need to complete action on the bill today and move on to other matters.

I notice the distinguished Senator from Iowa is on the floor. He has an amendment to offer. I am happy to yield the floor to permit him to do so.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent the privilege of the floor during the debate on the agriculture appropriations bill be granted to Sarah Lister, a member of my staff.

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

AMENDMENT NO. 3175

(Purpose: To provide funding for the Food Safety Initiative with an offset)

Mr. HARKIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa (Mr. HARKIN), for himself, and Mr. LEAHY, Mr. KENNEDY, Mr. TORRICELLI, Mr. DURBIN, Mr. WELLSTONE, Ms. MIKULSKI, and Mrs. MURRAY, proposes an amendment numbered 3175.

Mr. HARKIN. 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:

On page 67, after line 23, insert the following:

SEC. 7. FOOD SAFETY INITIATIVE.

(a) IN GENERAL.—In addition to the amounts made available under other provisions of this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, to carry out activities described in the Food Safety Initiative submitted by the President for fiscal year 1999—

(1) $98,000 to the Chief Economist;

(2) $906,000 to the Economic Research Service;

(3) $8,920,000 to the Agricultural Research Service;

(4) $11,000,000 to the Cooperative State Research, Education, and Extension Service;

(5) $8,347,000 to the Food Safety and Inspection Service; and

(6) $37,000,000 to the Food and Drug Administration.

1. Amendment of the No Net Cost Fund assessments to provide for collection of all administrative costs not previously covered and all crop insurance costs for tobacco. Section 106A of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445–1(c), is hereby amended by, in (d)(7) changing ''the Secretary'' to ''the Secretary: and'' and by adding a new clause. (d)(8) read as follows:

''(8) Notwithstanding any other provision of this subsection or other law, that with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which a Fund is maintained under this section, an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to: (1) the administrative costs within the Department of Agriculture that not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessment under this clause for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this clause shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this clause. For each domestically produced pound of tobacco the assessment amount to be remitted under this clause shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Fund maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the Fund and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this clause shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment.''

2. Amendment of the No Net Cost Account assessments to provide for collection of all administrative cost not previously covered and all crop insurance costs. Section 106B of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445–2, is amended by renumbering subsections ''(i)'' and ''(j)'' as ''(j)'' and ''(k)'' respectively, and by adding a new subsection ''(i)'' to read as follows:

''(i) Notwithstanding any other provision of this section or other law, the Secretary shall require with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which an Account is maintained under this section, that an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to: (1) the administrative costs within the Department of Agriculture that are not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessments under this clause for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this clause shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this clause. For each domestically produced pound of tobacco the assessment amount to be remitted under this clause shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Account maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the Account and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a

time determined appropriate by the Secretary.Collections under this clause shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment.''

3. Elimination of the Tobacco Budget Assessment. Notwithstanding any other provision of law, the provisions of Section 106(g) of the Agricultural Act of 1949, as amended, 7 USC 1445(g) shall not apply or be extended to the 1999 crops of tobacco and shall not, in any case, apply to any tobacco for which additional assessments have been rendered under Sections 1 and 2 of this Act.

Section 4(g) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(g)) is amended in the first sentence by striking ''$193,000,000'' and inserting ''$178,000,000''.

Amend the figure on page 12 line 20 by reducing the sum by $13,500,000.

Amend page 12 line 25 by striking ''law.'' and inserting in lieu thereof the following: ''law, and an additional $13,500,000 is provided to be available on October 1, 1999 under the provisions of this paragraph.''

Mr. HARKIN. Mr. President, my cosponsors on this amendment are Senators LEAHY, KENNEDY, TORRICELLI, DURBIN, WELLSTONE, MIKULSKI, and MURRAY. I want them all added as cosponsors of this amendment.

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

Mr. HARKIN. Mr. President, the amendment that I just offered would restore $66 million for the President's Food Safety Initiative, the funding of which I believe should be a national priority. I understand the constraints faced here on this subcommittee on spending. But food safety is an increasing problem in this country. As the President has pointed out, I think we ought to make food safety a priority. If there is one thing we all do, it is that we all eat. And there are few things more important than knowing that the food you are going to eat isn't going to make you sick.

So this amendment really is to ensure that the health and safety of American consumers is protected, and protected even better than it has been in the past.

Again, Mr. President, I don't know the reason why this is happening. But more and more frequently we are getting outbreaks of pathogens and foodborne illnesses in this country.

Just last month, in June of 1998, there were 12 outbreaks of foodborne illnesses in this country. Here is the chart that depicts that. I know there are more dots here than 12. But there are 12 different outbreaks. Some outbreaks occurred in more than one State. So we had 12 different outbreaks. It affected consumers in 41 States and caused more than 7,000 illnesses.

That is in the month of June of this year. That is one month. That is just the tip of the iceberg. It is estimated that there are millions of cases and over 9,000 deaths per year in this country from foodborne illnesses, including a lot of kids who need dialysis, or kidney transplants, after eating food contaminated with what now has become a well known pathogen, E. coli 0157H7. We all know that kids get it. They get deathly ill from it. Many die. Those who do not go on kidney dialysis have kidney transplants.

Here is the interesting thing. This pathogen, E. coli 0157H7, we all read about. And you can talk to persons on the street and they know about E. coli 0157H7. It didn't even exist 20 years ago. So we are seeing new mutations. Twenty years ago, E. coli 0157H7 didn't even exist, and today thousands of people are getting sick and dying from it throughout the United States.

The E. coli 0157H7 are the blue dots. The white dots, the green dots, and all these others—about six different ones here—E. coli 0157H7 outbreaks throughout the country in June.

One other outbreak, which affected hundreds of people in 12 States, involved an unusual strain of Salmonella that came in breakfast cereals. That is the one in the red dots here you can see all over the United States.

I happen to be a cereal eater. I have eaten cereal—Cheerios, Wheaties, and everything else—since I was a kid, obviously, and I am sure everyone else has. If there is one thing that you think is really safe, it is cereal. It is dry. It is roasted, toasted, baked, or something. You get it in a box, you open it, put it in the bowl, put milk on it, and you think it is safe. This is the first time that we have ever had Salmonella occur in a dry cereal. Usually you get Salmonella in raw eggs, or things like that, but not from cereal.

So, as I said, there is something happening that we have not seen before in terms of the kinds of foods and the numbers of outbreaks and the new pathogens that are affecting our country.

I always like to ask people when I talk about this in meetings in Iowa and other places. I say, ''How many people here have ever gone out to a restaurant to eat and you come home, you have had a nice meal out, you watch the evening news, you go to bed, and at 2 o'clock in the morning you wake up and there is a railroad train going through your stomach, and you make a bee-line for the bathroom?''

Usually people start laughing. But they are nodding their heads. A lot of those aren't even reported. And people are a little sluggish the next day, they don't feel quite right the next day, productivity goes down, but after 24 hours they are over it and move on. That is what I mean. A lot of these aren't even reported, but it happens to people every single day.

If that happens to me, and I get a little upset stomach, I get a little sick, a little diarrhea the next day, or I feel a little down, I move on, think what happens to a kid. What about a child? What about someone 12, 13, or 10 years old? They are affected a lot worse than that. Or an elderly person whose immune system may not be as strong as someone my age. They are the ones who are getting hit harder and harder by these foodborne pathogens.

This is really an appropriate time to be talking about this, during the middle of a hot summer, because there is another interesting thing about foodborne pathogens.

In 1997, and we know in previous years the same is true, the number of foodborne illnesses always peaks in the summer, and they come down in the winter. May to September is when we get our peak. Pathogens flourish on the foods and any foods that aren't handled properly in the summer heat. So during the summertime, we see the number of incidents of foodborne pathogens going up. So this is a proper time to be talking about it, in the summer months.

We can reduce the number of foodborne illnesses that we have in this country.

We can reduce the incidence and severity of foodborne illnesses, and the Food Safety Initiative that the President announced will provide funding for necessary inspection, surveillance, research, and education activities at both the USDA and the FDA to improve the level of food safety in this country.

I will go over each one of those. First, inspection. The amendment that I sent to the desk provides for increased spending to improve inspection. Now, what kind of inspection are we talking about? Well, the FDA inspects the 53,000 domestic food processing plants on the average of once every 10 years. That is right, on the average of once every 10 years, FDA inspects the plants that can our fruits, can our vegetables, handle our produce and fresh fruits and things like that—about once every 10 years. Right now, FDA inspects only about 2 percent of imported produce, although consumption of these products is increasing and imported produce has been linked to several outbreaks of illnesses in recent years. So only 2 percent of imported produce is even inspected by the FDA.

This amendment funds 250 new inspectors at FDA for this purpose. It will also fund a program at USDA to implement the new inspection procedures for meat inspection in State-inspected meat and poultry plants. Right now, we have a Federal system. We also have State-inspected meat and poultry plants, and this amendment would help fund the implementation of these new—HACCP, as it is called—meat inspection systems in our State-inspected meat and poultry plants.

So that is the first part, inspection.

The second part has to do with research and risk assessment. The Food Safety Initiative seeks new funds for research and risk assessment. The funding will lead to new rapid-testing methods to identify pathogens before they can be spread far and wide. Funding for on-farm testing will help determine where simple solutions such as vaccines can make major improvements in the safety of food. So risk assessment and research can point to

practical solutions that will get to it early on and make high-risk foods a lot safer—I mean foods that are handled a lot, foods that are used a lot in the summertime, maybe are handled and cooked outdoors, that type of thing.

The third aspect of this amendment deals with education. This amendment calls for funding for education programs for farmers, food service workers, and consumers. I might just point out that consumer food safety education is crucial as traditional homemaker education in schools and at home is increasingly rare. Educating food service workers is also important as more and more of us eat out or eat take-out foods.

The last part is surveillance. In the case of these outbreaks in June, extensive investigations were necessary before tainted products could be identified and recalled. The Food Safety Initiative provides new funds for the USDA and FDA to coordinate with the Centers for Disease Control and Prevention in identifying and controlling outbreaks of illnesses from food; in other words, get better surveillance out there to coordinate with CDC, USDA, and FDA—and that is not taking place right now—so that if you do have an outbreak, you can contain it and keep it in one locality without it spreading to other States. And that is really important.

I will take this chart and again put it up here to show the outbreaks that happened in June. What you can see is, you have an outbreak of E. coli here in one State, and you see it spreading to other States, the same strain, the same packages. Why would it be in Ohio, then in Kansas, and then out here in Utah? Why would it be in those States all at the same time? We know how fast we move food around this country. You could have something slaughtered, processed, produced, and packaged in one State and 24 hours later it is being eaten halfway across the country. That is why you need good surveillance. If you find something that has happened in one locality, you can coordinate with the CDC down here in Atlanta, GA, and put the brakes on right away. We don't have that kind of in-depth coordination and surveillance right now, and this amendment would provide that.

Last October at a hearing before the Senate Ag Committee, numerous producer, industry, and consumer groups called on the Federal Government to increase resources for food safety in research, education, risk assessment, and surveillance. I thought I might just quote a couple of these.

Mike Doyle, Ph.D., on behalf of the American Meat Institute, the Grocery Manufacturers Association, National Broiler Council, National Food Processors Association, and the National Turkey Federation, testified last October, and he said:

> The problem we should be facing is how to prevent or reduce pathogens in the food supply. Research, technology and consumer education are the best and most immediate tools available. Government can be most helpful by facilitating the aggressive use of these tools to find new ways to protect consumers.
>
> A strategic plan for a prevention-oriented, farm-to-table food safety research technology development and transfer that engages the resources of the public and private sector must be developed and fully funded.

Alan Janzen on behalf of the National Cattlemen's Beef Association.

Gregg Page, President, Red Meat Group, Cargil, Inc., on behalf of the American Meat Institute, said:

> Congress can help ensure that there is reality in the laws and regulations governing food safety by endorsing educational activities focused on proper cooking and handling practices and a comprehensive, coordinated and prioritized approach to food safety research.

C. Manly Molpus, Grocery Manufacturers of America, in a letter dated January 19, 1998, said:

> With new, emerging food pathogens, FDA must have the resources to recruit scientists and fund research and surveillance. Increased resources will mean better, more focused and planned scientific research programs.

So we have a lot of comments from the industry about the need to make sure that this Food Safety Initiative is, indeed, fully funded.

Now, lastly, let me just point out where we get the offset for this amendment. The offset has several components. The principal one would complete the job of getting the U.S. taxpayer out of the business of supporting the production of tobacco. It is a common question I hear: If smoking is so bad and we are trying to get this tobacco bill passed around here, then why is the Government subsidizing the production of tobacco?

Well, it is not supposed to be. Under the 1982 No Net Cost Tobacco legislation, the cost of the tobacco price support program is covered by assessments made by tobacco companies and growers. But that is only for the price support program. These assessments do not cover the cost to the taxpayer of crop insurance on tobacco, nor do they cover the administrative costs of the tobacco program or the various other tobacco-related activities at the USDA. The total cost of these USDA tobacco activities is about $60 million a year. Under this amendment, tobacco companies will cover the cost of these USDA tobacco activities. After all, it is the tobacco companies that benefit from having a dependable supply of tobacco available to them.

So I think it is about time that we close this last little loophole and have the tobacco growers and companies pay the $60 million that the taxpayers are paying today.

So that is the first part of the offset. The second one is that we get $15 million from the mandatory CCC computer account. These funds are available to the USDA to be spent for data processing and information technology services. Cutting this account will in no way reduce the ability of the USDA to prepare for the Y2K problem at all. So there is $15 million from this computer account.

And, lastly, we cut $13 million from the ARS buildings and facilities account. Again, we do not propose to eliminate any building projects. Rather, we propose to delay the money that would be obligated but not spent during the fiscal year 1999.

In other words, the money would be obligated, but it would not be spent. All projects would be allowed to continue development and planning of these facilities. But there is no point in appropriating money in fiscal year 1999, money that will not be spent, when there is a critical need for food safety funds to fund the Food Safety Initiative.

I see two of my colleagues on the floor who have worked very hard on this Food Safety Initiative, who are strong supporters of it. I yield the floor at this time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I yield to the Senator from Illinois.

PRIVILEGE OF THE FLOOR

Mr. DURBIN. Mr. President, I ask unanimous consent that Kevin Mulry, a Brookings fellow in my office, be granted the privilege of the floor during consideration of the Harkin amendment on the agriculture appropriations bill, S. 2159.

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

Mr. DURBIN. I make a second unanimous consent request, if there is no objection from the chairman, the Senator from Mississippi, since it does not appear there is another Senator on the floor, I ask unanimous consent to follow the Senator from New Jersey in making remarks in support of the Harkin amendment.

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

The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I rise in support of the Harkin amendment to fund President Clinton's Food Safety Initiative. In supporting this effort to fund food safety in our country, I must admit to some surprise about the debate. Through the years in this Congress, we have had controversial debates with legitimately and strongly held different views. This is a difference of opinion that I just do not understand.

It is now estimated that there are 9,000 Americans per year losing their lives because of food safety. There is a rising cost in human life and suffering because of compromises in the quality of food consumed in America. In a nation where we are accustomed to automobile accidents and crime, the leading reason in our country to visit an emergency room is because of food that you purchased and consumed. It is not

an insubstantial cost to our economy. Mr. President, 6.5 million people suffering from foodborne illness; $22 billion in cost to our economy.

Two years ago, on a bipartisan basis, across philosophical lines as a national community, we came to recognize that this cost was not sustainable and mostly was not necessary. This Congress began to fund, under President Clinton's leadership, an initiative to ensure the quality and safety of our Nation's food supply. We are now about to enter into the second year of that program, which has included hiring more inspectors, enhancing surveillance and early warning, increasing research into pathogens like the E. coli bacteria, and to develop more fast, cost-efficient, and more modern detection methods. The second year is about to begin, but a preliminary judgment has been made on the budget of the Government to abandon the effort: No research, no new technology, no new inspectors—nothing.

It would be a legitimately held view to come to the floor of this Senate and say, ''The President's plan has been tried and has been evaluated, it is understood, but there is a better idea.'' There may be better ideas. There is no monopoly of wisdom in constructing this plan. But to argue, in the U.S. Senate, in the face of this rising problem, that the better answer is to do nothing, confounds logic. I do not understand it—governmentally or politically.

The American people may be under the impression that their food supply is safe. It is certainly true by world standards; compared with many nations, it is safe. But it is not what they believe. Mr. President, 9,000 deaths is unconscionable, but it is not even the full extent of the problem. Some years ago, like most Americans not recognizing the full extent of this problem, I heard testimony from a constituent of mine named Art O'Connell. His 23-month-old daughter, Katie, had visited a fast-food restaurant in New Jersey. The next day she wasn't feeling well. Two days later she was in a hospital. By that night her kidneys and her liver began to fail. A day later, she was dead.

I thought it was about as bad a story as I could hear, and then in the same hearing I heard mothers and fathers from around America whose children had also been exposed to the E. coli bacteria, and realized that sometimes the child that dies can be the fortunate child. The E. coli bacteria will leave an infant blind, deaf, paralyzed for life. In the elderly, it can strike more quickly and also result in death.

It is a crisis in our country, but it is one that will not solve itself. Indeed, it is estimated over the next decade, the death toll and the suffering from foodborne illness in America will increase by 10 to 15 percent per decade.

There are, to be certain, a number of reasons—the sources of food supplies, a more complex distribution system, failures to prepare food properly, and almost certainly because of rising imports of food. Food imports since 1992 have increased by 60 percent. Yet, notably, inspections have fallen by 22 percent. There are 53,000 potential sites in America involved in the production of food for the American people—53,000. The United States has 700 inspectors. To place this in context, in the State of New Jersey where we operate a gaming industry, in Atlantic City, we have 14 casinos. We operate with 850 inspectors. What my State government in New Jersey is doing to assure that the roulette wheels and gaming tables of Atlantic City are safe for gamers, the United States of America is not doing for the food supply of the entire country. Mr. President, 700 inspectors for this country.

To be honest, I do not argue that, even if Senator HARKIN's amendment is accepted, that the Members of this Senate can face their constituents honestly and claim that this problem is being solved, no less managed. It would, in truth, require much more. Over the years, in working with Senator DURBIN, we have outlined legislation that is far more comprehensive, in my judgment, much more attuned to what is required—to create a single food agency to replace the current 12 Government agencies involved in food safety, to remove agencies whose principal mission is to prevent the consumption and sale of food from inspection—to remove an inherent conflict of interest in the management of the Nation's food supply; and certainly to give the Department of Agriculture a mandatory recall authority so the moment we know there is a problem and health is endangered, we can eliminate the distribution problems.

All these things are required, but we are asking for none of that today. All that Senator HARKIN is asking is to fund at the commitment levels we decided on a year ago, to do the second half of a 2-year program to provide for the inspections, the technologies of this food safety program.

Mr. President, many of us years ago learned of a different period in American history through the words of Upton Sinclair in his writing, ''The Jungle.'' At a time when the Federal Government was not doing little to ensure the safety of our food supply for our people, it was doing nothing.

Most Americans will be surprised to learn that, as they read as a student of Upton Sinclair, the technology of food inspection has not really changed in these several generations. The principal instrument used by the U.S. Government to ensure that meat is safe is the human nose of an inspector. The second line of defense is his eyesight. As food comes down the assembly line, assuring that it is safe is based on the instinct of those inspectors, albeit inspecting 2 percent of the Nation's imported food supply.

Part of this program is to advance the technologies which we are using in every other aspect of American life, the extraordinary technologies of our time which uniquely, incredibly and inexplicably are not being used on a very item of life and death of our citizens—our food supply. This program will develop and advance those technologies.

New pathogens are being found all the time. The E. coli bacteria itself is changing. This program will research to understand those pathogens, to use our technology to defeat them in biomedicine.

As the Senator from Iowa has said, we also need enhanced surveillance. Because we live in a time when the food supply of one State can appear in another State within hours, a single source of contaminated food can be across America in days. We need to track it through surveillance to find it and eliminate it.

Of course, as I suggested, we need more inspectors to also ensure the presence of the Government is there.

All we are doing is attempting to fulfill what the American people believe they already have. Most Americans, if you were to ask them today, would tell you: ''Yes, there's a Federal inspector where that meat is produced, those fruits and vegetables, that syrup, they are there, and we are using the best technology and we are understanding the pathogens.'' We are asking that this Senate help fund that which we committed to 2 years ago and that which the American people already believe exists.

Finally, there is ample time for us to disagree on many issues. There are legitimate concerns about which we can differ. If ever there was an issue about which we could come together in common cause, this is that issue. This is not an expansion of Government power, it is a power which the Government has had for all the 20th century. It is not draining significant resources we do not have. It is $100 million in a modest program.

I am proud to join with Senator HARKIN, Senator DURBIN and Senator KENNEDY in offering this amendment. I hope we can receive an affirmative vote and proceed with this program and avoid all that suffering, which is just so unnecessary, and begin to turn the corner on dealing with this very important problem.

Mr. President, I yield the floor.

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

Mr. DURBIN. Mr. President, first I thank my colleague from New Jersey for his fine statement, as well as my colleague from Iowa. The Senator from New Jersey and I have introduced legislation which attempts to streamline this entire process. It is mind-boggling to try to come to grips with the many different agencies and laws that apply to food safety inspection in America. Though that is not the object of the amendment of the Senator from Iowa, it is something which I hope on another day the Senate will address. To

think that there are some six different Federal agencies with the responsibility of food inspection, some 35 different laws and a crazy quilt of jurisdiction which not only wastes taxpayers' dollars, but creates risk for consumers is unacceptable.

What we address today is more immediate, different than a change of jurisdiction within agencies. It is to address the immediate need to assure the consumers of America that its Government is doing all in its power to protect them at their family tables.

This issue first came to my attention about 3 or 4 years ago. I certainly heard about the E. coli outbreaks in Jack-in-the-Box and the others that were well publicized, but I received a letter when I was a Member of the House of Representatives from a lady in Chicago. I didn't represent the city, but she sent me a letter when she heard we were debating modernizing our food inspection system.

In this handwritten letter, Nancy Donley of Chicago told the tragic story of going to the local grocery store to buy hamburger for her 6-year-old son Alex, coming home and preparing it. Alex ate the hamburger and within a few days was dead, dead from E. coli-contaminated hamburger, which led to one of the most gruesome episodes one can imagine.

Your heart breaks to think of a mother and father standing helplessly by a hospital bed wondering what is taking the life away from this little boy whom they love so much. She tells in graphic detail how Alex's body organ by organ shut down until he finally expired because of contamination in a food product.

It brought to my attention an issue which I had not thought about for a long time, because you see, unlike some Members of the Senate, I have some personal knowledge when it comes to this issue, not just because I eat, which all of us do, but 30 years ago, I worked my way through college working in a slaughterhouse in East St. Louis, IL. I spent 12 months of my life there, and I saw the meat inspection process and the meat processing firsthand.

I still eat meat, and I still believe America has the safest food supply in the world, but I am convinced that we need to do more. The world has changed in 30 years. The distribution network of food in the United States has changed. When I was a young boy, it was a local butcher shop buying from a local farmer processing for my family. Now look at it—nationwide and worldwide distribution, sometimes of a great product but sometimes of a great problem. That some contaminated beef last year led to the greatest meat recall in our history is just a suggestion of the scope of this problem. A contamination in one plant in one city can literally become a national problem.

This chart that Senator HARKIN of Iowa brought before us doesn't tell what happened across the United States in 1 year. It tells us what happened in 1 month, June of 1998. These were the outbreaks and recalls in the United States of America. I am sorry to say, with the possible exception of New York, my home State of Illinois was hit the hardest, for you see, we had over 6,000 people in the Chicago area who were felled by some food-related illness that might have been associated with potato salad—6,000 people. We are still searching to find exactly what caused it.

We had a hearing with Senator COLLINS of Maine just a few days ago in the Governmental Affairs Committee which took a look at the importation of fruits and vegetables. She focused—and I think it was an excellent hearing—on Guatemalan raspberries that came into the United States contaminated with cyclospora, and, of course, caused illnesses for many people across the United States.

The fascinating thing, the challenging part of that testimony was that if you look at our inspection process today, there is no way for us to detect the presence of that bacteria, nor is it easy for any doctor to diagnose a person as having been stricken by that illness.

As we trace those imports in the United States of fruits and vegetables, we find that we face a new challenge in addition to this broadening distribution network. It is a challenge where our appetites have changed, and where we enjoy the bounty of produce from all over the world. So our concerns which used to be focused on the United States and partially on imported fruits and vegetables have expanded dramatically. Now we worry about imported fruits and vegetables from the far corners of the world.

We worry about contaminations which we never heard of before which could, in fact, affect literally millions of Americans. The challenge of food inspection is changing dramatically.

Let me give you another illustration about what is happening. Most of us can recall, when we were children, when mom would bake a cake or make cookies, and she finished putting it all together, and you were standing dutifully by waiting for the cookies or the cake, she would hand you the mixing bowl—and you would reach in with a spoon or spatula and taste a little bit of the dough, cake batter, whatever it might be. As you see, I did that many times; and I appreciated it very much.

You know, now that is dangerous. You know why it is dangerous? Because of the raw eggs that are part of the mix. It used to be that the salmonella was traced to the shell of the egg, so if the shell fell in the batter, you would say, ''Oh, that's something we need to be concerned about.'' But, sadly, within the last few years they have found the salmonella inside the egg. So you can never be certain handing that mixing bowl to a tiny tot in the kitchen that you are not inviting a foodborne illness that could be very serious.

Things are changing. We need to change with them. When President Clinton stepped forward and said, ''America's concerned about this problem and American families realize they can't protect themselves as individuals, they're counting on us to do the job,'' he challenged us to fund it. Sadly, we are not funding it in this bill.

That is why the Senator from Iowa, Senator HARKIN, Senator KENNEDY, Senator TORRICELLI, and I are offering this amendment to increase the funds.

What will we do with them?

First, increase the number of inspectors. We clearly need more people on the borders taking at look at the process and the fresh food coming into the United States. I have been there. I have been to Nogales, Mexico, Nogales, AZ. I have seen that border crossing.

I have followed the FDA inspection all the way from the trucks to the samples taken into the laboratory in Los Angeles, CA, to be tested; and I can tell you that, though it is good, it is far from perfect.

In most instances, by the time they have tested that sample of fruits or sample of vegetables, and if they find anything wrong with it, it is long gone, it is already on the grocery shelves somewhere in America. Oh, they are going to be more watchful the next time around, but they cannot protect us with the resources presently available.

President Clinton said we can do more, and we should do more. We also need to look into this whole question of surveillance. As we noted here, this distribution system around the Nation really calls on us to move quickly. If we find a problem at a processing plant in my home State of Illinois, we need to know very quickly whether or not it has been spread across the United States so that recalls can take place.

We need more research, too, research on these foodborne illnesses, how they can be averted and avoided. I think we can achieve that, as we should. The Senator from New Jersey had the most telling statistic: 53,000 different food production sites around America, 700 inspectors. We will never have an inspector for every site. We certainly can do better than we have at the present time.

Let me also say that the offset that the Senator from Iowa is offering to us is a very good one. I am personally aware of it because a large part of it represents an amendment which I have offered for several years, first in the House and then in the Senate. It answers a question which virtually all of us, as politicians—Senators and Members of Congress—face.

How many times I have gone into a town meeting and someone raises their hand and says, ''Senator, let me ask you a question. If you tell us that tobacco is so dangerous, why does the Federal Government subsidize it?'' Well, I will tell you, there is not a very good answer to that question.

This amendment being offered by the Senator from Iowa finally puts to rest and answers that question. We are going to stop subsidizing the growing of tobacco in America. We are going to stop asking taxpayers across the United States to pay for a subsidy to the tobacco-growing industry.

I have offered this amendment before. I have never had a better use of it than what the Senator from Iowa is offering today. Take the taxpayers' money now being invested in the cultivation and growth of this deadly product, tobacco, take that money, put it into food safety.

There is a real justice to this amendment and what the Senator is offering so that we can say to people, we are not only stopping this Federal subsidy of the cultivation of tobacco, we are trying to protect children, the elderly, and those who have some health problems that may make them particularly vulnerable. So I heartily support the offset which is being offered by the Senator from Iowa.

Mr. HARKIN. Will the Senator yield?

Mr. DURBIN. I am happy to yield.

Mr. HARKIN. I want to make it clear for the RECORD that the Senator from Illinois, Senator DURBIN, has been the leader in going after this aspect of the taxpayer funding of tobacco at USDA for years. So I just thank the Senator for letting me capitalize on that and use this money that he has tried so valiantly over the years to stop—to use that for this offset for the Food Safety Initiative.

I appreciate the Senator's support and his willingness to let us use the offset that he has been trying to kill for years, because it really is unfair for the taxpayers of this country to spend $60 million every year in support of USDA activities that go to help grow more tobacco in this country. If they want to do it, let the tobacco companies fund it themselves. I thank the Senator for his years on this effort in this regard.

Mr. DURBIN. Let me say to the Senator from Iowa, I am happy to join him in this effort. We could not think of a better investment of this money than to take it away from the promotion of a product which causes so much death and disease and put it into the kind of health initiative which the Senator from Iowa has suggested.

Let me just say this: Mark my words. Within a few weeks we will read in the newspapers again of some outbreak of food contamination and food illness. We will be alarmed and saddened by the stories of the vulnerable—the children, the elderly, and those who are in a frail medical condition who have become victims because of it.

Each of us, in our own way, if it affects our State will express our outrage, our disappointment; and we will promise that we will do something about it. Well, let us be honest. This is the amendment that might do something about it. We can give these speeches—and we will—but the real question is, Are we prepared to back up our concern in front of a television camera with our votes on the floor of the U.S. Senate?

The Senator from Iowa is offering us an opportunity to really be certain that the American people understand what our commitment is to this important issue. I thank him for his commitment. I am happy to join him as a cosponsor of this amendment.

I yield back the remainder of my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

PRIVILEGE OF THE FLOOR

Mr. KENNEDY. Mr. President, I ask unanimous consent that floor privileges during the debate on the agriculture appropriations bill be granted to Diane Robertson, Stacey Sachs, and Mary Reichman.

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

Mr. KENNEDY. Mr. President, I join in thanking my friend and colleague from Iowa, Senator HARKIN, and Senator DURBIN, and others, for providing the leadership in what I consider to be one of the most important amendments introduced as part of this legislation. I hope that we will be successful, because it addresses a problem that has been outlined by my colleagues on the floor of the Senate about what has been happening in our food supply over recent years.

What we have seen, Mr. President, over the period of the last 5 years, has been the doubling of imported food into the United States. We expect that the food that has come into the United States will double again over the next 5 years.

We are finding that a third of all of the fruit, and over half of the seafood consumed in this country is being imported into the United States. And those figures are going to grow over the next 5 years. At the same time, we have seen a significant reduction in resources dedicated to inspections. Over the period of the last 5 years, there has been a 22-percent reduction of support for inspections and food safety in the Food and Drug Administration.

The Department of Agriculture has primary responsibility for meat and poultry. The Food and Drug Administration has primary responsibility for inspection of all other food. The increase in imports in these other food categories—produce, seafood, etc.—inspected by FDA would be one factor which could justify the increase that is included in the Harkin amendment. But that really does not tell the whole story, Mr. President.

To understand the whole story, we have to understand the very dramatic changes which have taken place in terms of our food supply.

For example, let's look at E. coli, which occurs naturally in our bodies. In the last 20 years, E. coli has mutated to be more virulent and even deadly. This was illustrated today by my friend and colleague from Illinois, Senator DURBIN, and illustrated by the food disease outbreaks that we have seen from January to July of 1998.

We are not just saying that the appropriations haven't kept up with the need, as important as that is, and that ought to justify it, but there are dramatic differences in the eating habits of the American people. More people are eating out. More people are eating products that are coming from different countries. More Americans are storing their food over longer periods of time. All of this is having an impact in terms of the increased risk from foodborne pathogens and the increased occurrence of foodborne illness.

The bottom line, Mr. President, is that foodborne diseases are much, much more dangerous today than they were 3 years ago, 5 years ago, 10 years ago. You are getting a change in quantity and the severity of the illnesses, the virulence of foodborne pathogens and their impact on human beings.

Antimicrobial resistance contributes to this phenomenon, and those in the pharmaceutical industry see it every single day. They believe that this is one of the very significant new phenomena in the whole area of health science. It is reflected in the severity of these illnesses. They are deadly today. They don't just give you a stomach ache; they kill you.

That is why I believe this amendment is of enormous importance. We need to have the kind of support that this amendment provides, to make sure that we, as Americans, are going to have the safest food supply in the world. We do. But it is threatened. For us not to understand the risk is foolishness. I believe this amendment, with its offsets, is justifiable and of enormous importance.

I thank the Senator from Iowa for his leadership in this area. I commend him for his legislation and for the seriousness with which he has approached it and for his constancy in pursuit of it. We are very much in your debt.

Even with this, Mr. President, I think all of us have a responsibility of watching, and watching carefully, what is happening to our food supply as we move ahead in these next months and years. Tragically, if we fail to do this, and we see the kind of tragedies that are bound to take place, we will have, once again, I think, in an important way, failed to meet our responsibilities to provide protections for the American people in the most basic and fundamental way.

Every day, more Americans are stricken with food poisoning. Children and the elderly are especially at risk.

Outbreaks of foodborne illness are increasing. The toxicity of bacteria is increasing. Yet resources to combat these festering problems are decreasing. Without additional resources, FDA and the Department of Agriculture cannot act effectively to prevent these illnesses. The American public deserves better.

In the last two months: over 400 people became ill and 74 were hospitalized in 21 states from *Salmonella* in dry cereal; 6,500 people in Illinois became ill from salad contaminated with *E. coli*; 40 people became ill and almost half were hospitalized because of an outbreak of *E. coli* in cheese; and over 300 people became ill in six states from bacteria in oysters.

These cases are a small sample. According to the Congressional General Accounting Office, foodborne illnesses affect up to 80 million citizens a year and cause 9,000 deaths. Medical costs and lost productivity are estimated at $30 billion. This is not a problem that we can ignore.

Michael Osterholm, state epidemiologist for the Minnesota Department of Health, condemned the lack of action after a recent outbreak in the state. He said that, ''If we don't do better, and we don't give the FDA more money, more events like this are going to happen. Right now, we don't seem to have the resources or the will to keep something like this from happening again. As long as we don't, we will have other outbreaks.''

The old wisdom does not apply. You can't just cook your food more thoroughly to avoid these illnesses. Harmful bacteria are appearing in virtually all food products—juice, lettuce, even cereal.

Our amendment will provide $73 million in additional funds to support greater monitoring, education, research, and enforcement to address this growing problem.

We have the ability to prevent most foodborne illnesses. Improved monitoring allows earlier detection and an earlier response to outbreaks. Increased food inspections are needed to keep unsafe food out of our stores and off our dining room tables.

Expanded research is needed to detect and identify dangerous organisms likely to contaminate food. The need is especially great with respect to imports of fresh produce and vegetables.

Our amendment will provide the resources needed to perform these essential activities. It will mean 150 new inspectors for FDA to focus on food imports, which have more than doubled since 1992. Yet during that same period, FDA resources devoted to imported foods dropped by 22 percent. As a result, FDA now inspects less than 2 percent of imported food. Clearly, we have to do better.

Our amendment would also provide funds to enhance ''early warning'' and monitoring systems needed to detect and respond to outbreaks. These systems will also provide information to prevent future outbreaks. Early detection and control are essential to ensure the safety of every American.

In addition, our amendment will fund research essential to understand dangerous organisms in food. Many cannot be identified today. Others have developed resistance to traditional methods of preserving food. Still others have developed resistance to antibiotics. Clearly, additional research is needed to protect the food supply.

We have broad support for this amendment. The food industry, consumer groups and the public all favor increased funding. Food safety affects every American every day.

Without additional resources, we will continue to see the escalation of these outbreaks. Congress must act to ensure the safety of the food supply for all Americans. The American people deserve to know that the food they eat is safe, no matter where it is grown, processed, or packaged.

I thank the Senator and urge our colleagues to support this amendment.

Mr. HARKIN. I want to thank the Senator from Massachusetts for his kind words. But more than that, I want to thank him for his efforts through the years to make sure we had a Food and Drug Administration that was on the side of consumers in this country, a strong Food and Drug Administration that made sure that we could have confidence when we went to the drugstore or to the grocery store to get our food, drugs and medicine, that they would indeed be safe. I want to thank the Senator from Massachusetts for his leadership in that area and thank him for his kind and generous support of this amendment.

Everything he said is right on mark. It is not just the consumers, I say to my friend from Massachusetts. I earlier had some comments from people representing the Grocery Manufacturers Association, the Cattlemen's Beef Association, the Broiler Council, the National Food Processors Association, all of whom basically said we need better surveillance, we need better risk assessment, we need better education out there. That is what this amendment does. It is the processors, the wholesalers—everyone recognizes that this is a new phenomenon, as the Senator from Massachusetts said, something new we have not experienced in the past. Everyone recognizes the need to get on top of this.

Mr. KENNEDY. Will the Senator yield?

Biologically, we have E. coli in our bodies, and humankind has always had E. coli, but it was not the deadly strain we are seeing today. Twenty years ago we were not even aware of the E. coli O157:H7 strain that is deadly, and we increasingly see this deadly strain. How many more outbreaks do we have to have before we act?

This is why I think this amendment is so important, because of the increased danger that these outbreaks pose for our people. Particularly vulnerable are the children and the seniors. With the offset that you have proposed, I cannot understand the reluctance to protect the consumer, rather than taking our chances.

I find it difficult to understand why we wouldn't have it accepted.

Mr. HARKIN. You are right about E. coli. I counted up in June of this year, this last month, and we had six E. coli outbreaks of food poisoning in this country, of a strain of E. coli that didn't exist 20 years ago. It wasn't there. And now it is here. It is not only making people sick, but killing kids.

There are new pathogens that become more virulent. The surveillance systems we have in place and the risk assessment and the other inspection systems we have—the FDA, as the Senator knows, only on average inspects our food processing plants once every 10 years.

Mr. KENNEDY. It is less than 2 percent of the imported products that are being inspected; 2 percent. We are seeing a doubling of the imported foods that are coming into this country and from a greater number of countries around the world. We are looking at less than 2 percent and the number of imports will be doubling.

Mr. HARKIN. I wonder how many consumers know that only 2 percent of all the produce they eat that comes from outside this country is ever inspected—2 percent. The rest of it, who knows what is on that stuff when it comes to this country. The consumers don't know this. And as the Senator said, it will go up in the future. We will get more and more of that produce from other countries. That is why this is really needed.

I thank the Senator for his support and his comments on this.

Mr. President, there is an editorial that appeared in today's Los Angeles Times that I was just made aware, calling on us to do something about food safety. Obviously, they probably didn't know about my amendment. But they did say.

> . . . the U.S. Senate can take a big step to combat food contamination by restoring all or most of the $101-million initiative the Clinton administration has proposed to improve food safety. The money would go to hire new safety inspectors, upgrade technologies, and bring coherence to disjointed oversight.
>
> So far, The Senate has allocated only a piddling $2.6 million for the initiative at the U.S. Department of Agriculture and nothing at all at the Food and Drug Administration.

The editorial went on to say that we needed more funding. I will quote the last paragraph of the editorial:

> Food safety is an unassailable cause. There are some things that only government can do, and guaranteeing the wholesomeness of our food supply is one of them.

I ask unanimous consent that the editorial from the Los Angeles Times of this morning, Thursday, July 16, 1998, be printed in the RECORD.

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

STARVING FOOD SAFETY

Americans now enjoying their summer picnics may suffer a glimmer of anxiety over recent outbreaks of food-borne illness: 6,500 people became sick in Illinois last month after eating commercial potato salad, and E. coli bacterial contamination occurred in fruit juice and lettuce that originated in California. Today, the U.S. Senate can take

a big step to combat food contamination by restoring all or most of the $101-million initiative the Clinton administration has proposed to improve food safety. The money would go to hire new safety inspectors, upgrade technologies and bring coherence to disjointed oversight.

So far, the Senate has allocated only a piddling $2.6 million for the initiative at the U.S. Department of Agriculture and nothing at all at the Food and Drug Administration. The shame of this penny-pinching is that it comes when lawmakers are spending like drunken sailors elsewhere, for instance in the pork-laden transportation bill.

The need for better food safety oversight could not be stronger. The Centers for Disease Control estimated that this year 9,000 Americans will die and millions will fall seriously ill because of tainted foods, numbers that have been growing. CDC officials aren't sure why those statistics are rising, though they suspect part of the reason may be improved detection and the increase in imported foods bearing bacteria and other pathogens to which Americans have little resistance. Food imports have doubled in the last seven years and are expected to increase by one-third in the next three years.

The administration's Food Safety Initiative would get at this problem first by hiring new inspectors. Less than 2% of imported food is inspected now because the FDA's budget has not grown along with imports. Sen. Thad Cochran (R-Miss.), the chairman of the Senate committee that decided not to fund the initiative at the FDA, suggested that some of the FDA's duties be delegated to states and local governments, but the increasing movement of food across state lines and national borders argues for just the opposite: a coordinated national strategy.

National planning, for instance, is the only way to successfully deploy new technologies like DNA fingerprinting, which within hours allows federal inspectors to trace the genetic signature of, say, a dangerous bacterium on apples marketed in the West back to the farm where the fruit was harvested in Maine. Funding the initiative would enable federal agencies to continue efforts to install such technology in sites around the country and train workers to quickly identify and track food pathogens. And Congress needs to consider pending bills to give the FDA and the USDA the power to recall food and to create a single food safety agency to consolidate scattered oversight.

Food safety in an unassilable cause. There are some things that only government can do, and guaranteeing the wholesomeness of our food supply is one of them.

Mr. HARKIN. Mr. President, one other thing. I listened to the comments made by the Senator from Illinois, Senator DURBIN, when he very poignantly told the story of the young child who died in Illinois. I just point out again that these outbreaks are growing with rapidity and showing up in the oddest of places. For example, last month, dozens of children got sick—again, with this E. coli 0157H7—in Atlanta after swimming in a public pool.

Many of these children spent time on dialysis for kidney failure. This was just last month. Now, the infection they got was the same strain of E. coli that came from a local ground beef recall in an outbreak in Atlanta 2 weeks earlier. So 2 weeks earlier, there was an outbreak of E. coli from a ground beef recall, and now it shows up in a swimming pool 2 weeks later. Children in five States were infected from this ultimately foodborne illness. So it started out as a foodborne illness and then it got into a swimming pool. Dozens of kids got sick and some spent time on kidney dialysis.

So that is how virulent some of these strains have become. Not only do they show up in the food, they are so virulent that not even the chlorine in the swimming pool could kill it.

Again, Mr. President, I think this amendment deserves widespread support. I point out again that the President asked for $101 million to fully fund his food initiative. I wish we could do it. We should do it. But because of the problem with offsets and points of order and getting 60 votes, we had to look around to find legitimate offsets that we could use. As I said, we found offsets for $66 million. So this brings the funding up to $66 million. It is not up the full $101 million, but it brings it to $68 million. Those offsets, of course, were the money that we got from taking away the Federal Government's subsidizing of tobacco, $15 million from the CCC computer account, and $13 million from the ARS buildings and facilities account.

I want to make a couple of things very clear before I close my comments. I have heard some talk around that there is some new enforcement authority here. I want to make it clear that there is no new enforcement authority in my amendment.

Secondly, there are no new user fees for the meat industry—not one bit of user fees for the meat industry in this amendment.

In the bill now, there is $2.6 million for this Food Safety Initiative. The House only put in $15 million. The President asked for $101 million. The amount that this amendment would increase it to would be $66 million.

I yield the floor.

Ms. MOSELEY-BRAUN. Mr. President, last month, more than 4,000 Illinoisans were sickened by an illness that was ultimately traced to potato salad contaminated by E. Coli bacteria. A few weeks ago, thousands of boxes of breakfast cereal were recalled after an outbreak of salmonella in the cereal infected more than 200 people, including residents of Illinois. In fact, according to the Center for Science and the Public Interest, the number of FDA-regulated food products that have been recalled due to contamination has increased fivefold over the past ten years.

Health officials say that food poisoning causes more than 30 million illnesses and thousands of deaths annually. Consequently, the American people are increasingly concerned about the safety of our food supply. In 20th century America, this is unacceptable. No American should have to fear their food.

That is why I support this amendment offered today by Senator HARKIN to restore funding for the President's Food Safety Initiative. This amendment will provide $93 million to strengthen efforts by the United States Department of Agriculture and the Food and Drug Administration to address food safety issues.

The amendment provides $33 million to recruit more scientists in the war against food dangers, and for developing new technologies for combating hazardous pathogens. $28 million is provided to check food imports at the border, increase seafood safety, and boost fruit and vegetable inspections. Twelve million is provided for consumer awareness campaigns so that children, cooks, and those who handle food at summer festivals can learn safer ways to prepare and handle food.

This is not the first proposal to come before Congress that addresses food safety. Many of our colleagues have introduced legislation to respond to this growing problem. Senator HARKIN has introduced S. 1264, which I have cosponsored, that would increase the ability of the USDA to recall tainted meat and poultry products. My distinguished colleague from Illinois, Senator DURBIN, has introduced a bill to consolidate and coordinate federal food safety improvements that are currently scattered among a labyrinth of agencies. My colleague from Maryland, Senator MIKULSKI, has proposed increasing FDA oversight on foreign produce.

Regrettably, however, no significant action has occurred on these bills in this Congress. Meanwhile, the outbreaks of food illnesses are on the rise nationwide. Mr. President, we can do better. There is a time to debate, and a time to act, and today, Congress has a real opportunity to act. Let us pass this amendment and strengthen our federal food protection system so that the citizens of our country need not worry each time they reach for a scoop of picnic potato salad, a home-grilled hamburger, or a morning bowl of cereal. Doing nothing is not an option, and that is why I urge my colleagues to vote for this amendment.

Mr. LEAHY. Mr. President, let me begin by thanking Chairman COCHRAN and his staff for pulling together this appropriations bill under very difficult circumstances. Not only was there a very low allocation, but a number of the requests were based on assumed revenue from new fees. Under these circumstances, Senator COCHRAN and Senator BUMPERS did an admirable job balancing all the agriculture programs.

However, today we are calling attention to an urgent need in our country: the increasing outbreaks of food poisoning across the country. Almost a year ago we witnessed one of the largest beef recalls in U.S. history. Fortunately, what could have been a national health disaster was caught early and stopped. But the underlying problem remained. To address this problem the Administration requested $96 million in new food safety funds for the U.S. Department of Agriculture and the Food and Drug Administration to reduce the hazards associated with bacteria, viruses and parasites in our food

supply. Although I realize the budget allocation constrains us from funding this full amount, I join Senator HARKIN to offer an amendment to fund the most urgently needed proposals of the Food Safety Initiative.

Mr. President, there are many problems that arrive on Congress's doorstep that we can do little about. This is a problem we can—and should—address. And we need to address this problem now. A year after the 25-million pound beef recall we are still seeing headlines about new outbreaks. Each year more than 30 million Americans suffer a foodborne illness, and 9,100 die. The cost to the nation is anywhere from $5.6 billion to more than $22 billion.

This is a national problem, ranging from cheese and egg contamination in the Pacific Northwest to tomatoes in Minnesota to shellfish and strawberries in the South. E. coli outbreaks in recent years have also been traced to contaminated sprouts, lettuce, salami and other products. Two summers in a row, in 1996 and 1997, thousands of illnesses were linked to imported raspberries containing a parasite, Cyclospora, that is not found in this country.

After each one of these scary outbreaks, the American public is left asking the same questions—questions that the programs to be funded by this amendment and the President's Food Safety Initiative will help answer: How do these viruses move so swiftly through our food system, how can they be prevented, and where might they show up next?

The United States enjoys the safest food supply in the world, but we can and should do better. Americans know the risk to our food supply is growing. Recent covers of Newsweek, U.S. News & World Report and newspapers across the country have asked if we can continue to trust our food supply. As a nation, we cannot afford an erosion of the public's trust in the safety of our food.

More than 44 percent of Americans think our food supply is less safe than 10 years ago. FDA-regulated plants are only inspected on average once every 10 years. FDA import inspections have declined dramatically in just the last four years, so that now less than two percent of FDA-regulated imported food is subject to any type of inspection.

Our amendment will increase inspections of imported food. It will fund development of improved inspection practices to detect threats to our food supply earlier and stop massive outbreaks from occurring.

Most of us as adults have had a case of food poisoning. Anyone who has had food poisoning can imagine how much worse it is for a child. Think of what it is like when these outbreaks of e-coli, which can be devastating to adults, but can be critical and even life-threatening to children.

Every one of us has a stake in this, whether we are involved in producing or consuming these food products, or whether or not we are parents who have to worry about what we are feeding our children. Ask people back home: Is there anything that is going to affect you more several times a day than the safety of the food you eat? Nothing else will. This is something we can and must do.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, this is an interesting part of the President's budget. When we reviewed it, we noticed, first of all, that over $400 million in new user fees were proposed by the President to be assessed on the food and poultry processing plants all around the country to generate money to pay for the inspections that are performed in those plants by Federal employees. This was a proposal for a change in the law and the legislation.

Our committee, of course, doesn't have jurisdiction to change the law. We simply appropriate the money, consistent with existing law. And so without the jurisdiction to make those changes, our committee could not consider that as a part of our bill. The legislative committees in the House and Senate have not acted on these proposed user fee impositions, and so there are no funds available to be allocated, as the President proposed, to pay for the Food Safety and Inspection Service of the Department of Agriculture.

Nonetheless, our committee approved and suggested in our legislation to fund increases in the Food Safety and Inspection Service's account. So our appropriation that is recommended by this committee for Food Safety and Inspection Service activities amounts to $605,149,000, as compared with the administration's request for funding the Food Safety and Inspection Service of $149,566,000. That is more than $350 million in additional funding that this committee has proposed than what the President recommended be appropriated for that activity.

Now, when you generate that kind of fund in your proposed budget, you have an opportunity to spread those proposed dollars around and spend it elsewhere. That is what the President has done, and that has made up for his so-called Food Safety Initiative—and more. The Food Safety Initiative—so-called ''new initiative''—calls for the expenditure of about $100 million in new funding added to a variety of different programs in the Department of Agriculture and the Food and Drug Administration.

Our committee is not critical and not, in any way, opposing these increased expenditures in the initiatives that the President has requested. Our budget allocation didn't give us the luxury, though, of an additional $350 million. Our allocation doesn't presume any increase in funding for discretionary programs this year—no increase. We are all operating under the Balanced Budget Act restrictions, under the allocation that is provided to subcommittees like the Agriculture Appropriations Subcommittee. So if we increase something, we have to take the money from other accounts.

So we did provide not only the full amount needed to continue the inspections of meat and poultry inspectors throughout the country, with no new increase—no new user fees, no new taxes on those plants. But we also provided increases in funding for the Agriculture Research Service, Food Safety Research Program, and for the Food and Nutrition Service, Food Safety Grant Program. These are additions over last year's levels. We were able to find other offsets in the budget to accommodate those increases.

So I suggest that the committee has been responsive to the need to continue to upgrade the quality and the aggressiveness of our Food Safety Research and Inspection Programs. We think, of course, that there can be more done, it can be a more efficiently operated system.

For that reason, some of us on the Governmental Affairs Committee are actively participating in the investigation that is chaired by the distinguished Senator from Maine, Senator COLLINS, who is looking into the issues presented on the imported foods—fruits and vegetables, primarily—that have to be inspected under the jurisdiction of the Food and Drug Administration. She has done a wonderful job leading the staff of that committee to try to find out what the options are for improving those activities, making sure that they are doing as good a job as can possibly be done to accommodate the needs resulting from the huge increases in imported foodstuffs that are coming into the country. These are enormous challenges.

I don't think anybody has the magic solution to the problem. I think on both sides of the aisle we are very interested in solving the problems that are presented. We have heard some very impressive speeches made today on that subject. We can continue to make speeches. But I think we should continue to work together—that is what I suggest we do—with the administration, with the Congress, to try to do the best possible job.

I think the American people can be reassured that an enormous amount of effort and an enormous amount of money is being invested to achieve that goal. If you add up the total of all of the dollars that are appropriated, we are spending more money to not only inspect the meat and poultry that is being processed in this country, but fruits and vegetables as well. Research and education programs, how to handle foodstuffs, and at the farm on how to produce the foods so they will be free from contamination, an enormous amount of effort is being invested.

So we hope this amendment can be accepted by the Senate, frankly. Offsets have been identified in a number of areas. We have tried to get the administration's reaction to these offsets. We haven't heard from them on

some of them. We have checked with the Congressional Budget Office to see if this amendment violates the Budget Act. We have been assured that it does not.

So because we are going to have to continue to work to resolve our differences with the House, there may be some adjustments in which the House insists. But we will work very hard to make sure that when we come back from conference to the Senate with our conference report that it will reflect a genuine effort and a sizable investment of discretionary funds in the food safety area, both for the Department of Agriculture's activities and the Food and Drug Administration's activities.

Mr. President, I know of no other Senators who have requested an opportunity to speak on the amendment. I am prepared to go to a vote and suggest that we agree to the amendment.

Incidentally, I have been authorized to express the support for that recommendation from the Senator from Arkansas who is the ranking member of the Agriculture Appropriations Subcommittee.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

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

The result was announced—yeas, 65 nays 34, as follows:

[Rollcall Vote No. 207 Leg.]

YEAS—65

Abraham	Durbin	Lugar
Akaka	Feingold	Mack
Baucus	Feinstein	McCain
Biden	Frist	Mikulski
Bingaman	Gorton	Moseley-Braun
Bond	Graham	Moynihan
Boxer	Grassley	Murray
Brownback	Hagel	Reed
Bryan	Harkin	Reid
Bumpers	Hutchison	Robb
Byrd	Inouye	Rockefeller
Campbell	Jeffords	Roth
Chafee	Johnson	Sarbanes
Cleland	Kennedy	Shelby
Cochran	Kerrey	Snowe
Collins	Kerry	Specter
Coverdell	Kohl	Stevens
D'Amato	Landrieu	Torricelli
Daschle	Lautenberg	Warner
DeWine	Leahy	Wellstone
Dodd	Levin	Wyden
Dorgan	Lieberman	

NAYS—34

Allard	Bennett	Burns
Ashcroft	Breaux	Coats
Conrad	Helms	Roberts
Craig	Hollings	Santorum
Domenici	Hutchinson	Sessions
Enzi	Inhofe	Smith (NH)
Faircloth	Kempthorne	Smith (OR)
Ford	Kyl	Thomas
Gramm	Lott	Thompson
Grams	McConnell	Thurmond
Gregg	Murkowski	
Hatch	Nickles	

NOT VOTING—1

Glenn

The amendment (No. 3175) was agreed to.

CHANGE OF VOTE

Mr. DOMENICI. Mr. President, on rollcall vote No. 207 I voted ''aye.'' It was my intention to vote ''nay.'' Therefore, I ask unanimous consent that I be recorded as a ''nay.'' This would not affect the outcome of the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I have an amendment which I want to send to the desk to be considered. I talked to the ranking member, but I wasn't able to talk to the floor manager of the bill. I am willing to accept a short time agreement on this amendment.

Mr. BUMPERS. Will the Senator take 10 or 15 minutes?

Mr. DODD. I will be happy to take a very brief time agreement. If you have some other agenda you want to move ahead, I say to the floor manager, I will be happy to consider some other program the floor manager may have.

Mr. COCHRAN. Mr. President, if the Senator will yield.

Mr. DODD. I am happy to yield.

Mr. COCHRAN. I appreciate the Senator's inquiry. I have no objection to your offering the amendment. I haven't seen the amendment. I asked my staff what it was about. They haven't seen it, either. We are trying to get in touch with the legislative committee. We understand it is a legislative subject, not appropriations at all. It doesn't ask for spending any more money or any less money, but it imposes a burden on an industry, and we are trying to find out what the implications are. You can offer it.

AMENDMENT NO. 3176

(Purpose: To amend the Federal Food, Drug, and Cosmetic Act to require the Secretary to ensure timely notification of certain recalls)

Mr. DODD. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Connecticut [Mr. DODD] proposes an amendment numbered 3176.

Mr. DODD. 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:

At the appropriate place in title VII, insert the following:

SEC. ___. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

(a) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

''(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

''(2) In this subsection:

''(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

''(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.''.

(b) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting ''or if the recall is a class I recall,'' after ''cannot be identified''; and

(2) by adding at the end the following:

''(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.''.

(c) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking ''or gross'' and inserting ''gross''; and

(2) by striking the period and inserting '', or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).''.

Mr. DODD. Mr. President, this is a very straightforward proposal and is similar to legislation that was offered by my colleague in the other body, Congressman SHAYS of Connecticut. This amendment deals with the issue of defective pharmaceutical products and medical devices that have been recalled by the manufacturer.

We almost had a very tragic case in Connecticut several months ago involving recalls, which provoked this piece of legislation. A child in Connecticut, a young boy by the name of Matthew McGarry, has food allergies to peanuts and needs a device known as an Epi-Pen to counteract the severe reactions—seizures or even death—that could result if he inadvertently eats certain foods. The Epi-Pen that Matthew relies on was recalled by the manufacturer because it was found to have substantial leaks in it, rendering it ineffective.

Matthew was fortunate that his school nurse, Betty Patterson, heard of the recall and immediately notified his parents, Karen and William McGarry, that they needed to replace the product. Had she not heard of the recall and had young Matthew had an attack, he very well could have died. The family is very well aware that a tragedy was averted.

His family and other Connecticut families brought this to the attention

of Congressman SHAYS and myself and suggested this would be an appropriate area for some thoughtful legislation to require that consumers be notified when dangerous products are taken off the market—a requirement not currently found in law.

Consumers have the right to be notified when the cars they drive or the toys their children play with are unsafe. Shouldn't they have the same right when it comes to drugs and devices found in every family's medicine cabinet?

The recall process presently relies almost exclusively on the good-faith efforts of manufacturers, wholesalers and retailers. Most of the time it works very well to protect consumers. However, a recent spate of recalls involving these Epi-Pen devices—first in October of 1997 and most recently in May of this year—has highlighted the need to better ensure that consumers, when appropriate, are directly informed that a drug or device may be dangerous.

An Epi-Pen is a device, as my colleagues, I am sure, are aware, that injects epinephrine and is used by children with severe food allergies to counteract life-threatening reactions. Due to a defect in the manufacturing process, some lots of the device were found to leak the encapsulated drug, potentially leaving patients with an amount of the drug insufficient to counter an allergic response.

A class I recall of the product was issued, indicating a reasonable possibility that the use of the product could cause serious health effects or death. Despite the severity of the defect, the recall notification failed to notify consumers whose children relied on these products, either because the retailers did not pass along the notification in a timely fashion or because the retailers themselves received notification days after the recall was first issued.

In an effort to provide the public with better and more timely notice of the most serious recalls, this amendment will, for the first time, explicitly require the Food and Drug Administration to ensure that consumers receive prompt notification of class I recalls.

How the directive will be accomplished will be left up to the FDA. We don't mandate a specific approach. The FDA could, for example, encourage distributors and pharmacies to employ more effective and rapid notification technologies, a shift that some in the industry are already advocating. We do not micromanage the notification process. We are just suggesting that better mechanisms be put in place to give consumers who use these products and rely on them a higher degree of confidence.

I hope my colleagues can support this straightforward amendment. I hope that my colleagues will recognize that if we do not take up this issue now, we run the risk that some other child won't be as lucky as Matthew and will suffer serious harm. For those reasons, Mr. President, I urge adoption of the amendment.

Mr. KENNEDY. I understand that since the Agency already has authority under the devices statute to require both recalls and notifications, amending these provisions to refer only to Class 1 recalls could be interpreted as limiting the Agency's existing authority. Am I correct that your intent is not to limit the Agency's existing authority, either with respect to recalls or notification?

Mr. DODD. That is correct. What I intend by the amendment is to make certain that in the case of every Class 1 recall FDA does provide notice to the public. I certainly would not want to do anything to suggest that such authority does not now exist, or that such authority does not exist for Class 2 and Class 3 recalls, or other actions as deemed appropriate for public notice by FDA. I just want to make certain that they use their authority in all Class 1 recalls.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Will the Senator be willing to set his amendment aside temporarily to allow the Senator from Virginia to proceed?

Mr. DODD. Yes.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Dodd amendment be temporarily laid aside to allow Senator Robb, who has been waiting patiently for about 3 days, to offer his amendment—it should not be long—and that immediately upon the adoption or disposition of his amendment, we return to the Dodd amendment.

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

The Senator from Virginia.

Mr. ROBB. Thank you, Mr. President. I thank the distinguished Senator from Arkansas and the distinguished Senator from Mississippi.

AMENDMENT NO. 3177

(Purpose: To waive the statute of limitations barring certain discrimination complaints against the Department of Agriculture)

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Virginia [Mr. ROBB], for himself, Mr. GRASSLEY, Mr. CLELAND, Ms. LANDRIEU, Mr. COVERDELL, Mr. HOLLINGS and Ms. MOSELEY-BRAUN, proposes an amendment numbered 3177.

Mr. ROBB. 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:

On page 13, line 14, strike $97,200,000 and insert $92,200,000, and on page 14, line 17, strike $437,082,000 and insert $432,082,000.

On page 18, line 1, strike $424,473,000 and insert $419,473,000.

On page 19, line 23, strike $93,000,000 and insert $88,000,000, on

On page 67, after line 23, add the following:

SEC. . Expenses for computer-related activities of the Department of Agriculture funded through the Commodity Credit Corporation pursuant to section 161(b)(1)(A) of P.L. 104–127 in fiscal year 1999 shall not exceed $50,000,000; provided, that Section 4(g) of the Commodity Credit Corporation Charter Act is amended by striking $178,000,000 and inserting $173,000,000.

SEC. . WAIVER OF STATUTE OF LIMITATIONS FOR CERTAIN DISCRIMINATION CLAIMS.

(a) DEFINITION OF ELIGIBLE CLAIM.—In this section, the term ''eligible claim'' means a non-employment-related claim that was filed with the Department of Agriculture on or before July 1, 1997 and alleges discrimination by the Department of Agriculture at any time during the period beginning on January 1, 1981, and ending on December 31, 1996,

(1) in violation of the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) in administering—

(A) a farm ownership, farm operating, or emergency loan funded from the Agricultural Credit Insurance Program Account; or

(B) a housing program established under title V of the Housing Act of 1949; or

(2) in the administration of a commodity program or a disaster assistance program.

(b) WAIVER.—To the extent permitted by the Constitution, an eligible claim, if commenced not later than 2 years after the date of the enactment of this Act, shall not be barred by any statute of limitations.

(c) ADMINISTRATIVE PROCEEDINGS.—

(1) IN GENERAL.—In lieu of bringing a civil action, a claimant may seek a written determination on the merits of an eligible claim by the Secretary of Agriculture if such claim is filed with the Secretary within two years of the date of enactment of this Act.

(2) TIME PERIOD FOR RESOLUTION OF ADMINISTRATIVE CLAIMS.—To the maximum extent practicable, the Secretary shall, within 180 days from the date an eligible claim is filed with Secretary under this subsection, conduct an investigation, issue a written determination, and propose a resolution in accordance with this subsection.

(3) HEARING AND AWARD.—The Secretary shall—

(A) provide the claimant an opportunity for a hearing before making the determination; and

(B) award the claimant such relief as would be afforded under the applicable statute from which the eligible claim arose notwithstanding any statute of limitations.

(d) STANDARD OF REVIEW.—Federal courts reviewing an eligible claim under this section shall apply a de novo standard of review.

(e) LIMITATION ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY AND EXTENSION OF TIME.—

(1) LIMITATON ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY.—A proposed administrative award or settlement exceeding $75,000 (other than debt relief) of an eligible claim—

(A) shall not take effect until 90 days after notice of the award or settlement is given to the Attorney General; and

(B) shall not take effect if, during that 90-day period, the Attorney General objects to the award or settlement.

(2) EXTENSION OF TIME.—Notwithstanding subsections (b) and (c), if an eligible claim is denied administratively, the claimant shall have at least 180 days to commence a cause of action in a Federal court of competent jurisdiction seeking of review of such denial.

Mr. ROBB. Mr. President, for over a year now I have been working with many minority farmers to address the problem of discrimination at the U.S. Department of Agriculture. I am pleased that we have finally found a

way to provide relief to these farmers. I thank, in particular, the Senator from Mississippi for his efforts and commitment to work out the details of this important amendment.

This amendment will provide long overdue relief for many minority farmers who were the victims of systematic and egregious discrimination by USDA officials—discrimination which has been acknowledged by Secretary Glickman and the USDA.

This amendment, which is very similar to language which has already passed in the House, seeks to remedy this problem by imposing a new statute of limitations for farmers who experienced discrimination between 1981 and 1996 and who filed complaints to seek redress.

As I discovered about a year or so ago, many farmers were denied credit opportunities and were discriminated against when seeking housing loans, and obtained no relief from USDA when they complained of such discrimination.

These farmers filed discrimination complaints with the USDA's Office of Civil Rights in the early 1980's. However, they were never told that, in 1983, the Office of Civil Rights at USDA was abolished. Furthermore, they had no notice that their claims were not even being investigated despite being led to believe otherwise.

These farmers are barred, only by the statute of limitations, from obtaining relief from this mistreatment. Whether it is a racial slur or a denial of credit opportunities, discrimination is unconscionable and it is intolerable, and it is particularly appalling when such discrimination is exhibited by Government officials—officials employed by our Government to serve all Americans, as was the case with the USDA.

Studies, reports, and task forces in 1965, 1970, 1982 and 1990, have all documented the same inherent problems at USDA—continued discrimination and mistreatment of minority and socially disadvantaged customers.

It is estimated by the Congressional Budget Office that the relief for these farmers' claims is approximately $15 million in fiscal year 1999 and $42 million over the next 3 years. That means that the Congressional Budget Office believes that the Government legitimately owes $15 million in order to provide relief to farmers who were discriminated against by our Government officials.

The statute of limitations is now the only obstacle standing in the way of these farmers getting the relief they deserve. And this amendment simply removes that obstacle.

Inexplicably, the discrimination that many minority farmers suffered at the hands of USDA officials still has not been punished or mitigated. This amendment will mitigate for the farmers who were discriminated against.

Too many farmers and communities have been affected by this travesty, Mr. President. I am pleased that the U.S. Senate has chosen not to remain silent.

In reaching a resolution, I particularly thank Senator COCHRAN, Senator BUMPERS, Senator GRASSLEY, Senator LUGAR, and their staffs, and my staff for their hard work. I also thank Secretary Glickman and his staff at USDA and the staff at the Department of Justice for their commitment and hard work on this amendment.

Finally, I especially acknowledge and thank the White House for its unwavering support of this amendment and of these farmers. While it has been a challenge to work on the spending issues, and reach agreement on the offsets, I believe the result was well worth the effort. What we have done today, Mr. President, is right, just, and long overdue.

With that, I yield the floor and seek action on the amendment.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, in deciding on the offsets for this amendment, one of the offsets for $5 million in savings is from funds that would be used by the Department of Agriculture for information technology. These funds are provided through the Commodity Credit Corporation. I have a letter from the Secretary of Agriculture responding to that offset and suggesting that the Department supports it. I want to be sure that we understand one provision in this letter and its implications. He says:

> The statute of limitations waiver is one of my highest priorities in this legislation, and this amendment and its offset have my support. If enacted, USDA will not seek to restore the computer spending reduction through future appropriations.

With that understanding, Mr. President, I am able to support the amendment. It has been my intention to assist the author of the amendment in his effort to get this passed in the Senate.

What it does is to waive, as a legal defense, the statute of limitations that had run on claims that were going to be filed, or that had been filed by certain persons who claim to be the victims of discrimination by the U.S. Department of Agriculture.

This amendment does not guarantee that everybody who has a claim on the basis of discrimination is going to win or is going to prevail if the Department decides to resist. It gives the Department, though, an opportunity to negotiate those claims, to make decisions about which ones are meritorious and which ones are not.

But it does not permit the Department to use as a defense the fact that the statute of limitations has run. It was a peculiar and unique statute of limitations when it was first granted under the authority of previous legislation. It permitted claims to be filed on this basis within a window of opportunity of about 2 years. Most of them fell within this 2-year period.

Some farmers did not understand that they had to file a claim in writing and go through certain steps in order to keep that statute from running, and so there was a lot of misunderstanding about the fact that this statute had been imposed and limited to the duration within which claims could be filed.

Some lawsuits have been filed now contesting the statute. This is an effort to say to those claimants that we are not going to let you have your claim fail on the basis of not having complied with that early 2-year statute of limitations. So that is going to be removed. Your claim will be decided now on its merits. And that is up to the Department; and that is up to the claimants.

That is my understanding of the amendment. I congratulate the Senator for his initiative and his hard work in getting us to this point. We support the amendment and hope the Senate will approve it.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from the great State of Arkansas.

Mr. BUMPERS. Let me again echo the very eloquent words of the chairman, and for the purposes of the RECORD state this has been sort of a festering sore down at the Department of Agriculture for some time. I know the President is personally—very personally—interested in the extension of the statute of limitations so nobody who has a meritorious claim will be denied that claim simply because he did not understand the intricacies affecting his claim.

By the same token, I think it is well, for the RECORD, to say—and I think this is precisely what has been said by the chairman; I will simply repeat it—we are not making a judgment on the merits of a single claim. We are simply saying that if you have a claim that has merit, we are going to give you a chance to present it; and hopefully it will be decided in a very judicial way and a justifiable way.

So with that little caveat, I congratulate Senator ROBB. He has worked diligently to try to find offsets in order to offer this. He has done a magnificent job. I thank the Department of Agriculture and the White House for their cooperation.

With that, on this side of the aisle we are prepared to accept the amendment, Mr. President.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. I thank the Senator from Mississippi and the Senator from Arkansas for their long-suffering understanding and help on this amendment.

I add, lest anyone be concerned—or to add to the discussion which was right on the money—that any claims that exceed $75,000 will actually be reviewed by the Justice Department. So in addition to the claims being reviewed by the Department of Agriculture, the Justice Department would review a claim in excess of that particular amount. This gives an additional screen for claims that might be

viewed as excessive in any way, shape or form. But the bottom line is, as both Senators have suggested, this removes an impediment that otherwise would bar a meritorious claim. And it does nothing more than that.

Mr. COCHRAN. Mr. President, I ask unanimous consent that a copy of the letter from Secretary of Agriculture Dan Glickman to me that I referred to be printed at this point in the RECORD.

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

DEPARTMENT OF AGRICULTURE,
Washington, DC, July 16, 1998.

Hon. THAD COCHRAN,
Chairman, Subcommittee on Agriculture, Rural Development, and Related Agencies, U.S. Senate, Washington, DC.

DEAR THAD: During the Senate's consideration of the fiscal year 1999 agricultural appropriations bill, I understand the Senate may consider an amendment waiving statute of limitations preventing the Department of Agriculture (USDA) from properly resolving certain civil rights complaints. I understand further, to offset the additional spending that would result from such a provision, the amendment may reduce spending for Farm Service Agency and other USDA information technology funded through the Commodity Credit Corporation by as much as $5 million.

The statute of limitations waiver is one of my highest priorities in this legislation, and this amendment and its offset have my support. If enacted, USDA will not seek to restore the computer spending reduction through future appropriations.

I appreciate your consideration of my views and your support for this amendment.

With best personal regards, I am

Sincerely,

DAN GLICKMAN,
Secretary.

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

The amendment (No. 3177) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3176

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut is recognized.

Mr. DODD. Mr. President, let me return to the amendment to mention several people here who deserve a great deal of credit for bringing this issue to the attention of Congressman SHAYS and myself.

Betty Patterson is the nurse at St. Theresa's School in Trumbull, CT. There are thousands and thousands of school nurses all across America who probably don't get enough credit for the work and job they do every day, caring for our children while they are away at school. It was Betty Patterson who came across the notification that the EPI-PEN had been recalled, and knew that one of the students in the St. Theresa school, Matthew, would need to get a safe and effective replacement.

First, I want to congratulate Betty Patterson for the tremendous job she did.

Second, I'd like to commend Karen McGarry, Mathew's mother, who, discovering that her pharmacist had not notified his patients, contacted the Connecticut Post, a major newspaper in my home State of Connecticut, to look into the matter. And I'd like to commend Michael Mayko of the Connecticut Post who wrote stories on this incident and did the checking to discover that there was no Federal law or State law that required that consumers be notified. So I want to thank him for doing so much to highlight this important story.

Of course, I want to thank Matthew himself, who is one of 1.47 million people in this country who suffer from severe allergies and must rely on products like the Epi-Pen, for telling his story.

Mr. President, I'd like to once again restate that this amendment simply says that the Food and Drug Administration, when working with manufacturers to plan a class I recall, should take all appropriate measures to ensure that consumers are directly and promptly notified. I think most would agree this should be a commonsense requirement.

For those reasons, Mr. President, I hope my colleagues will feel confident in supporting this amendment. I don't seek any recorded votes on it. If the majority and minority can accept it, I am prepared to conclude the debate and go to other amendments. I don't know what their pleasure is.

I see my distinguished floor manager rising. I yield to him.

The PRESIDING OFFICER. The distinguished floor manager.

Mr. COCHRAN. Mr. President, I appreciate the Senator's indulgence. We are trying to get the reaction of the Food and Drug Administration and the legislative committee that has jurisdiction over this subject. I don't have an answer from them yet as to whether they want me to move to table the amendment or try to amend it to make it consistent with their wishes, or to suggest that we accept it.

The Senator said that a Member of the House, the other body, has offered this as an amendment over there. Has it been passed in a freestanding bill, or is it on this bill, does the Senator know?

Mr. DODD. I say to my colleague, I am informed the bill has been introduced by Congressman SHAYS, whom I know my colleague and friend from Mississippi knows. I don't believe they have moved the bill over there.

By the way, we have checked with the FDA and the words they use—we have included and incorporated the comments of the FDA in the legislative proposal.

Mr. COCHRAN. I thank the Senator.

Mr. DODD. If my colleagues want to move to another amendment, I am more than happy to set this aside.

Mr. BUMPERS. I ask unanimous consent that the Dodd amendment be temporarily laid aside while we deal with some amendments that are agreed to, at the conclusion of which, we will automatically return to the Dodd amendment.

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

Mr. COCHRAN. Mr. President, let me thank the distinguished Senator from Connecticut for his agreement to set aside his amendment while we proceed to other business so we can near the time we are ready to conclude action on this bill. We hope that will be soon.

We have nine amendments that I think have been cleared on both sides. My proposal would be that we consider them en bloc and that they be approved en bloc, and statements relating to the amendments be printed in the RECORD, and that motions to reconsider the votes and to table the motions to reconsider be considered as passed. That will be my request. I want to be sure that we do have the list, and I will read the list for the benefit of my comanager of this bill.

There is a Brownback amendment on the census of agriculture, a Levin amendment on tree assistance, an amendment for Senators KERREY and ROBERTS on farm policies studies.

Mr. BUMPERS. Mr. President, would the Senator yield just a moment. What was the Levin amendment?

Mr. COCHRAN. The Levin amendment is regarding tree assistance—disaster assistance for tree plants.

Mr. BUMPERS. I have fire blights.

Mr. COCHRAN. It is fire blights.

A Graham amendment for country-of-origin produce labeling, a Bumpers amendment relating to sense of the Senate on program funding levels, a Feingold and Jeffords amendment on small farms, a Dorgan amendment relating to planting penalty limitation, a Craig and Lugar amendment on biodiesel fuel, and a Bumpers amendment on Rural Housing Service Award.

We had cleared a Hatch amendment on interstate meat distribution, and we understand a question has been raised by a colleague.

We understand the question has been answered, so we can now add the tenth amendment to the list, by Senator HATCH, interstate meat distribution plan, and a colloquy that would go along with that.

Those are 10 amendments that have been cleared on this side. If the distinguished comanager of the bill agrees, I am prepared to offer a unanimous consent request that they be considered en bloc and agreed to en bloc.

Mr. BUMPERS. Mr. President all of those amendments have been cleared on this side.

AMENDMENTS NOS. 3178 THROUGH 3187, EN BLOC

Mr. COCHRAN. Mr. President, I ask unanimous consent that those amendments that I read in the list be considered en bloc, agreed to en bloc, that motions to table the motion to reconsider be laid upon the table.

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

The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes amendments No. 3178 through 3187, en bloc.

The amendments agreed to en bloc are as follows:

AMENDMENT NO. 3178

(Purpose: To direct the Secretary of Agriculture to improve the Census of Agriculture by eliminating redundant questions and removing penalties)

On page 67, after line 23, add the following:

SEC. 7 . CENSUS OF AGRICULTURE.

(a) IN GENERAL.—Section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) is amended—

(1) in subsection (b) by inserting at the end the following: ''In fiscal year 1999 the Secretary of Agriculture is directed to continue to revise the Census of Agriculture to eliminate redundancies in questions asked of farmers by USDA.'';

(2) in subsection (d) by deleting in paragraph (1) ''who willfully gives'' and inserting in its place ''shall not give'', and deleting '', shall be fined not more than $500'';

(3) in subsection (d) by deleting in paragraph (2) ''who refuses or willfully neglects'' and inserting in its place ''shall not refuse or willfully neglect'', and deleting '', shall not be fined more than $100'';

AMENDMENT NO. 3179

(Purpose: To authorize the Secretary of Agriculture to use certain funds to carry out a tree assistance program and to clarify the eligibility of certain producers for assistance under the program)

On page 67, after line 23, add the following:

SEC. ___. TREE ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture may use funds for the assistance made available under Public Law 105–174, to carry out a tree assistance program to owners of trees that were lost or destroyed as a result of a disaster or emergency that was declared by the President or the Secretary of Agriculture during the period beginning May 1, 1998, and ending August 1, 1998, regardless of whether the damage resulted in loss or destruction after August 1, 1998.

(b) ADMINISTRATION.—Subject to subsection (c), the Secretary shall carry out the program, to the maximum extent practicable, in accordance with the terms and conditions of the tree assistance program established under part 783 of title 7, Code of Federal Regulations.

(c) ELIGIBILITY.—A person shall be presumed eligible for assistance under the program if the person demonstrates to the Secretary that trees owned by the person were lost or destroyed by May 31, 1999, as a direct result of fire blight infestation that was caused by a disaster or emergency described in subsection (a).

AMENDMENT NO. 3180

(Purpose: To require the Secretary of Agriculture to assist the Commission on 21st Century Production Agriculture to conduct a study to guide the development of future Federal agricultural policies)

On page 67, after line 23, add the following:

SEC. 7___. STUDY OF FUTURE FEDERAL AGRICULTURAL POLICIES.

(a) IN GENERAL.—On the request of the Commission on 21st Century Production Agriculture, the Secretary of Agriculture, acting through the Chief Economist of the Department of Agriculture, shall make assistance and information available to the Commission to enable the Commission to conduct a study to guide the development of future Federal agricultural policies.

(b) DUTIES.—In conducting the study, the Commission shall—

(1) examine a range of future Federal agricultural policies that may succeed the policies established under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for the 2003 and subsequent crops, and the impact of such policies on farm income, the structure of agriculture, trade competitiveness, conservation, the environment and other factors;

(2) assess the potential impact of any legislation enacted through the end of the 105th Congress on future Federal agricultural policies; and

(3) review economic agricultural studies that are relevant to future Federal agricultural policies.

(c) REPORT.—Not later than December 31, 1999, the Commission shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate the results of the study conducted under this section.

AMENDMENT NO. 3181

(Purpose: To require country of origin labeling of perishable agricultural commodities imported into the United States and to establish penalties for violations of the labeling requirements)

On page 67, after line 23, add the following:

SEC. ___. INDICATION OF COUNTRY OF ORIGIN OF IMPORTED PERISHABLE AGRICULTURAL COMMODITIES.

(a) DEFINITIONS.—In this section:

(1) FOOD SERVICE ESTABLISHMENT.—The term ''food service establishment'' means a restaurant, cafeteria, lunch room, food stand, saloon, tavern, bar, lounge, or other similar facility, operated as an enterprise engaged in the business of selling foods to the public.

(2) PERISHABLE AGRICULTURAL COMMODITY; RETAILER.—The terms ''perishable agricultural commodity'' and ''retailer'' have the meanings given the terms in section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)).

(b) NOTICE OF COUNTRY OF ORIGIN REQUIRED.—Except as provided in subsection (c), a retailer of a perishable agricultural commodity imported into the United States shall inform consumers, at the final point of sale of the perishable agricultural commodity to consumers, of the country of origin of the perishable agricultural commodity.

(c) EXEMPTION FOR FOOD SERVICE ESTABLISHMENTS.—Subsection (b) shall not apply to a perishable agricultural commodity imported into the United States to the extent that the perishable agricultural commodity is—

(1) prepared or served in a food service establishment; and

(2)(A) offered for sale or sold at the food service establishment in normal retail quantities; or

(B) served to consumers at the food service establishment.

(d) METHOD OF NOTIFICATION.—

(1) IN GENERAL.—The information required by subsection (b) may be provided to consumers by means of a label, stamp, mark, placard, or other clear and visible sign on the imported perishable agricultural commodity or on the package, display, holding unit, or bin containing the commodity at the final point of sale to consumers.

(2) LABELED COMMODITIES.—If the imported perishable agricultural commodity is already individually labeled regarding country of origin by the packer, importer, or another person, the retailer shall not be required to provide any additional information to comply with this section.

(e) VIOLATIONS.—If a retailer fails to indicate the country of origin of an imported perishable agricultural commodity as required by subsection (b), the Secretary of Agriculture may assess a civil penalty on the retailer in an amount not to exceed—

(1) $1,000 for the first day on which the violation occurs; and

(2) $250 for each day on which the same violation continues.

(f) DEPOSIT OF FUNDS.—Amounts collected under subsection (e) shall be deposited in the Treasury of the United States as miscellaneous receipts.

(g) APPLICATION OF SECTION.—This section shall apply with respect to a perishable agricultural commodity imported into the United States after the end of the 6-month period beginning on the date of the enactment of this Act.

Mr. GRAHAM. Mr. President, this amendment would require Country of Origin labeling of perishable agricultural commodities imported into the United States. I offer this amendment to ensure that Americans know the origin of every orange, banana, tomato, cucumber, and green pepper on display in the grocery store, and to improve the safety of food consumed by all Americans.

In March of 1996, shoppers throughout California and nineteen other states discovered that the produce they had brought home from the grocery store was accompanied by an uninvited and unwelcome guest—cyclospora, a harmful parasite that invades the small intestine and causes extreme diarrhea, vomiting, weight loss, and severe muscle aches.

Immediately, the federal government's Center for Disease Control (CDC) sprang into action. The agency traced the illness to contaminated Guatemalan raspberries and directed consumers to avoid buying fruit from the Central American nation until the outbreak could be investigated, contained, and eradicated.

Americans take this kind of urgent health directive seriously. But millions of shoppers found that their hands were tied against following the CDC's instructions. In 49 states, consumers discovered that grocery stores were not required to post where their fresh fruits and vegetables had been grown. The information required to prevent other Americans from getting sick simply wasn't available.

Florida was the exception. For nearly twenty years, Floridians shopping at their local Publix, Winn Dixie, Food Lion, and other grocery stores have been able to make educated choices about the food products they purchase for their families. In 1979, in my first year as Governor, I proudly signed legislation to make country-of-origin labels commonplace in produce sections all over Florida.

Country-of-origin labelling is not new to the American marketplace. For decades, ''Made In'' labels have been as visible as price tags on clothes, toys, television sets, watches, and many other products. It makes no sense that they are nowhere to be found in the produce section of grocery stores in the vast majority of states.

President Clinton has unveiled a number of food safety initiatives over

the past several months. Although his plans commendably call for strict safety measures in the growing and harvesting of domestic fruits and vegetables, and establish the U.S. Food and Drug Administration (FDA) as another line of defense against potentially contaminated imported produce, they do not empower individual shoppers with the knowledge they need to make educated choices in the produce section.

As the Guatemalan case illustrated, that is a dangerous omission. The current lack of identifying information on produce means that Americans who wish to heed government health warnings about foreign products or who have justifiable concerns about other nations' labor, environmental, and agricultural standards are powerless to choose other perishibles.

Contrary to many claims opposing this legislation, compliance with a country of origin law would be of minimal cost to our nation's retailers. Both Publix and Winn Dixie have estimated that compliance costs most individual grocery stores less than $10 each month. The total cost for more than 25,000 retail stores in Florida is less than $195,000 annually.

That's a small price to pay for consumers' peace of mind, and to preserve the concept of choice that is the foundation for our nation's free market system. Any first-year economics student knows that the laws of supply and demand do not work unless consumers have adequate information about goods and services for sale. Fruits and vegetables are no exception.

In addition, a study by the U.S. Department of Agriculture found that twenty-six of our key trading partners, including Guatemala, require country of origin labeling for fresh fruits and vegetables. By adopting this amendment, our law will become more consistent with the laws of our global trading partners, and would not constitute an unfair barrier to trade.

Giving consumers greater confidence in the produce they buy should be a central part of our nation's efforts to improve food safety. Congress can take a major step toward meeting that goal by enacting this amendment, and restoring American shoppers' ability to make an informed decision.

AMENDMENT NO. 3182

(Purpose: To express the sense of the Senate that unauthorized user fees submitted in the President's budget have resulted in shortfalls for specified programs)

FINDINGS.—

The President's budget submission includes unauthorized user fees; It is unlikely these fees will be authorized in the immediate future; The assumption of revenue from unauthorized user fees results in a shortfall of funds available for programs under the jurisdiction of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee;

That among the programs for which additional funds can be justified are:

Human Nutrition Research;

The Food Safety Initiative activities of the USDA and the FDA;

the wetlands Reserve Program;

the Conservation Farm Option Program;

the Farmland Protection Program;

the Inspector General's Law Enforcement Initiative;

FDA pre-notification certification;

FDA clinical pharmacology;

FDA Office of Cosmetics and Color;

the Rural Electric loan programs;

the Pesticide Data Program;

the Rural Community Advancement Program;

civil rights activities; and

Fund Rural America.

Therefore, it is the Sense of the Senate that: In the event an additional allocation becomes available, the above mentioned programs should be considered for funding.

AMENDMENT NO. 3183

(Purpose: To require the Secretary of Agriculture to establish and maintain within the Department of Agriculture an Office of the Small Farms Advocate)

On page 67, after line 23, add the following:

SEC. —. OFFICE OF THE SMALL FARMS ADVOCATE.

(a) DEFINITION OF SMALL FARM.—In this section, the term ''small farm'' has the meaning given the term in section 506 of the Rural Development Act of 1972 (7 U.S.C. 2666).

(b) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall establish and maintain in the Department of Agriculture an Office of the Small Farms Advocate.

(c) FUNCTIONS.—The Office of the Small Farms Advocate shall—

(1) cooperate with, and monitor, agencies and offices of the Department to ensure that the Department is meeting the needs of small farms;

(2) provide input to agencies and offices of the Department on program and policy decisions to ensure that the interests of small farms are represented; and

(3) develop and implement a plan to coordinate the effective delivery of services of the Department to small farms.

(d) ADMINISTRATOR.—

(1) APPOINTMENT.—The Office of the Small Farms Advocate shall be headed by an Administrator, who shall be appointed by the President, with the advice and consent of the Senate. Nothing in this Act shall be construed to authorize a net increase in the number of political appointees within the Department of Agriculture.

(2) DUTIES.—The Administrator shall—

(A) act as an advocate for small farms in connection with policies and programs of the Department; and

(B) carry out the functions of the Office of the Small Farms Advocate under subsection (b).

(3) EXECUTIVE SCHEDULE.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

''Administrator, Office of the Small Farms Advocate, Department of Agriculture.''.

(e) RESOURCES.—Using funds that are otherwise available to the Department of Agriculture, the Secretary shall provide the Office of the Small Farms Advocate with such human and capital resources as are sufficient for the Office to carry out its functions in a timely and efficient manner.

(f) ANNUAL REPORT.—The Secretary shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report that describes actions taken by the Office of the Small Farms Advocate to further the interests of small farms.

Mr. FEINGOLD. Mr. President, I rise today to introduce an amendment aimed at preserving America's small farms. This amendment costs nothing and was inspired by a recommendation included in the January, 1998 publication of the National Commission on Small Farms.

Mr. President, there is no question that America's small farms are struggling. Their struggle is detailed in ''A Time to Act'', the report issued by the National Commission on Small Farms, which outlines the crisis small farmers will face as they enter the next century.

Mr. President, 94% of the farms in America are small farms, yet they receive only 41% of all farm receipts. Simply put 6% of our farms collect 59% of the receipts. Also, data shows that, on average, these farms actually earn a negative return on equity. Mr. President, many feel that one cause of the problem is that USDA does not emphasize the needs of small farms in its strategic plans, partly because Congress does not require that emphasis. References to small farms appear seldom in USDA policy and Congress is to blame. Lets use this opportunity to right a wrong and attempt to preserve small farms throughout the country.

Mr. President, the Feingold amendment will turn the USDA's attention to the plight of the small farmer. This amendment directs the Secretary of Agriculture to establish an Office of the Small Farms Advocate within six months of enactment of the underlying bill. This office will be headed by an Administrator who will be appointed by the President and who will report directly to the Secretary of Agriculture. This office will be created without going outside current budget or personnel resources. The Office of the Small Farms Advocate will ensure that USDA and its programs work to meet the needs of today's small farmers.

The Office of the Small Farms Advocate will accomplish this by: working with all USDA agencies to ensure that they consider the needs of small farmers; providing formal input on major programmatic and policy decisions by USDA agencies; developing a plan to enhance small farm program delivery at USDA; and being a constant advocate for small farms and small farm policies.

Let me assure my colleagues that it is not my intention to create another layer of bureaucracy—it is my intention to coordinate USDA programs to meet small farmer needs and make the bureaucracy more responsive.

Mr. President, this amendment will not increase USDA's authorized budget, but instead directs USDA to use its current financial and personnel resources. Finally, this amendment does not increase the number of political appointees within the Department of Agriculture.

Mr. President, day after day, season after season, we are losing small farms at an alarming rate. In the United States, we have 300,000 less farms than

we did in 1979. In 1980, there were 45,000 dairy farms in Wisconsin. In 1997, there are only 24,000 dairy farms. That is a loss of more than 3 dairy farms a day—every day for 18 years. And it does not begin to measure the human cost to families driven from the land. As small farms disappear, we are witnessing the emergence of larger agricultural operations. This trend toward fewer but larger dairy operations is mirrored in most states throughout the Nation.

For many of the rural communities of Wisconsin, small family-owned farms are the key component of the community. They provide economic and social stability. The reduction in the number of small farms has hurt their neighbors as well and deprived the merchants on Main Street of many lifelong customers. We need a system in which small farms can be viable and the work of the producer can be fairly rewarded.

Mr. President, many feel federal policy and federal investments focus almost solely on the needs of larger scale agricultural producers—neglecting the specific research needs of small producers. Small producers need more Federal research and extension activity devoted to the development of these alternatives. It is my hope that this new office at USDA will be committed to help develop and promote production and marketing systems that specifically address the needs of small farms. This bias has hamstrung small farmers, depriving them of the tools they need to adapt to changes in farming and the marketplace and accelerating the trend toward increased concentration.

Mr. President, this country's small producers should not be forced to become larger in order to remain competitive. Bigger is not necessarily better. Maintaining the economic viability of small operations has benefits beyond those gained by farmers and the communities in which they reside; they can also provide environmental benefits. For example, as operations expand, manure storage and management practices become more costly and more burdensome for the operator and raise additional regulatory concerns associated with runoff and water quality among State and Federal regulators. Federal policy that helps small operators to remain competitive and profitable without dramatic expansion will help minimize these concerns. And in fact, M. President, expansion is often counterproductive for small operations, requiring them to take on even greater debt. Unfortunately, federal agriculture policy has put many producers in a situation where they must choose to expand their operations or throw in the towel. Farmers should not be forced into that position. We must provide the tools necessary for farmers to survive and prosper regardless of the size of their operation.

We all congratulated the USDA when it convened the National Commission on Small Farms in July 1997. We applauded the appointment of farmers, ranchers, staff of nonprofit farm and farmworker advocacy organizations, Extension professionals, current and former public officials, and philanthropic foundation program staff. We all held up the final report as our signal to rural America that we were going to do something. M. President, we haven't done anything yet. The Commission important report and recommendation have fallen by the wayside. It would be a travesty if the U.S. Government spent taxpayer money on a worthwhile project such as this—then didn't act on those recommendations. This amendment is the first step in our commitment to not preserve a large sector of our agriculture community, and an important piece of America's heritage.

I urge my colleagues to support this no-cost, pro-farmer amendment and yield back the balance of my time.

AMENDMENT NO. 3184

(Purpose: To limit the penalty for an inadvertent violation of a contract under the Agricultural Market Transition Act)

On page 67, after line 23, add the following:

SEC. 7—. LIMIT ON PENALTY FOR INADVERTENT VIOLATION OF CONTRACT UNDER THE AGRICULTURAL MARKET TRANSITION ACT.

If an owner or producer, in good faith, inadvertently plants edible beans during the 1998 crop year on acreage covered by a contract under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) the Secretary of Agriculture shall minimize penalties imposed for the planting to prevent economic injury to the owner or producer.

AMENDMENT NO. 3185

(Purpose: To amend the Energy Policy Act of 1992 to take into account newly developed renewable energy-based fuels and to equalize alternative fuel vehicle acquisition incentives to increase the flexibility of controlled fleet owners and operators, and for other purposes)

On page 67 after line 23 add the following new section:

SEC. .

(1) SHORT TITLE; TABLE OF CONTENTS

(a) SHORT TITLE.—This Act may be cited as the ''Biodiesel Energy Development Act of 1998''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Amendment to the Energy Policy and Conservation Act.
Sec. 4. Minimum Federal fleet requirement.
Sec. 5. State and local incentives programs.
Sec. 6. Alternative fuel bus program.
Sec. 7. Alternative fuel use in nonroad vehicles, engines, and marine vessels.
Sec. 8. Mandate for alternative fuel providers.
Sec. 9. Replacement fuel supply and demand program.
Sec. 10. Modification of goals; additional rulemaking authority.
Sec. 11. Fleet requirement program.
Sec. 12. Credits.
Sec. 13. Secretary's recommendation to Congress.

(2) DEFINITIONS.

Section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211) is amended—

(1) in paragraph (2), by striking ''derived from biological materials'' and inserting ''derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume'';

(2) in paragraph (8), by striking subparagraph (B) and inserting the following:

''(B) a motor vehicle (other then an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel.'';

(3) by redesignating paragraphs (11) through (14) as paragraphs (12), (14), (15), and (16), respectively;

(4) by inserting after paragraph (10) the following:

''(11) the term 'heavy duty motor vehicle' means a motor vehicle or marine vessel that is greater than 8,500 pounds gross vehicle weight rating;'';

(5) by inserting after paragraph (12) (as redesignated by paragraph (3)) the following:

''(13) the term 'marine vessel' means a motorized watercraft or other artificial contrivance used as a means of transportation primarily on the navigable waters of the United States;'';

(6) in paragraph (15) (as redesignated by paragraph (3)), by striking ''biological materials'' and inserting ''domestically produced renewable biological materials (including biodiesel)''.

(3) AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT.

Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amended—

(1) in the second sentence of subsection (a)(3)(B), by striking ''vehicles converted to use alternative fuels may be acquired if, after conversion,'' and inserting ''existing fleet vehicles may be converted to use alternative fuels at the time of a major vehicle overhaul or rebuild, or vehicles that have been converted to use alternative fuels may be acquired, if''; and

(2) in subsection (g)—

(A) in paragraph (2), by striking ''derived from biological materials'' and inserting ''derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume'';

(B) in paragraph (5), by striking subparagraph (B) and inserting the following:

''(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel; and'';

and

(C) in paragraph (6), by inserting ''or marine vessel'' after ''a vehicle''.

(4) MINIMUM FEDERAL FLEET REQUIREMENT.

Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

(2) by inserting after subsection (b) the following:

''(c) HEAVY DUTY AND DUEL-FUELED VEHICLE COMPLIANCE CREDITS.—

''(1) IN GENERAL.—For purposes of meeting the requirements of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to acquire 1 heavy duty alternative fueled vehicle in place of 2 light duty alternative fueled vehicles.

''(2) ADDITIONAL CREDITS.—For purposes of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to take an additional credit for the purchase and documented use of alternative fuel used in a dual-fueled vehicle, comparable conventionally-fueled motor vehicle, or marine vessel.

''(3) ACCOUNTING.—

''(A) IN GENERAL.—In allowing a credit for the purchase of a dual-fueled vehicle or alternative fuel, the Secretary may request a Federal agency to provide an accounting of the purchase.

''(B) GUIDELINES.—The Secretary shall include any request made under subparagraph (A) in the guidelines required under section 308.

''(4) FUEL AND VEHICLE NEUTRALITY.—The Secretary shall carry out this subsection in a manner that is, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.''.

(5) STATE AND LOCAL INCENTIVES PROGRAMS.

(a) ESTABLISHMENT OF PROGRAM.—Section 409(a) of the Energy Policy Act of 1992 (42 U.S.C. 13235(a)) is amended—

(1) in paragraph (2)(A), by striking ''alternative fueled vehicles'' and inserting ''light and heavy duty alternative fueled vehicles and increasing the use of alternative fuels''; and

(2) in paragraph (3)—

(A) in subparagraph (B), by inserting after ''introduction of'' the following: ''converted or acquired light and heavy duty'';

(B) in subparagraph (E), by inserting after ''of sales of'' the following: '', incentives toward use of, and reporting requirements relating to''; and

(C) in subparagraph (G)—

(i) by redesignating clauses (i) through (iii) as clauses (ii) through (iv), respectively; and

(ii) by inserting after ''cost of—'' the following:

''(I) alternative fuels;''.

(b) FEDERAL ASSISTANCE TO STATES.—Section 409(b) of the Energy Policy Act of 1992 (42 U.S.C. 13235(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(D) grants of Federal financial assistance for the incremental purchase cost of alternative fuels.'';

(2) in paragraph (2)(B), by inserting after ''be introduced'' the following: ''and the volume of alternative fuel likely to be consumed''; and

(3) in paragraph (3)—

(A) by inserting ''alternative fuels and'' after ''in procuring''; and

(B) by inserting ''fuels and'' after ''of such''.

(C) GENERAL PROVISIONS.—Section 409(c)(2)(A) of the Energy Policy Act of 1992 (42 U.S.C. 13235(c)(2)(A)) is amended by inserting after ''alternative fueled vehicles in use'' the following: ''and volume of alternative fuel consumed''.

(6) ALTERNATIVE FUEL BUS PROGRAM.

Section 410(c) of the Energy Policy Act of 1992 (42 U.S.C. 13236(c)) is amended in the second sentence by striking ''and the conversion of school buses to dedicated vehicles'' and inserting ''the incremental cost of alternative fuels used in flexible fueled school buses, and the conversion of school buses to alternative fueled vehicles''.

(7) ALTERNATIVE FUEL USE IN NONROAD VEHICLES, ENGINES, AND MARINE VESSELS.

Section 412 of the Energy Policy Act of 1992 (42 U.S.C. 13238) is amended—

(1) in the section heading, by striking ''and engines'' and inserting '', engines, and marine vessels'';

(2) by striking ''vehicles and engines'' each place it appears in subsections (a) and (b) and inserting ''vehicles, engines, and marine vessels'';

(3) in subsection (a)—

(A) in the subsection heading, by striking ''NONROAD VEHICLES AND ENGINES'' and inserting ''IN GENERAL'';

(B) in paragraph (1)—

(i) in the first sentence, by striking ''a study'' and inserting ''studies''; and

(ii) in the second sentence—

(I) by striking ''study'' and inserting ''studies''; and

(II) by striking ''2 years'' and inserting ''2, 6, and 10 years'';

(C) in paragraph (2)—

(i) by striking ''study'' each place it appears and inserting ''studies''; and

(ii) in the second sentence, by inserting ''or marine vessels'' after ''such vehicles''; and

(D) in paragraph (3)—

(i) by striking ''report'' and inserting ''reports''; and

(ii) by striking ''may'' and inserting ''shall''; and

(4) in subsection (b)—

(A) in the subsection heading, by striking ''AND ENGINES'' and inserting '', ENGINES, AND MARINE VESSELS''; and

(B) by striking ''rail transportation, vehicles used at airports, vehicles or engines used for marine purposes, and other vehicles or engines'' and inserting ''rail and waterway transportation, vehicles used at airports and seaports, vehicles or engines used for marine purposes, marine vessels, and other vehicles, engines, or marine vessels''.

(8) MANDATE FOR ALTERNATIVE FUEL PROVIDERS.

Section 501 of the Energy Policy Act of 1992 (42 U.S.C. 13251) is amended—

(1) in subsection (a)(1), by inserting ''or heavy'' after ''new light''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(3) allow the conversion of an existing fleet vehicle into a dual-fueled alternative fueled vehicle at the time of a major overhaul or rebuild of the vehicle, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.''.

(9) REPLACEMENT FUEL SUPPLY AND DEMAND PROGRAM.

Section 502 of the Energy Policy Act of 1992 (42 U.S.C. 13252) is amended—

(1) in the first sentence of subsection (a), by inserting ''and heavy'' after ''in light''; and

(2) in the first sentence of subsection (b), by inserting after ''October 1, 1993,'' the following: ''and every 5 years thereafter through October 1, 2008,''.

(10) MODIFICATION OF GOALS; ADDITIONAL RULEMAKING AUTHORITY.

Section 504 of the Energy Policy Act of 1992 (42 U.S.C. 13254) is amended—

(1) in the first sentence of subsection (a), by striking ''and periodically thereafter'' and inserting ''consistent with the reporting requirements of section 502(b)''; and

(2) in subsection (c), by inserting after the first sentence the following: ''Any additional regulation issued by the Secretary shall be, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.''.

(11) FLEET REQUIREMENT PROGRAM.

(a) FLEET PROGRAM PURCHASE GOALS.—Section 507(a)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13257(a)(1)) is amended by inserting ''acquired as, or converted into,'' after ''shall be''.

(b) FLEET REQUIREMENT PROGRAM.—Section 507(g) of the Energy Policy Act of 1992 (42 U.S.C. 13257(g)) is amended—

(1) in paragraph (1), by inserting ''acquired as, or converted into,'' after ''shall be'';

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following:

''(4) SUBSTITUTIONS.—The Secretary shall, by rule, permit fleets covered under this section to substitute the acquisition or conversion of 1 heavy duty alternative fueled vehicle for 2 light duty vehicle acquisitions to meet the requirements of this subsection.''.

(c) CONVERSIONS.—Section 507(j) of the Energy Policy Act of 1992 (42 U.S.C. 13257(j)) is amended—

(1) by striking ''Nothing in'' and inserting the following:

''(1) IN GENERAL.—Subject to paragraph (2), nothing in''; and

(2) by adding at the end the following:

''(2) CONVERSION INTO ALTERNATIVE FUELED VEHICLES.—

''(A) IN GENERAL.—A fleet owner shall be permitted to convert an existing fleet vehicle into an alternative fueled vehicle, and purchase the alternative fuel for the converted vehicle, for the purpose of compliance with this title or an amendment made by this title, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.

''(B) CREDITS.—A fleet owner shall be allowed a credit for the conversion of an existing fleet vehicle and the purchase of alternative fuel for the vehicle.''.

(d) MANDATORY STATE FLEET PROGRAMS.—Section 507(o) of the Energy Policy Act of 1992 (42 U.S.C. 13257(o)) is amended—

(1) in paragraph (1)—

(A) by inserting ''or heavy'' after ''new light''; and

(B) by inserting ''or converted'' after ''acquired''; and

(2) in the first sentence of paragraph (2)(A)—

(A) by striking ''this Act'' and inserting ''the Biodiesel Energy Development Act of 1997''; and

(B) by inserting after ''of light'' the following: ''or heavy duty alternative fueled''.

(12) CREDITS.

(a) IN GENERAL.—Section 508(a) of the Energy Policy Act of 1992 (42 U.S.C. 13258(a)) is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—The Secretary''; and

(2) by adding at the end the following:

''(2) ALTERNATIVE FUEL.—The Secretary shall allocate a credit to a fleet or covered person that acquires a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle acquired or converted by the fleet or covered person as required under this title.''.

(b) ALLOCATION.—Section 508(b) of the Energy Policy Act of 1992 (42 U.S.C. 13258(b)) is amended—

(1) by striking ''In allocating credits under subsection (a),'' and inserting the following:

''(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—In allocating credits under subsection (a)(1),''; and

(2) by adding at the end the following:

''(2) DUAL-FUELED VEHICLES; ALTERNATIVE FUEL.—In allocating credits under subsection (a)(2), the Secretary shall allocate 2 credits to a fleet or covered person for acquiring or converting a dual-fueled vehicle and acquiring a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle if the dual-fueled vehicle acquired is in excess of the number that the fleet or covered person is required to acquire or is acquired before the date that the fleet or covered person is required to acquire the number under this title.''.

(13) SECRETARY'S RECOMMENDATION TO CONGRESS.

Section 509(a) of the Energy Policy Act of 1992 (42 U.S.C. 13259(a)) is amended—

(1) in paragraph (1), by inserting before the semicolon at the end the following: ''and exempting replacement fuels from taxes levied on non-replacement fuels''; and

(2) in paragraph (2)—

(A) by inserting ''and converters'' after ''suppliers''; and

(B) by inserting before the semicolon the following: '', including the conversion and warranty of motor vehicles into alternative fueled vehicles''.

Mr. JOHNSON. Mr. President, renewable alternative fuels benefit energy security, the environment, and our overall economy. The amendment being offered today by Senator CRAIG and myself is critically important to soybean farmers across the country, and will do a great deal to give the ag economy a shot in the arm in states which produce soybeans.

Since the Farm Bill took affect two years ago, soybean prices have dropped 15 percent, costing soybean producers in South Dakota about a hundred million dollars in lost revenue. The Craig/Johnson amendment could help offset these losses by boosting soybean prices an average of 11 cents a bushel and generating about $10 million in additional revenue for South Dakota soybean farmers and more than $300 million for soybean farmers nationwide without costing taxpayers one dime.

This amendment makes changes to the Energy Policy Act of 1992. As most know, EPACT was enacted to stimulate the research and development of technologies which can potentially shift the focus of national energy demand away from imported oil and toward renewable or domestically produced energy sources. One component of energy consumption on which EPACT focuses is significantly reducing the amount of imported oil used by the transportation sector. The stated goal in EPACT is to replace 10 percent of petroleum by the year 2000 and 30 percent by the year 2010 with alternative fuels.

This amendment is necessary because unfortunately, EPACT's current mandates and incentive structure essentially exclude some alternative fuels, such as biodiesel, from being an option for controlled fleet owners and operators. Further, the amendment will aid in the achievement of EPACT's goals of strengthening America's energy security through the substitution of domestically produced alternative fuels for imported petroleum products in the transportation sector. The latter point is important because this country is making extremely poor progress toward meeting the petroleum displacement goals of EPACT, and even federal fleets are not in compliance with the requirements of this statute.

However, it is my understanding that Senators BUMPERS and ROCKEFELLER have some concerns about the impact the amendment will have on other alternative fuels currently eligible under EPACT. Is that correct?

Mr. BUMPERS. Yes, Senator JOHNSON, I do have some concerns about the amendment. However, I am prepared to accept the amendment today if I can secure a commitment from the Senator from South Dakota to sit down and address my concerns between passage of the Senate's legislation today and completion of action by the conference committee. Can I have that commitment from you, Senator JOHNSON?

Mr. JOHNSON. Certainly, and I very much appreciate your willingness to work with me on this issue. Senator ROCKEFELLER, would you be willing to accept the amendment today knowing that we will be sitting down between now and the completion of the conference committee to work out a compromise to address your concerns?

Mr. ROCKEFELLER. While you are correct that I have concerns about specific provisions in the amendment, I also have concerns about the process by which we have taken up this issue. One of my top legislative priorities since coming to Congress has been the promotion of alternative fuels, and I am concerned that today's action is only a band-aid on a program which needs major surgery. However, I am prepared to accept the amendment today with the commitment to work together in the coming weeks to find a compromise to address my concerns.

Mr. JOHNSON. Thank you, Senator ROCKEFELLER. I look forward to working with you on this specific issue in the coming weeks, and on the larger issue of more effectively promoting the use of all alternative fuels in the coming months and in future congresses. I also want to thank Senator CRAIG and Chairman COCHRAN for their leadership on this amendment, and look forward to working with them during the coming weeks to find a compromise on this important issue prior to completion of action by the conference committee.

AMENDMENT NO. 3186

[The text of the amendment will appear in a future issue of the RECORD.]

AMENDMENT NO. 3187

(Purpose: To require the Secretary of Agriculture to submit a plan to Congress for the lifting of the ban on interstate distribution of state inspected meat)

The Secretary of Agriculture shall present to Congress a report on whether to recommend by March 1, 1999, lifting the ban on the interstate-distribution of state inspected meat.

Mr. COCHRAN. Mr. President, I ask unanimous consent that Senator ROBERTS be added as a cosponsor to the biodiesel amendment, amendment No. 3185.

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

Mr. LEAHY. Mr. President, I and my colleague from Vermont Senator JEFFORDS, would like to engage Senator COCHRAN, Senator BUMPERS, Senator GRAHAM, and Senator MACK in a colloquy regarding Senator GRAHAM's disaster assistance amendment. I can certainly sympathize with what Senator GRAHAM and Senator MACK are trying to do tonight with this amendment, and I support their amendment. The fires that have struck Florida in recent weeks have shocked people from across the country, and undoubtedly the damage to agriculture in the state has been severe. However, I would like to bring attention to the fact that a number of other states have also suffered significant damage from natural disasters in recent months. My own state of Vermont suffered significant flooding early this month. Eight of the state's fourteen counties were declared disaster areas. Other parts of the country are also suffering agricultural damage including areas of the west and southeast which are suffering serious drought conditions. Damage from these disasters is still being determined, however by the time we go to conference with the House on the Agriculture Appropriations bill, we will have a better idea about the extent of those damages. I hope that at that point we can revisit this disaster assistance and adjust the funding levels to reflect the full extent of agricultural damage from natural disasters being suffered by farmers throughout the country.

Mr. JEFFORDS. I would like to join Senator LEAHY in expressing my hope that we can revisit the issue of disaster assistance funding in conference. Senator LEAHY and I toured the damage in Vermont following the flooding there earlier this month, and the damage for farmers in affected areas was indeed severe. Those farmers are going to need assistance and I hope that we will be able to provide it in this bill.

Mr. COCHRAN. I agree with the Senators from Vermont that there are areas of the country suffering agricultural damage as a result of natural disasters and the needs of these areas should be addressed. The Administration should review the damage estimates from affected areas and request any emergency funding required to address those additional needs.

Mr. BUMPERS. I am in full agreement with Senator COCHRAN. While the need of farmers in Florida is clear and pressing, other farmers are also suffering as a result of the many disasters which have struck the country this year. The final conference agreement on this provision should reflect the full extent of damage to farmers in all affected regions of the country.

Mr. GRAHAM. I appreciate the support of Senator COCHRAN and Senator BUMPERS for our amendment and agree that it would be appropriate to address any additional needs of farmers from other disaster-stricken regions in conference.

Mr. MACK. I would like to join my colleagues in agreement that appropriate action to meet the needs of farmers in disaster-stricken areas throughout the nation should be taken in conference.

WILDLIFE SERVICES DIVISION OF APHIS AERIAL SAFETY STUDY

Mr. BURNS. Senator COCHRAN, I would like to discuss recent problems

that have been facing the Wildlife Services aerial program.

Mr. COCHRAN. Mr. President, I understand that the Wildlife Services Division of APHIS has recently completed a full, independent review of their aerial program.

Mr. BURNS. That's absolutely correct. As you know, Wildlife Services provides a broad range of services across the country and the aerial operations program is a key component of these services. In fact, distribution of rabies vaccine baits by Wildlife Services occurred earlier this year in Texas, Ohio, New Hampshire and other states. These activities help protect pets, children and others from the spread of rabies.

Mr. COCHRAN. I understand that the aerial program plays a large role in wolf recovery efforts in the Rocky Mountain West.

Mr. BURNS. That's right. The aerial program helps researchers track radio-collared wolves so we learn about wolf movements, habitat needs and feeding patterns. Without the aerial program it would be much more difficult to tranquilize and relocate wolves preying on domestic livestock. And, in the event of a wolf persists on killing livestock, it enables the program to efficiently remove the specific problem animal.

Mr. COCHRAN. But there have been problems?

Mr. BURNS. Yes. Despite a historically solid safety record, a series of aircraft accidents in the past two years including four fatalities of pilots, have prompted Assistant Secretary Mike Dunn to call for a full outside review.

Mr. COCHRAN. What were the conclusions of this review?

Mr. BURNS. The review found that not enough resources are being devoted to maintaining the safety of the program. Because of increasing demand for their aerial services, the program directs most of their resources into program delivery. This, coupled with ongoing budget constraints have limited the ability of the program to keep pace with developing technology and training in aircraft operations.

It is my understanding that the House has provided funds to address this situation. I hope the Senate conferees on this bill will review the findings of this study in the conference to assess whether additional funding is justified.

Mr. COCHRAN. I appreciate your bringing this study to our attention and we will look into this situation prior to conference.

Mr. CRAIG. Will the Senator from South Dakota yield for purposes of a colloquy?

Mr. JOHNSON. I am happy to enter into a colloquy with the Senator from Idaho.

Mr. CRAIG. The Senator and I have been working together on the Meat Labeling Act of 1998 for some time. Might I ask, what is the Senator's understanding of the Act's impact on meat prepared and served by a restaurant?

Mr. JOHNSON. It is my understanding, as the sponsor of the legislation, that it would have no impact what-soever on meat prepared and served by a restaurant. It is not our intent to require labeling of meat prepared and served by a restaurant.

Mr. CRAIG. That is also my understanding and intent. I thank the Senator for his clarification.

Mr. BAUCUS. Mr. President, I rise to discuss my amendment to the Agriculture Appropriations Bill, number 3150. This amendment would provide increased funding for research activities to improve counter-narcotic efforts.

I realize that the Subcommittee faced a very difficult challenge with the level of the funding allocation this year. While I am disappointed that it has been impossible to fund this project at this time, I wish to call the attention of the members of the Subcommittee to this important proposal. I believe it makes sense for the future of the agriculture industry.

This project would increase efforts to use biotechnology in the control of narcotic plants. This research would also enhance traditional agriculture production practices, supplying an important tool in weed control. Biotechnology research promises an economical solution to the spread of noxious weeds and other pests that threaten both public and private land across the nation.

I believe this type of research holds great potential for success in the war on drugs. Related efforts are underway in private industry, but there is great need to increase our efforts. This project would be an important step in that direction.

Finally, I would like to thank the Subcommittee Leadership, Senator BUMPERS and Chairman COCHRAN for their efforts to find funding for this program. And I hope it will be possible for the Subcommittee to give this project strong consideration in the future.

Mr. BUMPERS. I thank Senator BAUCUS for agreeing to look at funding this project in the future. I look forward to working with him on that effort.

Mr. BAUCUS. Thank you Senator BUMPERS, and thanks to the Chairman, as well for his assistance.

Mr. HARKIN. Would the distinguished Senator from Mississippi yield for the purpose of engaging in a colloquy with me on an issue of some concern to food packagers and to the general public?

Mr. COCHRAN. I am pleased to yield to the Senator from Iowa for the purpose of a colloquy.

Mr. HARKIN. As my colleague, the distinguished Chairman of the Subcommittee may know, I have been advised that the Food and Drug Administration Modernization Act of 1997 (FDAMA) authorized a new streamlined pre-market notification system for food packaging materials. The current regulatory process involves significant delays, resulting in lost sales and decisions not to bring new products to market that would improve food safety and protect the public health.

The new notification system will substantially reduce the length of the FDA review process and allow the introduction of advanced packaging materials. The Agency will still, however, receive all of the information needed to establish the safety of packaging materials and will continue to be able to keep unsafe materials off the market.

I also have been advised that FDAMA requires that certain funding criteria be met for the program to take effect as scheduled on April 1, 1999.

The Act calls for funding of the pre-market notification program at a level of $1.5 million in FY 1999. I note that the counterpart legislation passed by the House Appropriations Committee currently provides for the sum of $500,000. It is my hope that the distinguished Chairman of the Subcommittee will further address this issue in conference in order for the FDA to implement this important reform as intended by Congress.

Mr. COCHRAN. I agree with my colleague that the implementation of this program would expedite the introduction of improved food packaging materials and will give every consideration to this issue in the Conference Committee.

Mr. COCHRAN. Mr. President, I think we can announce that additional amendments have now been cleared on both sides of the aisle. There are 4 amendments. Three of them are Coverdell-Cleland amendments, the Senators from Georgia. One involves a prohibition on loan guarantees. Another involves a definition of ''farmland.'' A third involves disaster loan collateral requirements. A fourth Amendment is for Senator HARKIN, and it involves the WIC amendment, and it includes a colloquy.

If my distinguished friend from Arkansas can verify that these have been cleared on his side of the aisle, we are prepared to proceed to ask that they be considered en bloc and agreed to en bloc.

Mr. BUMPERS. May I ask the floor manager, what was the last amendment?

Mr. COCHRAN. The Harkin amendment on the WIC program, together with a colloquy.

Mr. BUMPERS. That has been cleared on this side.

AMENDMENTS NO. 3188 THROUGH 3191, EN BLOC

Mr. COCHRAN. Mr. President, I send four amendments to the desk, en bloc.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes amendments numbered 3188 through 3191, en bloc.

The amendments (Nos. 3188 through 3191), en bloc, are as follows:

AMENDMENT NO. 3188

(Purpose: To modify the prohibition on loan guarantees to borrowers that have received debt forgiveness)

On page 67, after line 23, add the following:

SEC. ___. PROHIBITION ON LOAN GUARANTEES TO BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.

Section 373 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008h) is amended by striking subsection (b) and inserting the following:

''(b) PROHIBITION OF LOANS FOR BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.—

''(1) PROHIBITIONS.—Except as provided in paragraph (2)—

''(A) the Secretary may not make a loan under this title to a borrower that has received debt forgiveness on a loan made or guaranteed under this title; and

''(B) the Secretary may not guarantee a loan under this title to a borrower that has received—

''(i) debt forgiveness after April 4, 1996, on a loan made or guaranteed under this title; or

''(ii) received debt forgiveness on no more than 3 occasions on or before April 4, 1996.

''(2) EXCEPTIONS.—

''(A) IN GENERAL.—The Secretary may make a direct or guaranteed farm operating loan for paying annual farm or ranch operating expenses of a borrower that was restructured with a write-down under section 353.

''(B) EMERGENCY LOANS.—The Secretary may make an emergency loan under section 321 to a borrower that—

''(i) on or before April 4, 1996, received not more than 1 debt forgiveness on a loan made or guaranteed under this title; and

''(ii) after April 4, 1996, has not received debt forgiveness on a loan made or guaranteed under this title.''.

AMENDMENT NO. 3189

(Purpose: To modify the factors that are used to determine whether applicants are eligible for farm credit loans)

On page 67, after line 23, add the following:

SEC. ___. DEFINITION OF FAMILY FARM.

(a) REAL ESTATE LOANS.—Section 302 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922) is amended by adding at the end the following:

''(c) DETERMINATION OF QUALIFICATION FOR LOAN.—

''(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

''(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.''.

(b) OPERATING LOANS.—Section 311 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941) is amended by adding at the end the following:

''(d) DETERMINATION OF QUALIFICATION FOR LOAN.—

''(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

''(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.''.

(c) EMERGENCY LOANS.—Section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) is amended by adding at the end the following:

''(e) DETERMINATION OF QUALIFICATION FOR LOAN.—

''(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

''(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.''.

(d) EFFECTIVE DATE.—This amendment shall be considered to have been in effect as of January 1, 1977.

AMENDMENT NO. 3190

(Purpose: To prohibit the Secretary of Agriculture from denying an emergency loan to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if it is reasonably certain that the borrower will be able to repay the loan)

On page 67, after line 23, add the following:

SEC. ___. APPLICABILITY OF DISASTER LOAN COLLATERAL REQUIREMENTS UNDER THE SMALL BUSINESS ACT.

Section 324(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(d)) is amended—

(1) by striking ''(d) All loans'' and inserting the following:

''(d) REPAYMENT.—

''(1) IN GENERAL.— All loans''; and

(2) by adding at the end the following:

''(2) NO BASIS FOR DENIAL OF LOAN.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall not deny a loan under this subtitle to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if the Secretary is reasonably certain that the borrower will be able to repay the loan.

''(B) REFUSAL TO PLEDGE AVAILABLE COLLATERAL.—The Secretary may deny or cancel a loan under this subtitle if a borrower refuses to pledge available collateral on request by the Secretary.''.

AMENDMENT NO. 3191

(Purpose: To include the bonus value of commodities in meeting a minimum commodity assistance requirement and to increase the amount appropriated for the WIC program)

On page 46, line 24, before the period, insert the following: '': *Provided further,* That none of the funds under this heading shall be available unless the value of bonus commodities provided under section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is included in meeting the minimum commodity assistance requirement of section 6(g) of the National School Lunch Act (42 U.S.C. 1755(g))''.

On page 47, line 6, strike ''$3,924,000,000'' and insert ''$3,948,000,000''.

Mr. COCHRAN. We are prepared to accept the amendment offered by the Senator from Iowa. We have made a strong effort to provide adequate funding in this bill in order to maintain WIC participation within the budgetary constraints we have faced.

Mr. HARKIN. I certainly appreciate the efforts of the distinguished Chairman to fund WIC adequately within the limitations of the bill. However, analysis supporting the Administration's budget request indicates that the amount provided will not be sufficient to maintain WIC participation at the level it is expected to reach at the end of this fiscal year. Because of the success of WIC. I believe it is important to do whatever we can to ensure that WIC participation does not fall for lack of funding. My amendment provides a portion—but much less than all—of the additional appropriation the Administration believes is necessary to avoid a reduction in WIC participation during fiscal 1999.

Mr. COCHRAN. I certainly want to provide adequate funding to maintain WIC participation. We felt that we were providing sufficient funding in the bill to accomplish that. I would also note that I am concerned about the effect of the offset in the Senator's amendment on the level of commodities that may be purchased and provided to schools for the National School Lunch Program.

Mr. HARKIN. I acknowledge the doubts the Chairman has about the accuracy of the WIC budget request. Also, as the Chairman knows, I share his strong support for the School Lunch Program and for supplying commodities to it. I do have a letter from Secretary Glickman stating my amendment would not have an adverse effect on the School Lunch Program. I would be pleased to work with the Chairman and Senator BUMPERS to obtain a more thorough understanding of the needed level of WIC funding and of the effects of the offset prior to conference on the bill.

Mr. COCHRAN. I appreciate the willingness of the Senator to work with us on these questions.

Mr. HARKIN. I thank the Chairman very much for his cooperation on this amendment and look forward to working with him further on the matter.

Mr. COCHRAN. Mr. President, I ask unanimous consent that those amendments be agreed to, en bloc, and that the motion to table the motions to reconsider be laid upon the table.

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

The amendments (Nos. 3188 through 3191), en bloc, were agreed to.

Mr. BUMPERS. 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. DODD. 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. 3176

Mr. DODD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. Senator DODD's amendment No. 3176 is the pending business.

AMENDMENT NO. 3192 TO AMENDMENT NO. 3176

(Purpose: To amend the Federal Food, Drug, and Cosmetic Act to require the Secretary to ensure timely notification of certain recalls)

Mr. DODD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD] proposes an amendment numbered 3192 to Amendment No. 3176.

Mr. DODD. 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:

In the amendment strike all after the first word and insert the following:

. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

(a) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

''(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

''(2) In this subsection:

''(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

''(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.''.

(b) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting ''or if the recall is a class I recall,'' after ''cannot be identified''; and

(2) by adding at the end the following:

''(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.''.

(c) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking ''or gross'' and inserting ''gross''; and

(2) by striking the period and inserting '', or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).''.

This section shall take effect one day after date of this bill's enactment.

Mr. DODD. Mr. President, this is a second-degree amendment to my own amendment.

I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DODD. Mr. President, I suggest the absence——

Mr. COCHRAN. Mr. President, if the Senator will withhold. We are hoping that we can get a response to a request we have made of a legislative committee to react to the Senator's amendment. Senator HARKIN is on the floor and has an amendment that he has been prepared to offer for some time. I hope we can proceed in the meantime and dispose of that amendment. Would the Senator object?

Mr. DODD. No.

Mr. COCHRAN. Mr. President, I ask unanimous consent to set aside the Dodd amendment so the Senator from Iowa can offer his amendment.

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

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Michele Chang and Matthew Thornblad of my staff have floor privileges for the duration of the consideration of the Agriculture Appropriations bill.

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

AMENDMENT NO. 3193

(Purpose: To provide for the conduct of anti-tobacco activities by the Food and Drug Administration)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. REED, Mr. LAUTENBERG, Mr. KENNEDY, and Mr. JOHNSON, proposes an amendment numbered 3193.

Mr. HARKIN. 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, insert the following:

SEC. ___. TEEN ANTI-TOBACCO ACTIVITIES.

(a) INCREASE IN FUNDS.—The amount described for salaries and expenses of the Food and Drug Administration under title VI shall be increased from $1,072,640,000 to $1,172,640,000.

(b) USER FEE.—The Secretary of Health and Human Services (referred to in this section as the ''Secretary'') shall, not later than 60 days after the date of enactment of this Act, and annually thereafter assess and collect from each manufacturer of tobacco products a user fee for the conduct of teen anti-tobacco activities by the Food and Drug Administration.

(c) AMOUNT.—With respect to each year, the user fee assessed to a manufacturer under subsection (b) shall be equal to an amount that bears the same ratio to $150,000,000 as the tobacco product market share of the manufacturer bears to the tobacco market share of all tobacco product manufacturers for the year preceding the year in which the determination is being made.

(d) DEPOSITS.—Amount collected under subsection (b) shall be deposited into the general fund of the Treasury.

(e) APPROPRIATION.—There are authorized to be appropriated in each fiscal year, and there are appropriated, an amount equal to the amount deposited into the Treasury under subsection (d) for that fiscal year, to be used by the Food and Drug Administration to carry out teen anti-tobacco activities under the Federal Food, Drug and Cosmetic Act.

(f) NO REQUIREMENT FOR PAYMENT.—The Secretary shall not require that a manufacturer pay a user fee under this section for any tobacco product for any fiscal year if the Secretary determines that the tobacco product involved as manufactured by the manufacturer is used by less than 0.5 percent of the total number of individuals determined to have used any tobacco product as manufactured by all manufacturers for the year involved.

(g) FINAL DETERMINATION.—The determination of the Secretary as to the amount and allocation of an assessment under subsection (b) shall be final and the manufacturer shall pay such assessment within 30 days of the date on which the manufacturer is assessed. Such payment shall be retained by the Secretary pending final judicial review.

(h) JUDICIAL REVIEW.—The amount of any user fee paid under subsection (b) shall be subject to judicial review by the United States Court of Appeals for the District of Columbia Circuit, based on the arbitrary and capricious standard of section 706(2)(A) of title 5, United States Code. Notwithstanding any other provision of law, no court shall have the authority to stay any payment due to the Secretary under subsection (b) pending judicial review.

Mr. HARKIN. Mr. President, I hope we don't have to take too long on this. I know Senator REED wants to speak. I don't know that too many others want to speak on this amendment. It is a very important amendment. It is simple and straightforward. It simply says that the laws we have that make it illegal to sell tobacco products to kids should be adequately enforced. To do that, the amendment I have just sent to the desk provides full funding for the ongoing anti teen smoking program at the FDA, which is funded through the Agriculture Appropriations bill. It pays for this with an assessment fee on tobacco companies that equals about $25 per teen smoker. The amendment does nothing more or less than that.

It in no way is intended to be a substitute for action on comprehensive tobacco reform. I am hopeful we will still have it. It does not speak for the issue of FDA authority over tobacco products. It does not impact on tobacco company advertising. And it does not impact on tobacco farmers. It simply provides the money necessary to continue an ongoing program, a program that is already in effect, but to do it in a way that is effective.

This amendment is virtually identical to the amendment that Senators CHAFEE, REED, I, and others, offered last September, which passed this body by a vote of 70 to 28 last September.

The bill before us provides $34 million for the FDA antiteen smoking initiative. That was the money that we put in there last September. That was the 70 to 28 vote that added the $34 million. But $134 million is needed to assure that the effort is fully effective. This was the amount requested by the President, and it is basically the same as was requested in the Commerce Committee tobacco bill.

So, again, the amount that is in this amendment is what was requested by the President, and it is about the same

as was requested in the Commerce Committee bill that was voted out of the Commerce Committee. Our amendment basically increases the amount in the bill for this purpose from $34 million to $134 million for next year.

As I said, it is fully offset by establishing an assessment fee on tobacco companies based on their share of the tobacco market. Because of budget scoring rules, it is necessary to collect this assessment totaling about $150 million to provide for an additional $100 million needed.

For example, if the total tobacco market in the United States this year is $100 billion, and let's say, for example, Philip Morris has 60 percent of that share, they would pay 60 percent of the $150 million, or $90 million. So the assessment on the tobacco companies is based upon their percentage of the total tobacco market in the United States. As I mentioned, this roughly equates to about $25 per teen smoker.

Mr. President, the amendment, again, returns us to the most fundamental question of our long and ongoing debate on tobacco. The fundamental question is whether we are serious about helping America's kids avoid the deadly addiction of tobacco use, and whether we are prepared to continue and adequately fund an existing program designed to deter illegal sales to children.

As I mentioned last year, this body overwhelmingly affirmed increased funding of the FDA use of the antitobacco initiative with a strong bipartisan vote, as I said earlier, of 70 to 28. That was a vote on the Chafee-Reed-Harkin amendment on September 3 of 1997.

For Senators' elucidation, this is basically the same amendment. It just takes it from $34 million to $134 million. In other words, it fully funds the program so it can be effective. Plainly and simply, this amendment is about America's kids and protecting them from the disease, suffering, and death caused by smoking and nicotine addiction.

With a death toll of more than 400,000 each year, smoking kills more Americans than AIDS, alcohol, motor vehicles, fires, homicides, illicit drugs, and suicide all combined. Mr. President, this is a chart that most graphically illustrates why tobacco is the No. 1 killer in America today. As I said, you can add up all of this—alcohol deaths, accidents, suicides, AIDS, homicides, illegal drugs, fires—and they don't equal the 418,690 deaths caused by tobacco last year.

It is an epidemic. It is an epidemic that begins with underage smoking. We know from the documents that have been released to the various court cases in the States involving the tobacco companies now that they have targeted young people. We know from their documents that 90 percent of adult smokers began at or before the age of 18. We know that for years the tobacco companies have targeted young people to smoke—not older people. They target young people because they know if they can get these young people hooked by the time they are 18, they have got them hooked.

Again, all I ask is look at the advertising the tobacco companies use. It is always young people. It is Joe Camel. It is young people. It is young people on the beach. They are having a lot of fun. And it is designed to get young people. It is not designed for old fogies like me. It is designed for the young people. All you have to do is look at the ads the tobacco companies put out there, and you will know they are trying to get young people hooked.

Today, like every other day, 3,000 young Americans will begin smoking—3,000; 1,000 of them will die every single day. That is more than three jumbo jets full of our children crashing every day. At current smoking rates, 1 million American kids under 18 who are alive today will die from slow suffocation due to a smoking-related disease. They will die hooked up to machines and craving nicotine. And teenage smoking rates are still climbing.

There is a chart that shows the rate among high school seniors. It is at a 17-year high. It has been shooting up ever since the early 1990s. We are now at a 17-year high for youth smoking. The addiction is very real. Almost half of all the kids who experiment with as few as three cigarettes go on to become regular smokers.

More than half of the kids who smoke daily said that they smoked their first cigarette within 30 minutes of waking in the morning. I found that hard to believe. But then I am not a smoker. But I drove from my house one morning. My daughter goes to a local public school out in Virginia. About 7 o'clock in the morning I drove her to school. She had a lot of stuff she had to take. I put her in the car and drove her down to school. You drive down there, and you see all of these kids walking down the streets and on the street corners before they go into school at between 7 and 7:15 in the morning smoking cigarettes. I could hardly believe it at that early hour.

Then I see that more than half of them smoke their first cigarette within 30 minutes of waking in the morning. All you have to do is go to any local school about halfway down the street before the school and watch the kids walking to school and you will see that this is true.

More than 90 percent of kids who smoke or use spit tobacco experience at least one symptom of nicotine withdrawal when they try to quit. When they say you have a choice to smoke or not, once these kids are hooked, I tell you, they don't have much of a choice.

Compared to the comprehensive tobacco legislation that we need, this amendment makes just a small investment in the future of our children. But even this small investment will pay off in longer lives and better health for millions of Americans. Since each dollar spent to implement FDA regulations has been shown to result in at least $48 worth of health and social benefits, it is a sound investment that we can make.

Let me review briefly what this amendment will fund at FDA. Right now FDA, as I said, has about $34 million in this fiscal year 1998. That is because of the amendment that was adopted here last September by an overwhelming vote of 70 to 28. They are using these funds to fund contracts with 45 States and local jurisdictions to carry out the enforcement of minimum age restrictions for tobacco purchases and to require photo ID checks.

The FDA initiative also includes funding to provide information to retailers and the public to help retailers comply with the rules and not sell tobacco to kids.

This excerpt that I have from an FDA brochure indicates some of the educational information that the FDA is using to show why it is necessary to have a photo ID check. Which one is 16? Is it Melissa or is it Amy?

If they walked into a store, would the clerk know which one was under 18? Well, to eliminate the guesswork, FDA requires retailers to card anyone who is under 27.

Melissa here is 16 and Amy is 25. So, again, you really do not know, and that is why we need a good information campaign to make sure that retailers know what they are up against in requiring these ID checks.

This year, FDA's current tobacco enforcement budget will fund 200,000 compliance checks. So the money that we voted here last fall, Mr. President, will fund about 200,000 compliance checks nationwide. That may sound like a lot, but it only covers one-fifth, one out of five or 20 percent, of the Nation's tobacco retailers. So four out of five aren't even covered.

The Secretary of Health and Human Services has estimated that three-fourths of the approximately 1 million tobacco outlets in this country sell tobacco to children—three out of four. The Centers for Disease Control and Prevention estimates that minors illegally purchase 256 million packs of cigarettes each year resulting in almost $500 million in sales. Just think of that. Over $500 million a year flow into the tobacco companies from the illegal sale of tobacco. Let me repeat that: $500 million flow into the tobacco companies every year just from the illegal sales of tobacco to young people.

What are we asking for in this amendment? We are asking for $134 million. And they are making $500 million just off of the illegal sales to minors.

The Surgeon General has concluded that children are able to buy a pack of cigarettes or a tin of spit tobacco 67 percent of the time without once ever being asked for proof of age. The amendment we have sent to the desk will more than double the number of annual compliance checks that can be

conducted and increase to 60 percent the coverage of tobacco outlets nationwide. Right now, it is only 20 percent. At least this amendment gets it up to 60 percent of the retail outlets that will be covered nationwide.

This year, the FDA is able to fund very limited outreach efforts to educate retailers, parents and the public about access and advertising restrictions. With the $34 million that we provided last fall, FDA is conducting radio, billboard and newspaper outreach campaigns, but only one city per State for 4 weeks out of every year is covered. So the $34 million we put in last year, just think about it, goes to only one city per State for 4 weeks out of every year. Now, contrast that to what the tobacco companies spend to push their product. Over $13 million every day, over half a million dollars per hour; that is what the tobacco industry is spending every minute around the clock on tobacco advertising and promotion, a whopping $5 billion—that is with a B—$5 billion a year that they spend. What we are asking for is $134 million just to get information out to conduct ID checks, to cover just a few more cities and a few more States.

This amendment we have sent to the desk will allow FDA to conduct national education and outreach efforts at a level more commensurate with the problem.

Increased funding at the level we have in our amendment would double the media exposure and double the number of markets used to communicate important information about restrictions on access to tobacco and tobacco advertising to retailers and to the general public. Comprehensive merchant education programs combined with community education and strong enforcement programs have been shown to successfully reduce illegal underage sales by 24 percent.

So you can think of this amendment in another way. How would you like to cut down on illegal underage sales of tobacco by 24 percent next year? Well, we all say we do. We all say we want to cut back on teenage smoking. Here is a proven way, an ongoing program. We are starting no new program. We are not starting any new bureaucracy, no new laws. All we are taking is an existing program and funding it a little more adequately. And we could reduce the illegal underage sales by 24 percent. So it is not a new bureaucratic program.

At least $75 million of the money will go out to State and local jurisdictions for enforcement. At least $35 million will be used to educate retailers and the public about the rules so that retailers can comply. The point of rules is not to punish anyone. It is to prevent tobacco from being sold to kids.

I just might add that this photo ID check and the minimum age rules were fully upheld by the Federal District Court in Greensboro, NC.

So to recap, this amendment simply provides funding, full funding for the ongoing FDA antiteen smoking program. The bulk of the $100 million goes to States and localities to enforce the rules, and it pays for the increase through an assessment on tobacco companies based on their total market share. So, in other words, the largest tobacco companies; that is, large based on their market share, pay more of the $150 million. The smaller companies, of course, would pay less.

As I said, a very similar amendment was supported by 70 Senators last September. So if we are prepared to stand with America's kids and their parents to take even the most basic step of effectively enforcing the rules against illegal sales of tobacco, this is the way to do it. By stopping these illegal sales, we can help our children avoid an addiction that will destroy their health and take their lives. This amendment will do that. I urge my colleagues to support the amendment.

I see my cosponsor and colleague from Rhode Island is in the Chamber. I yield the floor.

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

Mr. REED. Mr. President, I rise in strong support of Senator HARKIN's amendment. I am pleased to be a cosponsor of this amendment.

As the Senator indicated, last year this Senate strongly supported a virtually identical measure which would increase the enforcement ability of the Food and Drug Administration dramatically. We all know that in every State in this country it is illegal for children to buy cigarettes, but we also know it is very easy for children to buy cigarettes from vending machines and retail outlets. And last year, there were a staggering total of 256 million packs of cigarettes sold to children under the age of 18. That is an enormous amount of cigarettes, as Senator HARKIN indicated, roughly $500 million, a huge market, a very lucrative market. And we all know if we don't take effective steps to provide for the enforcement of existing State laws and education of children and, just as importantly, the retail salespeople, this staggering total will go on and on and on, with dreadful consequences to the health of our children.

Our effort today is to provide the resources to ensure that illegal tobacco sales to children are stopped if at all possible. Our amendment would fully fund the FDA's youth in our tobacco efforts by raising an additional $100 million by imposing a user fee on tobacco companies based on their market share. The pending bill, the bill that we are considering today, provides only $34 million, which is roughly one-quarter of the request submitted by the administration, to fully and effectively enforce the tobacco laws in the United States against sales of tobacco products to children.

Let's put this total in perspective, that we are asking for, this $100 million. It has already been eclipsed by the amount of money spent by the tobacco industry in advertising against comprehensive tobacco legislation this year in the U.S. Senate. Just, in fact, a few moments ago in the cloakroom, I saw another advertisement being run by the big tobacco companies. They have already spent much more than that in trying to prevent effective legislation that will curtail teen smoking in the United States.

Another aspect we should consider: This $100 million is just roughly 2 percent of the $5 billion that the industry spends each year in advertising its products, and, as we well know and has been well documented, too much of this advertising is directed at children.

We have to in some way, some small way, counteract this constant fusillade of advertising aimed at children, and one way we can do it today—far short of the comprehensive debate that we had weeks ago—one way we can do it is ensuring FDA has the resources to adequately support State efforts to suppress childhood access to tobacco products.

In terms of the money we are requesting, a total of over $100 million, it is also small compared to the health consequences of tobacco smoking in the United States. It has been estimated that over $50 billion a year is drained from our health care system because of tobacco and its effect on children. As Senator HARKIN so well indicated, this is a pediatric disease; it begins with young people. Mr. President, 90 percent or more of individuals who begin to smoke do so before they are 18 years of age. Smoking begins around 12 or 13 year old. Regular smokers are regular smokers by the time they are 14. It is a pediatric disease. It is costing us billions of dollars a year, and we have to take effective steps to stop it. This is one way that we can do it, one way I hope we can do it.

We know, too, enforcement of these laws is a significant way of curtailing access to tobacco products for children and, we hope, curtailing their exposure to tobacco and nicotine. One of the significant aspects of this amendment is, it will allow the FDA to put more resources into State efforts to curtail access to tobacco products by young people.

We all were lobbied heavily by different groups—industry groups and public health groups—about the comprehensive legislation. There is not one group that came into my office, be they public health advocates or industry representatives, that did not emphatically and unhesitatingly say, ''We are in favor of strong enforcement of existing laws that curtail teen smoking. We want this. We will do this.'' Now we have an opportunity to fulfill their desire by giving resources to the FDA to ensure that these laws are strictly and effectively and efficiently enforced.

We are talking about a situation in which we can provide resources to bolster the laws that are already on the books. As I indicated, as my colleague

indicated, every State in this country curtails teen smoking. Every quarter of this country speaks out against underage smoking. It is not just public health advocates, it is the industry. Everyone says this is wrong. Yet, unfortunately, we are seeing a tremendous rise in smoking among teenagers. It is rising dramatically. It has increased by over a third since 1991. It is one of the unfortunate health statistics related to children in America today. Again, unless we take effective steps, it will continue to rise.

We know that most young people buy their cigarettes themselves. This is not some great conspiracy where adults are out supplying kids. These are young people walking into these stores or getting access to a vending machine and buying it themselves. We know we can cut down this abuse, we know we can cut down this access, if we have stronger, better laws. More enforcement, though, of the existing laws, is certainly the first place to start.

FDA evidence indicates, if we thoroughly enforce the compliance laws of the United States, we can significantly reduce teenage smoking. We can do it without entering into some of the more extensive proposals that were entertained just weeks ago here. We can do it by providing the resources of the FDA to support the States so they can both educate their salespeople in retail categories and also to ensure that we are checking on what they are doing.

This is a terribly lucrative product. Talking to convenience store owners, many of them indicated this is the most lucrative product they have in their stores in terms of the margin on the sales they make. There is tremendous incentive to backslide, to ignore the regulations, to do anything you can to make these sales, to do anything you can to avoid the laws against selling tobacco products to minors. Unless we check them, unless we supervise them, unless we give real incentives to the States to do that, that is exactly what will happen, because that is exactly what is happening today.

We have to, I think, find a way, not just each year coming to this floor and arguing for additional resources, but in the future I hope we can find a way to permanently fund sufficient resources to fully implement State laws and other provisions that will curtail the access to tobacco products by young people. But today we have the opportunity, the real opportunity, to provide more resources so we can do in deeds what we all say in words we want done: To stop young people from buying tobacco products, to give them a chance to grow up, to give them a chance later, if they wish, as adults, to make a decision about smoking.

This is the moment for us to stand up and to literally put our money where our mouth is. I urge passage of the amendment, and I yield back my time.

Mr. FAIRCLOTH. Mr. President, this is the wrong time for a debate on tobacco taxes. No one is opposed to food safety, but I'm not so enthusiastic about a plan that raises taxes on already cash-strapped tobacco farmers to pay for new USDA bureaucrats.

Farmers all over the country are hurting, and we're pledging to help them, but this amendment will continue to hold up our work on this bill.

We all know that this is just politics because the House will ''blue slip'' the bill.

This is certainly the wrong time to make things worse for tobacco farmers—the real effect of this amendment. This is a misguided attempt to tax small farmers to pay for the Clinton Administration's new spending proposals.

Mr. President, like farmers everywhere, tobacco farmers are hurting. The southeast is dry. We don't know how much tobacco the companies will buy. We shouldn't be passing any amendments that make their lives any tougher. This will do just that.

So, the tobacco farmer is about to get hit—again. Like he has been throughout this tobacco debate, the farmer is forgotten.

The farmer will get hit with lower prices for his tobacco as the companies try to hold the line on costs.

What happened to all the talk about helping farmers, the demands for action?

Instead, this amendment proposes to throw up another hurdle in their way, another obstacle to making the payments, in order to fund President Clinton's new spending.

The companies will take this tax out of the price paid to the farmer. This will cost some farmers their farms. Like a lot of farmers, they are on the edge, and we certainly shouldn't pass legislation to make it worse.

American tobacco is the most expensive in the world, and the tobacco companies may respond to higher costs with increased use of imported tobacco.

Let me say it again: the tobacco farmer can't afford another drop in income. His production quota keeps dropping, but the loan balances keep growing.

This amendment is an attempt to score political points. Let's not play political games at the expense of good public policy.

Further, this amendment initiates a tax measure in the Senate. The federal budget is 1.6 trillion dollars, but this amendment would raise taxes, yet again, on small farmers to pay for more bureaucrats.

It's wasteful and unconstitutional.

Tax and spend. Tax and spend.

I want to commend the distinguished chairman and ranking member of the agriculture appropriations subcommittee for their work.

This is a critical bill for my State and includes a number of important provisions for my farmers. I am reluctant to interfere with it, but if this amendments passes, I will be forced to do so on behalf of those very farmers.

I will personally call the Chairman of the Ways and Means Committee and alert him to ''blue slip'' this bill.

This amendment is anti-farmer, Mr. President. We just passed a Sense of the Senate resolution declaring our intent to help farmers. We just added an amendment for disaster assistance that will aid farmers in my State.

How we can turn around and pass an anti-farmer amendment like this today? It's not right, Mr. President.

I urge my colleagues to vote against this amendment.

Mr. KENNEDY. Mr. President, I strongly support the Harkin amendment, which fully funds the Food and Drug Administration's youth anti-smoking initiative at $134 million.

These FDA rules were upheld by a Federal court in Greensboro, North Carolina last year. They prohibit the sale of tobacco to minors, and require retailers to check the photo identification of consumers who purchase tobacco products if they look 27 years old or younger. Of the $134 million which President Clinton requested in his FY1999 budget, $75 million will go to the States for enforcement, and $35 million will go for education and outreach to retailers to ensure compliance with these regulations.

The pending bill provides only $34 million for this important initiative—$100 million less than President Clinton requested. The funding level in this bill is clearly inadequate. States will be able to check only 20% of tobacco retailers to ensure that they are not illegally selling tobacco products to minors. The additional $100 million in the Harkin amendment will increase that coverage to 60% of retailers.

By establishing a minimum age to purchase tobacco products, and by requiring photo ID checks of young buyers, this initiative can make a significant difference in reducing youth smoking. Teenage tobacco use in the United States has clearly reached epidemic proportions. According to a report in April by the Centers for Disease Control and Prevention, smoking by high school students rose by nearly a third between 1991 and 1997. Among African-Americans, smoking has soared by 80%. More than 36% of all high school students smoke—a 19-year high.

Once people are hooked on cigarette smoking as children, it is very difficult for them to quit as adults. Ninety percent of current adult smokers began to smoke before they reached the age of 18. In other words, if people reach age 18 without having smoked, they are unlikely to begin smoking as adults.

Even more disturbing is that teenagers under-estimate the addictiveness of nicotine. Studies have found that 86% of teenagers who smoke daily and try to quit smoking are unsuccessful.

Big Tobacco has known this fact for years. The tobacco companies are fully aware that if they do not persuade children to take up smoking, the industry will collapse in the next generation. That's why the industry has targeted children with billions of dollars in advertising and promotional giveaways. They promise popularity, maturity,

and success for those who take up smoking.

Evidence from the tobacco industry's own files indicates their blatant and cynical marketing to kids. A 1975 Philip Morris report by researcher Myron Johnston described how Marlboro became the most popular cigarette brand among young smokers. According to Mr. Johnston:

> Marlboro's phenomenal growth rate in the past has been attributable in large part to our high market penetration among young smokers . . . 15 to 19 years old. . . . My own data, which includes younger teenagers, shows even higher Marlboro market penetration among 15 to 17 year olds. . . . The teenage years are also important because those are the years during which most smokers begin to smoke, the years in which initial brand selections are made, and the period in the life-cycle in which conformity to peer group norm is greatest.

An R.J. Reynolds memo written before the introduction of the Joe Camel marketing campaign emphasized that ''younger adult smokers are critical to R.J. Reynolds' long-term profitability. Therefore, RJR must make a substantial long-term commitment of manpower and money dedicated to younger adult smoking programs.''

It's no coincidence that shortly after R.J. Reynolds launched its Joe Camel campaign in 1988, Camel's share of the youth market skyrocketed from less than 1% to 33% in the 1990s.

An undated Lorrilard memo stated boldly what we have known all along about Big Tobacco, that ''the base of our business are high school students.''

Because the tobacco companies have cynically marketed their deadly products to children, it is essential for the Senate to take strong action to prevent cigarettes from getting into the hands of children. Children and adolescents have little trouble purchasing tobacco products directly from retailers today. Studies have found that nearly 70% of the time that children and adolescents attempt to buy cigarettes from retailers, they succeed. If these youngsters have any problem at the counter, they go to a vending machine, where they can successfully purchase cigarettes 90% of the time.

According to Professor Joseph DiFranza of the University of Massachusetts Medical Center, ''If $1 billion in illegal sales were spread out evenly over an estimated one million tobacco retailers nationwide, it would indicate that the average tobacco retailer breaks the law about 500 times a year.''

The Harkin amendment will prevent thousands of children from lighting up their first cigarette. It is a reasonable step to prevent youth smoking that has the strong support of the American public. I urge the Senate to approve it.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, first, we should not be legislating on appropriations bills. We are getting to a point that we cannot pass appropriations bills for all the legislation that is on the appropriations bills, especial something of this magnitude.

I understand how easy it is to talk emotionally about children, but there are two things wrong with this amendment. One, it is not relevant, because under the unanimous consent agreement that these would be relevant amendments, this is not. So you have a point there. Second, there is a budget point of order that will be made against the amendment, and therefore we should go ahead and, I guess, get rid of it.

But this is just nibbling again. The bill I wanted to try to get through here did not go. I wanted to take care of my farmers a little bit, but no one seems to think about those. It makes it a little bit hard to take. But the amendment invites us to reopen the tobacco debate, and I do not think this is the time or the place. What is next, liability limitations? That would be quite a debate. What next, tax increases? That would be a real debate. What next, new programs? That is what we have here, new programs.

We began debating this bill on June 18, 4 weeks ago. It is time we stopped considering legislative amendments that go way beyond the scope of this bill.

I received, and I guess all my Democratic colleagues received:

Support Harkin amendment to fund FDA's ongoing teen antitobacco initiative. This is no anti-teen-smoking initiative, when you get right down to it. The amendment fully funds the FDA youth and anti-tobacco efforts by imposing a tobacco industry user's fee of $100 million, or approximately $25 per child who uses tobacco products. How do you know that? It is really not $100 million. The amendment says $150 million. Are we into that phrase now, ''a haircut''—you have to raise $150 million to get $100 million? Anyhow, the information I got was it was $100 million. I read the amendment and it says $150 million.

This is a tax on adults. This is a tax on adults. It says the tobacco product market share. It has nothing to do with how many teens smoke. We hear about ''spit tobacco.'' The HHS set a level, by the year 2000, of no more than 4 percent of those between 12 and 17 would be using spit tobacco. The rate today is 1.9. The industry is doing a wonderful job—twice the amount that was set by HHS by the year 2000, without any imposition by this legislative body. So now we are putting a tax on adult smokers, trying to fog it up with teen programs.

Mr. President, I understand what is going on. This is a new tax being described as a $25-per-kid tax without any basis. It started out with a survey. That is a terrible way to tax. It has nothing to do with youth smoking or how many youth are smoking. This is a $150-million tax increase as assessed based on the share of the adult market—not teenagers, the adult market. It was based on the adult use of the product and taxes adult use of the product. It should not be on an agricultural bill.

The amendment raises taxes, not by $100 million that we have heard, but $150 million. It is based on a terrible public policy. We should not be raising taxes on an agriculture appropriations bill anyhow. This amendment should be defeated, maybe not for its purpose, but for its procedure.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I appreciate the arguments made by my friend and colleague from Kentucky. I want to try to clear it up, if I can, and say to my colleague from Kentucky that we do not reopen the tobacco program. This has nothing to do—or tobacco debate.

Mr. FORD. Mr. President, I did not say anything about the tobacco program.

Mr. HARKIN. I am sorry, I misspoke. The Senator said something that it is going to reopen the tobacco debate.

Mr. FORD. That is correct.

Mr. HARKIN. This doesn't do it.

Mr. FORD. You are already doing that. You are in the tobacco industry. You are attacking the tobacco industry, and it is all about tobacco.

Mr. HARKIN. If the Senator will yield.

Mr. FORD. You have the floor.

Mr. HARKIN. I will get into a discussion with the Senator on this because this amendment—it kind of all wraps up because the Senator from Kentucky also said this shouldn't be on an ag appropriations bill. He also said we should not have a new program. This is not a new program, it is an ongoing program. It is funded under agricultural appropriations because we fund the FDA. That is exactly where we fund the FDA.

This amendment doesn't start anything new. It takes an existing program at the FDA and expends the money. That is what an appropriations bill does. We are not legislating on an appropriations bill. There is no legislation here, I say to my friend from Kentucky. We are only increasing the money.

Mr. FORD. You are legislating a tax, and it isn't limited to 1 year, it is ongoing.

Mr. HARKIN. I respond again to the Senator from Kentucky that there are other assessments and user fees in this bill. So why should the tobacco companies be exempt from an assessment? There are, I point out, a number of other assessments on industry in this ag appropriations bill. So this is nothing new and startling.

Again, we are not reopening the tobacco debate. This amendment was offered last summer, last September, and was voted on, and it carried by a vote of 70 to 28.

That amendment raised $34 million. What is different between that amendment and this amendment is, this amendment raises an additional $100

million. I know what the Senator is going to say about the 150. I want to explain that.

Mr. FORD. I know about the haircut, but in the amendment it is $150 million.

Mr. HARKIN. And I will explain why that is.

Mr. FORD. It is still $150 million out of the taxpayer's pocket.

Mr. HARKIN. The reason it is is because if we put an assessment, I say to the Senator from Kentucky—if we put an assessment on the tobacco companies to pay into this, that assessment they can deduct from their taxes. They deduct it from their taxes. And so in order to score it to get the $100 million that we need to fully fund the FDA youth ID check, we have to assess the $150 million because they get to write that off on their taxes. To get to $150 million, we have to do the $100 million assessment.

Mr. LOTT. Mr. President, will the Senator yield just for a question?

Mr. HARKIN. I sure will yield for a question.

Mr. LOTT. I am trying to get some idea as to where we are on time so we can notify Members when we can expect a vote. Is the Senator going to need more time?

Mr. HARKIN. No, I don't need more time. I am going to finish this up.

Mr. LAUTENBERG. I will take 5 or 6 minutes.

Mr. HARKIN. I don't need any more time.

Mr. LOTT. I urge my colleagues on both sides of the aisle—I am beginning to see the natives circling around here. We hoped we could have finished this bill at 4 o'clock this afternoon. I urge my colleagues, we know the issue. There is going to be a point of order made, and I hope that point of order will proceed. We need to conclude this bill. We have other work.

Mr. NICKLES. Will the leader yield?

Mr. LOTT. Mr. President, if the Senator will yield.

Mr. HARKIN. Mr. President, I will yield for a question without losing my right to the floor.

Mr. NICKLES. I ask the leader, this side would like to have a couple minutes to respond. I have a possible suggestion of having the vote at 7 o'clock and dividing the time equally.

Mr. LOTT. I ask unanimous consent, Mr. President, that we have 15 minutes remaining on this issue, equally divided—half and half—and we have the vote on the point of order at 7 o'clock.

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

Mr. LOTT. I thank the Senator.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, how much time do I have now?

The PRESIDING OFFICER. The Senator from Iowa has 7½ minutes.

Mr. HARKIN. Mr. President, I yield myself whatever time I consume right now.

This is not a new program, it is ongoing. We are not opening any debates. We had an amendment last fall for $34 million. This adds $100 million more on it. We had to for the scoring. They get $150 million and they can deduct it from their taxes. The reason it is on ag appropriations is that it should be here because it has to do with FDA; it is funding and it is money. That is what an appropriations bill is all about. We are not legislating on an appropriations bill.

Again, 70 Senators last September voted for this amendment. Seventy Senators on both sides of the aisle voted for $34 million. This bumps it up to $100 million to fully fund the youth ID check nationwide.

Mr. President, I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I yield myself 2 minutes.

I urge my colleagues to vote ''no'' on this amendment. We have debated this issue before, but I will make a couple comments because maybe some of my colleagues are not aware of what this amendment has.

This amendment has $150 million of a new tax, and unlike any other tax that we passed that I am aware of, this allows the Secretary of Health and Human Services to conduct a survey. And from that survey, she is going to raise—she being Secretary Shalala at this point—is going to raise $150 million.

I find that incredible. If the Senator wants to raise the cigarette tax, raise the cigarette tax; say we are going to have an excise of so many cents per pack, and that is fine, that is legitimate. But to say we are going to have a survey that basically is going to be deemed to be accurate and give the Secretary of Health and Human Services the power and authority to raise that tax is absurd. It is terrible tax policy.

Then it is to enforce, what? The FDA regs. The FDA regs, some people are acting like they are sacrosanct, like they are good. FDA regs dealing with ID check, which I heard my colleague bragging about, have the Federal Government involved in enforcing ID checks up to age 27.

It is illegal to smoke up to age 18, but we are going to have the Federal Government setting up an enforcement mechanism to find out if people 26 years old are buying cigarettes. And if they don't check an ID—if you have a convenience store or something and you don't ask what their age is when they are 26 years old, you are in violation of the regulation, and you can be fined up to $10,000. That is the FDA reg that he is wanting to give FDA more power to enforce.

Do we really want to give the Federal Government enforcement powers to be checking the IDs of young adults up to age 26, and if you do not comply, you can be fined up to $10,000? I think that is absurd. Equally as bad is to give the Secretary of Health and Human Services taxing authority, to be able to raise $150 million.

I think they are two of the worst pieces of policy I have seen. We have debated tobacco at length. I am willing to do some things to discourage tobacco consumption. All this would do would be to encourage bureaucracy at FDA. I urge my colleagues to support the point of order by the Senator from New Mexico.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, have I been yielded time?

Mr. HARKIN. How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 6 minutes left.

Mr. LAUTENBERG. Four.

Mr. HARKIN. I yield 4 minutes.

Mr. LAUTENBERG. Thank you, Mr. President.

I thank my colleague from Iowa and commend him for raising this issue and for presenting a way—that has been thus far deterred from becoming law—of reducing teen smoking. That is the mission here. We have already seen the leadership kill the comprehensive tobacco bill. So in the wake of the tobacco bill's death, the only existing nationwide program to reduce the teen smoking of cigarettes is an FDA rule. The FDA program needs this additional funding.

We went through extensive debate. I do not know whether the Senator from Oklahoma is still on the floor, but he voted for this when we considered it before. Those who oppose this funding once again stand to say no to protecting our kids, to trying to reduce teenage smoking. They are standing directly or inadvertently with the tobacco industry.

Mr. President, the FDA rule prohibits—nationwide—the sale of tobacco products to anyone under the age of 18. Without sufficient enforcement money, the rule is unnecessary because it will lack the teeth to force retailers to comply.

Friends of big tobacco have already blocked our attempt to pass a comprehensive effort to reduce teen smoking, and now what we will see is tobacco's influence once again prevailing here. They are going to be able to thwart our existing efforts to control teenage smoking.

What is their mission? Their mission is to get 3,000 kids every day to buy a pack of butts that is going to ruin their health in not too many years. So the money that we approve today is a bargain compared to what we will be forced to spend in later years in treating smoking-related illnesses.

Mr. President, this is a fairly simple issue. If we adhere to what we say is our code of conduct—and that is to reduce teen smoking—then the rest of this debate is superfluous, I must tell you. Yes, we ought to try to find a way

to pay for it that is as directly connected to the FDA rule as possible. That is what we have attempted to do here.

But whether or not you are supporting this amendment has little to do with the funding issue; it has to do with whether or not we really believe that stopping teen smoking is a good objective. I hope that we will see that in a vote that is soon to come, Mr. President.

With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM. Mr. President, how much time do we have left?

The PRESIDING OFFICER. Four minutes 39 seconds.

Mr. GRAMM. I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, this is the second amendment we have had today on this bill that has, in essence, raised tobacco taxes and spent the money. I want our colleagues to understand that both parties can play this game. If we are going to continue, by bits and pieces, to raise tobacco taxes and spend the money, we are going to raise tobacco taxes and give the money back to the working men and women of America by cutting their taxes.

I think we are making an absolute sham out of the appropriations process. I think we need to stop this kind of business. I am confident we are going to sustain the point of order against this amendment. But I want to put people on record, if we are going to continue to raise tobacco taxes and spend the money, then I am going to move—and I am sure others will join in that effort—to take that same money and cut taxes for the working men and women of America.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Two minutes 57 seconds.

Mr. HARKIN. Mr. President, I understand some point of order is going to be raised, I assume by the Budget chairman, I suppose, on this; and then we will have a vote to override the Budget Act. But don't get caught up in all of that. That is not what it is about. What it is about is whether this Senate wants to effectively fund an ongoing program to enforce the rules that keep kids from illegally buying cigarettes. That is all it is.

We voted on this last September. Seventy Senators voted for it—$34 million. We are bumping it up to $100 million, that is right. Where are we getting it from? The tobacco companies. Yes, it is an assessment. But they do not have to pass it on. They do not have to have it as a tax or whatever. But they have to pay it based upon their market share.

So don't get all caught up in whether this is going to be a tax on tobacco companies or this budget point of order. That is nonsense. This is a vote on whether or not we will fund the FDA's program to effectively cut down on teenage smoking in this country. That is all it is. And it pays for it by getting an assessment from the tobacco companies based upon their market share.

Tobacco companies would have to put in $150 million, of which they get a tax deduction, so we get the $100 million to fund it. That is a drop in the bucket to what the tobacco companies make every year. Surely—surely—this Senate can go on record as sticking up for the kids and making sure we have the money to adequately enforce the FDA rule so our kids do not become addicted to cigarettes. That is all this issue is—no more, no less; plain and simple. Which side are you going to be on when we cast this vote on a so-called budget point of order?

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am for the kids, but I am also for passing an appropriations bill that helps all the farmers in the United States and puts into play the entire agricultural program of this country.

Frankly, Mr. President, the other day I came to the floor and talked about, how much longer are we going to spend debating the cigarette tax and various expenditures under that program? I made a mistake, I told the listeners that we had 2 weeks. We had 4 weeks to debate these issues. Now we are scheduled to pass appropriations bills that will keep our Government running and more and more, for some reason, we leave it to everybody here to speculate—the other side continues to offer amendments, be it on the tobacco issue or some other program that has nothing to do with the appropriations process, that delays it and then puts in motion things that actually put the bill in jeopardy.

The Senator just spoke and said this was not a budget issue. Let me tell you, it is a budget issue. It is a budget issue to the tune of $100 million being added to the expenditure side of a balanced budget 5-year plan, because under the Budget Act you cannot count taxes against expenditures like this. So we are breaking the budget to the tune of $100 million—$100 million.

It seems to this Senator we ought not to be doing that when we just got a 5-year agreement in place. And so it is subject to a point of order. The Senator can say it is technical. I say it is real.

In addition, I say this approach of imposing taxes—and this is a tax according to the Congressional Budget Office—should not be taking place on appropriations bills that are already late. Mark my word, the President of the United States will be giving the Republican leadership—he will be saying to them, ''You can't get your work done. You didn't get the appropriations done.''

Let me tell you, this violates the spending caps that we agreed to—plain and simple. I do not believe we ought to do that on this bill when that chairman spent weeks and weeks in his committee trying to not break the caps. We come along with an amendment, and it sounds nice, sounds kind of sexy politically, but essentially it is reopening the debate that we had for 4 solid weeks here on the Senate floor.

Now, for all the reasons I stated, but more important, because the Budget Act so provides, I make a point of order against the pending amendment under section 302(f) of the Budget Act of 1974.

Mr. President, let me say, I believe the Senate ought to stand up and say we are not going to break the budget here. We are going to stand on this point of order of substance and deny the efficacy of this amendment because it can't sustain the 60 votes required.

I make the point of order and I yield the floor.

MOTION TO WAIVE BUDGET ACT

Mr. HARKIN. I move to waive the Budget Act and 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 question is on agreeing to the motion to waive Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 49, nays 50, as follows:

[Rollcall Vote No. 208 Leg.]

YEAS—49

Akaka	Dorgan	McCain
Baucus	Durbin	Mikulski
Biden	Feingold	Moseley-Braun
Bingaman	Feinstein	Murray
Bond	Graham	Reed
Boxer	Harkin	Reid
Bryan	Inouye	Robb
Bumpers	Johnson	Rockefeller
Byrd	Kennedy	Sarbanes
Chafee	Kerrey	Smith (OR)
Cleland	Kerry	Snowe
Collins	Kohl	Specter
Conrad	Landrieu	Torricelli
D'Amato	Lautenberg	Wellstone
Daschle	Leahy	Wyden
DeWine	Levin	
Dodd	Lieberman	

NAYS—50

Abraham	Gorton	Mack
Allard	Gramm	McConnell
Ashcroft	Grams	Moynihan
Bennett	Grassley	Murkowski
Breaux	Gregg	Nickles
Brownback	Hagel	Roberts
Burns	Hatch	Roth
Campbell	Helms	Santorum
Coats	Hollings	Sessions
Cochran	Hutchinson	Shelby
Coverdell	Hutchison	Smith (NH)
Craig	Inhofe	Stevens
Domenici	Jeffords	Thomas
Enzi	Kempthorne	Thompson
Faircloth	Kyl	Thurmond
Ford	Lott	Warner
Frist	Lugar	

NOT VOTING—1

Glenn

The PRESIDING OFFICER. On this vote, the yeas are 49, the nays are 50.

Three-fifths of the Senators duly chosen and sworn not having voted in the

affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was rejected.

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

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I call the Senate's attention to an issue that is very important to our livestock producers and small meatpackers. I know that my colleagues are aware of the difficulties the livestock industry has faced in recent years. In an effort to find solutions for small farmers and livestock producers, the Secretary of Agriculture called three separate commissions: The Advisory Committee on Agricultural Concentration, the National Commission on Small Farms, and the National Advisory Committee on Meat and Poultry Inspection. Each of these commissions has recommended that the ban restricting the interstate distribution of state-inspected meat be lifted. For that reason I have introduced, along with Senators FEINGOLD, THOMAS, BROWNBACK, LANDRIEU, BURNS, ENZI, and ROBERTS, S. 1291, The Interstate Distribution of State-inspected Meat Act. This proposal would lift the ban on interstate distribution of state-inspected beef, pork, and poultry, which are the only products in the United States that face such a restriction. This measure is endorsemed by the Farm Bureau, the Farmers Union, the National Cattlemen's Beef Association, and the American Sheep Industry Association. This issue is one of both fairness and common sense, and I believe it merits consideration by the Senate.

I'd like to ask the distinguished Chairman of the Agriculture Committee if he would hold hearings in the Agriculture Committee on this proposal sometime in the near future, so we could promptly consider the measure next year.

Mr. LUGAR. I would like to say to my good friend from Utah that I am aware that this issue has arisen in the past and that it is an important one. I agree with Senator HATCH that the measure deserves a hearing in the near future, and I would be happy to work with him to that end.

Mr. HATCH. I appreciate the willingness of the Chairman of the Agriculture Committee to give this legislation a hearing, and I believe it will make for an interesting one. I look forward to working with the distinguished Senator from Indiana and the Agriculture Committee on this issue.

Mr. COCHRAN. Mr. President, I thank the Senator from Utah and the Chairman of the Agriculture Committee for working this out. I believe the best procedure for addressing this issue would be through the Senate Agriculture Committee.

Mr. BYRD. Mr. President, I rise in support of the Agriculture, Rural Development, and Related Agencies Appropriations Bill. The $57.2 billion in new budget authority that this bill proposes will benefit millions of Americans, both urban and rural. In addition to funding food and nutrition programs such as Food Stamps, WIC, and the school lunch program, the bill funds almost $1.7 billion worth of badly needed agricultural research and extension programs to improve the productivity of our farmers as well as the nutritional value of our food supply. It allocates $1 billion for farm assistance programs such as farm ownership and operating loans. It helps restore and protect our farmlands and watersheds by designating $792 million for conservation programs. It ensures the safety of our nation's food and medicine by allocating $952 million to the Food and Drug Administration. Finally, by providing $2.1 billion for rural development programs, the bill addresses one of my long-standing priorities—implementing and maintaining basic community infrastructure. This bill will bring water and sewer systems to 840 small rural communities. It will allow almost 62,000 of rural America's working families to purchase homes, and, by providing funding for the construction or rehabilitation of 6,900 rental units, this budget addresses the desperate need for affordable housing in America's heartland.

For my own state of West Virginia, this bill provides an increase of $1,250,000 for research on Cool and Cold Water Aquaculture at Leetown, West Virginia which includes $1,000,000 to initiate trout genome research. The bill also provides an increase of $300,000 for the Appalachian Fruit Research Station at Kearneysville, West Virginia to improve profitability of this important part of the West Virginia farm sector.

In addition to these and other research programs important to my state, this bill also includes a number of important conservation measures. Among these include assistance for the Knapps Creek watershed project, flood control in the Tygart River and Upper Tygart Valley watershed, continuation of the important Potomac Headwaters project, funding the grazing lands initiative in West Virginia, and many other programs important for West Virginia farmers, rural communities, and protection of our environment.

The chairman and ranking member of the Agriculture Subcommittee, Senators COCHRAN and BUMPERS, are very knowledgeable of the many competing interests that require funding in this bill. They are to be commended for their ability to craft a bill that meaningfully addresses the challenges confronting our farmers, rural communities, and the Food and Drug Administration, given the budgetary constraints within which they had to work. I applaud their efforts and that of their staff: Galen Fountain and Carole Geagley for the minority and Rebecca Davies, Martha Poindexter, and Rachelle Graves for majority.

Mr. DURBIN. Mr. President, I rise today to express my concern with language included in the House version of the agriculture appropriations bill that could have the effect of depriving rural working poor families of perhaps the only source of information they have on the federal Earned Income Tax Credit.

In my own state of Illinois, for tax year 1996, over 750,000 working families received this critical tax relief. The EITC lifts approximately 4.6 million children out of poverty each year while encouraging work. The tax credit helps a substantial number of low-income working households in rural areas. A 1996 information bulletin published by the USDA Economic Research Service (No. 724–02) noted the importance of the EITC for rural working families: ''The earned income tax credit (EITC) has become a major source of support for low-income rural workers and their families, especially in the South, where the rural poor are concentrated. Program benefits for rural areas are expected to total about $6 billion in 1996 . . . providing benefits to an estimated 4.5 million low-income rural workers and their families.''

Unfortunately, report language included in the House's FY 1999 agriculture appropriations bill could deter and discourage important educational work done by CES offices. The language questions the appropriateness of CES involvement in informing families in their local communities about the EITC. This language could prompt many CES offices to discontinue their efforts to educate eligible workers about the tax credit. If that occurs, substantial numbers of low-income working families in rural areas could lose an important source of information about federal tax relief for which they qualify.

In Illinois, Coop Extension Services offices in 22 counties or communities (many rural) have been working to alert eligible working families to the EITC. The University of Illinois-Urbana Cooperative Extension Service provides programs to low-income working parents and students, including a teen parent welfare-to-work program in the high schools of East St. Louis. It published a notebook, ''The Easy Way to Prepare Your 1996 Individual Income Tax Return,'' for distribution to program participants. The notebook contains simplified tax return instructions, including how to determine eligibility for the EITC and calculate the amount of the credit. The program surveyed participants, and found that only a third of the participants had filed a tax return previously, but 86 percent filed a return after their training. A third of the participants were found to be eligible for the EITC.

The House language is simply not acceptable and should be rejected by the Senate conferees on the agriculture appropriations bill.

MARKET ACCESS PROGRAM

Mr. BRYAN. Mr. President, I wish to make a few comments about my

amendment to the Agriculture Appropriations bill that was adopted last night by the Senate. This amendment requires the Secretary of Agriculture to make important information about the Market Access Program (MAP) and its expenditures available to the Congress and to the General Accounting Office (GAO).

It is no secret that I am no fan of this program, Mr. President. I would have rather eliminated funding for the Market Access Program completely, as we attempted to do with an earlier amendment. Unfortunately, this wasteful program's corporate handouts survived, but the reporting amendment adopted by the Senate will at least give auditors the tools they need to thoroughly investigate the impact of this program.

As I pointed out earlier on the floor of the Senate, the claims that are continually used to justify MAP and extend its life have been called into question by the General Accounting Office (GAO) in a study published last year. The report, which was requested by the Chairman of the House Budget Committee, JOHN KASICH, evaluated claims that MAP benefits the U.S. economy, boosts the agriculture sector, and helps counter competitor nations' agricultural export assistance programs.

The GAO could not find evidence to authenticate any of these claims.

In fact, the GAO assailed the lack of accountability within the Market Access Program and the general lack of clear and complete data available for their analysts.

With major questions left unanswered, the GAO has been unable to produce an honest and useful evaluation of the program that could help Congress and program administrators choose policies that will provide the most benefits to the United States.

In the conclusion to its report on the Market Access Program, GAO suggested that ''Congress may wish to direct USDA to develop more systematic information on the potential strategic value of U.S. export assistance programs.''

That is exactly what this amendment will do.

My amendment requires the Secretary of Agriculture, in consultation with the Comptroller General of the United States, to submit a report that analyzes the costs and benefits of the program in compliance with OMB guidelines and treats resources as fully deployed, two of the GAO's main criticisms of earlier program analyses for MAP and other export assistance programs.

The amendment would require the USDA to estimate the impact on the agriculture sector as well as on U.S. consumers, while also considering the costs and benefits of alternative uses of the funds currently allocated to MAP.

Another requirement calls for an analysis of increases in exports, controlling for outside influences, such as exchange rates and international market conditions, that can have a great influence on international trade.

Finally, the Department is required to evaluate the sustainability of promotion efforts in the absence of government subsidies, an important question that has not been asked throughout the life of these programs.

Again, Mr. President, I would have liked to eliminate the funding for MAP altogether and turn to other, proven programs to increase the strength of our agriculture sector, but this amendment moves in the right direction by opening up the inner workings of MAP and making this program more accountable.

I am hopeful that using these recommendations to gather additional useful information in a report to Congress will finally establish what benefits can truly be attributed to MAP and will help us make informed decisions about this program.

THE MEAT LABELING ACT

Mr. JOHNSON. Mr. President, I am pleased to announce the Senate has accepted the Meat Labeling Act of 1998 as an amendment to S. 2159, the Agricultural Appropriations Bill of 1998 which provides appropriations for FY 1999 for the United States Department of Agriculture, the Food and Drug Administration, and other related agencies.

As we all know, we can easily determine which country manufactured the automobiles we drive through country of origin labeling. We can easily tell where our clothing was made by simply looking at the label or tag on our shirts or trousers. And also, we can easily determine where our computers, stereos, and telephones were made by simply looking at the products' label. But, surprisingly, when we go to the grocery store to purchase meat products for our families to eat, we have no idea where that meat originated.

Throughout my service in the United States Congress, I have been a strong believer in country of origin labeling for products—whether it be for automobiles, clothing, technological, or food products. I have been an especially strong supporter of country of origin labeling for meat products because of its common-sense nature, its benefits to ranchers, farmers, and consumers, its strong bipartisan and agricultural group support, its cost-free benefit to taxpayers as scored by the Congressional Budget Office (CBO), and its trade friendly provisions.

After many years of effort to pass meat labeling legislation, we have finally succeeded. I would like to thank Senator CRAIG for his strong support and willingness to work with me, as well as Agriculture Appropriations Subcommittee Chairman COCHRAN and Ranking Member BUMPERS.

In April of 1997, I introduced, along with Senators CRAIG, DASCHLE, BURNS, and BAUCUS S. 617, the Meat Labeling Act of 1997, which would require that beef and lamb products be labeled for country of origin so consumers can make the choice to buy meat produced from livestock raised on American ranches and farms.

Since my introduction of S. 617, the Meat Labeling Act of 1997, received the strong bipartisan support of 16 of my colleagues—8 Democrats and 8 Republicans. Also, it has enjoyed the enthusiastic support of every major agricultural organization including the National Farmers Union, the American Farm Bureau, the National Cattlemens Beef Association, and the American Sheep Institute.

The amendment that has been accepted by the Senate, the Meat Labeling Act of 1998, has the same country of origin labeling spirit in mind but has been modified slightly from S. 617. My amendment requires beef and lamb meat products to be labeled as imported and allows for voluntary labeling of those beef and lamb products for their country of origin.

The Meat Labeling Act of 1998 is designed in the following way. My amendment requires beef and lamb meat products to be labeled as imported beef or imported lamb, and it permits imported beef and lamb to bear a label identifying the country-of-origin. US beef and lamb would also bear labels of designation. Finally, beef and lamb products blended with beef or lamb from the US and another country would bear a blended label.

Also, the Meat Labeling Act of 1998 creates a voluntary labeling study for ground beef or lamb. As you may know, ground beef (hamburger) and lamb are the remains of meat carcasses after they are utilized for the prime cuts. My legislation recognizes the difficulties in determining the exact country of origin status of the ground beef or lamb and therefore, does not mandate it to be labeled for country of origin immediately.

Instead, my legislation is designed to allow a study of the impact and costs to producers, processors, and consumers of labels for ground beef or lamb. After one year of voluntary labeling, the United States Secretary of Agriculture will then take six months to determine the costs, benefits, and impacts of voluntary labeling and if the Secretary deems it to be cost effective and beneficial to all involved then the labeling of ground beef and lamb will become effective.

As we all know, America's ranchers and farmers are very proud of the fine beef and lamb products they produce. This legislation reflects that pride our ranchers and farmers have in their products. In fact, ranchers and farmers throughout South Dakota tell me over and over that when America's consumers have a choice between US beef or imported beef, consumers will chose US beef because of its quality and its nutritional value.

The benefits to consumers are many. First of all, consumers have the right to know where their food is produced because of prices, quality, taste, safety, etc. If passed, this legislation will finally permit the competitive free market to determine the demand and price of beef and lamb meat products through consumer choice.

Also, a national survey in December 1995 found 74 percent of consumers favored labeling; 51 percent would buy American produce, even if it cost more than imports of equal quality and appearance. Furthermore, an April 1997 survey conducted in Florida showed that 96 percent consumers surveyed strongly agreed that food products should have a country of origin.

Clearly, this evidence shows that American consumers want country of origin labeling for the food they eat.

Labeling is affordable. Preliminary estimates from USDA show that labeling meat may cost an estimated 20 CENTS per customer per year.

This legislation is consistent with the General Agreement on Tariffs and Trade (GATT.) Most of our major trading partners, including Canada, Japan, Australia and the EU, require country of origin labeling for produce and meat products. This legislation simply levels the playing field for our producers and consumers.

Clearly, the Meat Labeling Act of 1998 is broadly supported by American producers and consumers. It enjoys strong bipartisan support in Congress, is endorsed by every major agricultural organization, incurs zero costs to taxpayers, and benefits consumers in numerous ways.

I would like share from you part of a recent letter I received from the major agricultural organization supporting my legislation:

''Consumers demand quality and consistency, and producers are continually working to meet consumer demands. With the current system, there is limited ability to identify the source of product that does not meet consumer demands. Import labeling will help differentiate products in the retail meat case and increase competition among product lines. With labeling, consumers will have the ability to make informed decisions when purchasing meat and meat products an the relative value of meat from different product lines will be determined through competitive forces in the marketplace.''

Finally, I ask unanimous consent that the following documents be printed in the RECORD: A letter addressed to me from the National Farmers Union, the American Farm Bureau Federation, the National Cattlemen's Beef Association, and the American Sheep Industry Association, a July 15, 1998, letter from the National Consumers League the largest and oldest consumer organization in the United States, and a September 16, 1997 editorial from the Sioux Falls Argus Leader.

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

JULY 8, 1997.

Hon. TIM JOHNSON,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR JOHNSON: The following organizations urge you to join the bi-partisan co-sponsorship and support for the ''Meat Labeling Act of 1998,'' to be substituted for the original S. 617 language and offered as an amendment to the Senate agricultural appropriation bill.

Industry leaders from each organization testified before the Senate Committee on Agriculture, Nutrition, and Forestry to urge support for legislation to require labeling of imported meat. The ''Meat Labeling Act of 1998'' will address frustrations among U.S. producers who question why livestock imported into the U.S. for immediate slaughter are allowed to be marketed as U.S. product. In short, the bill will ensure truth in labeling. The legislation does not establish trade barriers to limit the ability of countries to export meat to the U.S. and does not violate U.S. obligations under provisions of international trade agreements. It is our understanding that the proposed legislation is consistent with U.S. responsibilities and commitments to the GATT and NAFTA.

During 1997, beef imports were equal to about 9 percent of total U.S. beef production. Most of this imported beef was blended into ground beef or processed beef products or sold at the retail meat case as U.S. product. In addition to beef imports, nearly 1.1 million live cattle were imported from Canada directly to U.S. packing plants during 1997. Although all of the value-added production took place in Canada, once these cattle were processed in U.S. packing plants they effectively became U.S. beef. Imported lamb on a volume basis has increased from just over 7 percent of the U.S. lamb supply in 1993, to 20 percent in 1997. During the first quarter of 1998, lamb imports reached 25 percent and when computed on a carcass equivalent basis made up approximately one-third of the total lamb supply in the U.S.

Consumers demand quality and consistency, and producers are continually working to meet consumer demands. With the current system, there is limited ability to identify the source of product that does not meet consumer demands. Import labeling will help differentiate products in the retail meat case and increase competition among product lines. With labeling, consumers will have the ability to make informed decisions when purchasing meat and meat products and the relative value of meat from different product lines will be determined through competitive forces in the marketplace.

The following organizations greatly appreciate your leadership in this effort. We look forward to working with you to enact this legislation.

Sincerely,

AMERICAN FARM BUREAU FEDERATION.
AMERICAN SHEEP INDUSTRY ASSOCIATION.
NATIONAL CATTLEMEN'S BEEF ASSOCIATION.
NATIONAL FARMERS UNION.

NATIONAL CONSUMERS LEAGUE,
Washington, DC, July 15, 1998.

Hon. TIM JOHNSON,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR JOHNSON: The National Consumers League, the nation's oldest nonprofit, consumer advocacy organization, supports the requirement to label imported meat and meat food products. As consumption and reliance on imported meat increases, it is vital that consumers are afforded the utmost levels of protection to prevent food-borne illness. One of the most effective means to achieve this goal is through consumer knowledge. Clear and accurate labeling of the country of origin of meat is an important step to providing consumers with such knowledge.

Labeling is a powerful tool to inform consumers about the origins of the food they eat. While America's meat supply is considered the safest in the world, a large portion of the meat Americans consume is from other countries. By labeling meat, consumers will have an informed choice and a right to know the product's origin.

We thank you for providing strong leadership on this issue. We look forward to working with you to continue to ensure that American consumers enjoy the safest possible food supply.

Sincerely,

BRETT KAY,
Program Associate, Health Policy.

[From the Sioux Falls Argus Leader, Sept. 16, 1997]

CONSUMERS HAVE RIGHT TO KNOW ORIGIN OF MEAT

Many U.S. consumers assume the meat they purchase at the grocery store is produced by American farmers, but that's not necessarily so.

Imported meat inspected abroad under standards set by the U.S. Department of Agriculture goes on the shelves unlabeled with reference to the country of origin, just as U.S. meat does.

Consumers have a right to know where the meat they buy comes from. Just about every other item in stores is so labeled.

A bill introduced by U.S. Sen. Tim Johnson, D–S.D., would require country-of-origin labeling of meat at retail outlets.

Lawmakers may be hesitant to pass the law for fear of drawing ire from trading partners that might suffer from xenophobic consumers. They should consider the history of other imported products. Labeling certainly hasn't hurt the market for Japanese cars, French perfume or apples from New Zealand.

The recent recall of 25 million pounds of suspect ground meat by a Hudson Foods plant in Columbus, Neb., shines a glaring light on the importance of knowing sources of meat. The E. coli contamination is thought to have originated at a slaughterhouse—but where?

The uncertainty is unfair to producers and packers that run tight ships, because consumers who can't determine the origination of a problem will consider all sources a possibility.

A meat-labeling law would best require wholesale buyers to record the sources of meat they purchase by company name as well as location.

Meaningful meat labeling would hold producers both in foreign countries and in the United States accountable for the quality and safety of their products.

Consumers, livestock producers and reputable packers should all be clamoring for a law to identify the origin of meat.

Mr. DOMENICI. Mr. President, I rise in support of the Department of Agriculture and Related Agencies Appropriations bill for fiscal year 1999.

The Senate-reported bill provides $56.7 billion in new budget authority (BA) and $40.8 billion in new outlays to fund most of the programs of the Department of Agriculture and other related agencies. All of the funding in this bill is nondefense spending. This Subcommittee received no allocation under the Crime Reduction Trust Fund.

When outlays for prior-year appropriations and other adjustments are taken into account, the Senate-reported bill totals $55.2 billion in BA and $47.5 billion in outlays for FY 1998. Including mandatory savings, the Subcommittee is at its 302(b) allocation in BA and outlays.

The Senate Agriculture Appropriations Subcommittee 302(b) allocation totals $55.2 billion in budget authority (BA) and $47.5 billion in outlays. Within this amount, $13.7 billion in BA and $14.1 billion in outlays is for nondefense discretionary spending.

For discretionary spending in the bill, and counting (scoring) all the mandatory savings in the bill, the Senate-reported bill at the Subcommittee's 302(b) allocation in BA and outlays. It is $43 million in BA and $24 million in outlays above the President's budget request for these programs.

I recognize the difficulty of bringing this bill to the floor at its 302(b) allocation. I appreciate the Committee's support for a number of ongoing projects and programs important to my home state of New Mexico as it has worked to keep this bill within its budget allocation.

Mr. President, I ask unanimous consent that a table displaying the Senate Budget Committee scoring of the bill be printed in the RECORD. I urge the adoption of the bill.

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

S. 2159, AGRICULTURE APPROPRIATIONS, 1999—SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 1999, dollars in millions]

	Defense	Nondefense	Crime	Mandatory	Total
Senate-reported bill:					
Budget authority		13,715		41,460	55,175
Outlays		14,080		33,429	47,509
Senate 302(b) allocation:					
Budget authority		13,715		41,460	55,175
Outlays		14,080		33,429	47,509
1998 level:					
Budget authority		13,930		35,048	48,978
Outlays		14,227		35,205	49,432
President's request:					
Budget authority		13,672		41,460	55,132
Outlays		14,056		33,429	47,485
House-passed bill:					
Budget authority		13,596		41,460	55,056
Outlays		14,031		33,429	47,460
SENATE-REPORTED BILL COMPARED TO:					
Senate 302(b) allocation:					
Budget authority					
Outlays					
1998 level:					
Budget authority		−215		6,412	6,197
Outlays		−147		−1,776	−1,923
President's request:					
Budget authority		43			43
Outlays		24			24
House-passed bill:					
Budget authority		119			119
Outlays		49			49

NOTE.—Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

NUTRITION EDUCATION AND TRAINING PROGRAM

Mr. LEAHY. Mr. President, I raise the visibility of a little-known, but praiseworthy, program—the Nutrition Education and Training Program. I am speaking today in defense of this program, which now seems to be on life-support, and in dire need of resuscitation. For those who are not aware, the Nutrition Education and Training Program, NET, is a direct grant-to-States program which provides the nutrition education and food service training component of the Child Nutrition Programs. Under NET, all funds are distributed to the States. States and local governments leverage these limited resources into effective and innovative education and training programs for children, food service personnel, and parents. I know in my own State of Vermont, the creativity and innovation of the NET staff has provided unique and valuable nutrition materials that are relevant to thousands of Vermonters. Over the past 20 years, NET has promoted an infrastructure and quality standards that support local schools in providing nutritious meals and improving the health and nutrition behavior of our Nation's children. State and local NET coordinators have been responsible for much of the local success of the nutrition education effort.

NET programs are intended to teach children about the nutritional value of foods and the relationship between food and health. The program is also intended to provide nutrition education for teachers and training in nutrition and food service management for school food service personnel, and to facilitate development of classroom materials and curricula. This is done through a State Nutrition Education Coordinator who identifies the needs of the State—this is important—the program is not one size fits all, full of restrictions and mandates from Washington, but rather a cooperative program that is tailored to State needs.

Sadly, I am here today to report on the dire funding status of NET. In fiscal years 1997 and 1998, NET has struggled along at a level of only $3.75 million—this is a far cry from the original program in 1978–79 of $26.2 million—giving each State a level of 50 cents per child. The fiscal year 1999 House appropriations bill funds NET at only $3.75 million and the Senate bill provides nothing—putting all funds into Team Nutrition at $10 million. This low level of funding has diminished NET's effectiveness and threatens its viability to provide nutrition education to the nearly $9 billion Child Nutrition Programs it supports.

A few years ago, as Chairman of the Agriculture Committee, I supported a change in the law to provide NET with a guaranteed $10 million per year to provide important Nutrition Education activities. This level is not a budget-busting amount, and is in fact the amount the President requested in the fiscal year 1999 budget for this program. Unfortunately, in the rush toward welfare reform in 1996, NET's status as a mandatory program was rescinded, and the funding levels for NET have been problematic ever since.

I urge when the Conference on the Agriculture appropriations bill convenes that NET be provided adequate funding. The Child Nutrition Programs are absolutely critical to our Nation's future. Along with those benefits, we must give our children the chance to choose the right foods, to select a diet suited for them based on the facts and not on the latest billion-dollar junk food advertising.

NUTRITION FOR THE ELDERLY PROGRAM

Mr. DURBIN. Mr. President, I rise today in order to engage the chairman of the Agriculture Appropriations Subcommittee, Senator COCHRAN in a brief colloquy regarding the need for increased funding for the nutrition for the elderly program, contained in this bill. Senior nutrition programs are our best defense against elderly hunger and malnutrition. The House has provided $10 million more than the Senate for this program which helps our elderly, low-income seniors have good, nutritious meals. This increased funding would restore funds for both meals on wheels and meal sites by $10 million to $150 million to their FY96 levels.

The Senior nutrition program provides grants to states so that local organizations can prepare meals delivered to elderly persons in both congregate settings or in their homes. Many poor seniors rely on these programs as their primary source for nutrition. Unfortunately, 41% of Meals on

Wheels programs have a waiting list. As the senior population grows, these waiting lists will only increase without adequate funding both local and federal for home-delivered meals programs. The average beneficiary for senior nutrition programs is 77 years old and 90% of beneficiaries live on income below 200% of the poverty level. 40% live on incomes below the poverty level. These poor seniors really need this program. I hope that the House level of funding will alleviate some of these waiting lists.

Studies conducted at the University of Florida found that over 66% of beneficiaries of senior nutrition programs are at moderate to high risk for malnutrition. In addition, these senior nutrition programs not only make good social policy sense, but they also make good fiscal policy sense. Every $1 spent on this nutrition program saves $3 in federal Medicare, Medicaid, and veterans' health care costs, since malnourished patients stay in the hospital nearly twice as long as well-nourished seniors, costing $2,000 to $10,000 more per stay. HHS Secretary Shalala has called these elderly nutrition programs ''a bargain for the federal government''.

This program also provides cash assistance to state agencies to help store and donate food to low-income seniors.

Home-delivered meals programs highlight positive values through volunteerism and community support. It is this type of cost-effective, federal-local partnership that Congress should be encouraging. This level of funding is endorsed by the National Council of Senior Citizens, the Grey Panthers and the Meals on Wheels Association of America.

4 million seniors live in poverty in this, the richest nation in the world. Another 16 million live near the poverty level. Our seniors are going hungry because we cut funding for this seniors nutrition program two years ago. Now is the time to restore this funding to its FY96 levels in conference.

Mr. COCHRAN. I thank the Senator from Illinois. As Senator DURBIN knows, the committee has worked hard over the past several years to maintain this very important program. I will work with my colleagues in conference to see that the House level of funding is available for seniors. With the greying of America, the need for this program has clearly increased and as the Senator from Illinois has stated, many of these meals on wheels sites have long waiting lists. I thank the Senator from Illinois for bringing this issue to our attention.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I would like to make an announcement here of how we are going to proceed for the balance of the night.

SENATOR SAM BROWNBACK RECEIVES GOLDEN GAVEL AWARD

Mr. LOTT. Mr. President, I want to recognize the distinguished Senator that is the Presiding Officer at this time. He is another one of our Members that has reached that magic mark of 100 hours as Presiding Officer. Senator BROWNBACK has done an outstanding job in presiding and handling the gavel. He has earned the Golden Gavel Award.

This is a tradition that started several years ago, and it helps make this institution work as it should. And I would like to extend a sense of appreciation to Senator BROWNBACK for his time as the Presiding Officer.

(Applause, Senators rising.)

Since the 1960's, the Senate has recognized those dedicated Members who preside over the Senate for 100 hours with the Golden Gavel. This award continues to represent our appreciation for the time these dedicated senators contribute to presiding over the U.S. Senate—a very important duty.

Senator BROWNBACK spent a significant amount of unscheduled time in the chair during last night's votes and still insisted upon meeting his presiding duties today. For his ongoing commitment to presiding, we thank him and extend our congratulations on receiving the Golden Gavel Award.

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, for the information of all Senators with regard to the schedule tonight, I understand the Senate will be voting very shortly now on final passage of the agriculture appropriations bill. The managers have worked out the Dodd amendment, and we will be shortly ready to go to final passage.

Following that vote, the Senate would then resume consideration of the HUD-VA appropriations bill. There is an amendment pending to that appropriations bill, which I understand may be withdrawn. But it is my hope and the intent of the managers—I was just talking to Senator BOND and Senator MIKULSKI—that we would get time agreements on amendments that are pending, and finish all debate on all amendments tonight, and then the votes that would be required would be in the morning at 9:30.

We would then go to the legislative appropriations bill during Friday's session.

So votes could be expected on Friday's session at 9:30 with one other possible vote.

I am hoping maybe that the legislative appropriations bill will not have any complicating issues and that it could be handled by a voice vote, or with only one vote.

I would like to finish it all tonight. But the managers have a number of amendments they have to work through.

So what we would have, then, as we now see it, is final passage on agriculture, go to HUD-VA, and we have one issue that may be resolved, which would then not require a vote, and then we would go on to the amendments.

So it is possible that after this next vote, the next recorded vote will not be until 9:30 in the morning. We will do everything we can to not go late tomorrow and certainly not later than 12 o'clock. But cooperation from Senators on both sides will allow us to actually finish it up by 10 o'clock or 10:30 tomorrow.

Mrs. FEINSTEIN. This is the last vote?

Mr. LOTT. We have one other issue we have to get clarified. This could be the last vote, but right now we could have one more right after this one. And we will clarify that in the next few minutes and notify all Senators.

Mr. COCHRAN addressed the Chair.

Mr. REID. Is there a unanimous consent pending?

Mr. LOTT. There is no unanimous consent request pending.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENT NO. 3192

Mr. COCHRAN. Mr. President we are now on the Dodd amendment. We had asked for the yeas and nays. We now have been able to work out that amendment and agreed to take that amendment to conference.

I ask unanimous consent that the yeas and nays be vitiated with that understanding.

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

AMENDMENT NO. 3192, AS MODIFIED

Mr. DODD. Mr. President, I ask unanimous consent to send a modification of my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 3192), as modified, is as follows:

In the amendment strike all after the first word and insert the following:

SEC. ___. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

This section shall be referred to as ''Matthew's Law''.

(b) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

''(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

''(2) In this subsection:

''(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

''(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.''.

(c) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting ''or if the recall is a class I recall,'' after ''cannot be identified''; and

(2) by adding at the end the following:

''(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.''.

(d) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking ''or gross'' and inserting ''gross''; and

(2) by striking the period and inserting '', or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).''.

This section shall take effect one day after date of this bill's enactment.

Mr. DODD. Mr. President, the yeas and nays have been vitiated?

The PRESIDING OFFICER. The yeas and nays have been vitiated.

Mr. DODD. Mr. President, let me say briefly, if I may, for purposes of the RECORD on this amendment, I want to express my gratitude to the managers of the underlying bill, the agriculture appropriations bill, for their support on this, as well as my colleague from Vermont, Senator JEFFORDS, and Senator KENNEDY of Massachusetts.

There may be some technical questions that have to be addressed in conference.

Mr. FORD. Mr. President, may we have order.

The PRESIDING OFFICER. May we please have order in the Chamber.

The Senator from Connecticut.

Mr. DODD. Mr. President, there may be some technical questions that we will have to address in conference, and I have agreed, if that is the case, I would certainly strongly support those corrections, but I am deeply grateful for support of this amendment and ask unanimous consent it be adopted.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment. Without objection, the amendment is agreed to.

The amendment (No. 3192), as modified, was agreed to.

The PRESIDING OFFICER. Without objection, the first-degree amendment is agreed to.

The amendment (No. 3176), as amended, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, we have reached the point where we are prepared to recommend approval of two other amendments that we have cleared on both sides. It is my understanding we have. And I ask my colleague from Arkansas if he is prepared to recommend the passage of our amendment that we are offering for Senators BAUCUS, LEAHY, and SESSIONS, and then an amendment offered in behalf of Senator COVERDELL.

Mr. BUMPERS. Mr. President, the first amendment that the chairman mentioned has been cleared on this side. The amendment by Senator COVERDELL has not.

The PRESIDING OFFICER. Who seeks recognition?

AMENDMENT NO. 3194

Mr. COCHRAN. Mr. President, the amendment that I suggested had been cleared is one that is offered by Senators BUMPERS and myself for Senators BAUCUS, LEAHY, and SESSIONS. I understand that amendment has been cleared on both sides. I send that amendment to the desk and ask that it be reported.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself and Mr. BUMPERS, for Mr. BAUCUS, Mr. LEAHY, and Mr. SESSIONS, proposes an amendment numbered 3194.

Mr. COCHRAN. 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:

On page 13, line 11, strike ''$50,500,000'' and insert ''$51,400,000''.

On page 14, line 17, strike ''$432,082,000'' and insert ''$432,982,000''.

Mr. COCHRAN. Mr. President, this amendment would provide additional funding for three new special research grants, as follows:

Food safety (Alabama) $300,000;

Brucellosis vaccine (Montana) $150,000; and

Food Science Center (Vermont) $150,000.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3194) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I know of no other requests for recognition.

I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I ask unanimous consent that Senator BYRD be listed as a cosponsor on the Bumpers sense-of-the-Senate resolution on program funding levels which was previously adopted.

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

Mr. COCHRAN. Did the clerk read the bill for the third time?

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

The PRESIDING OFFICER. The clerk will report the House bill.

The bill clerk read as follows:

A bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. All after the enacting clause of H.R. 4101 is stricken, and the text of S. 2159, as amended, is inserted in lieu thereof.

The question is on the third reading of the bill.

The bill (H.R. 4101), as amended, was ordered to a third reading and was read the third time.

Mr. COATS. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

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

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 97, nays 2, as follows:

[Rollcall Vote No. 209 Leg.]

YEAS—97

Abraham	Faircloth	Lugar
Akaka	Feingold	Mack
Allard	Feinstein	McCain
Ashcroft	Ford	McConnell
Baucus	Frist	Mikulski
Bennett	Gorton	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Gramm	Murkowski
Bond	Grams	Murray
Boxer	Grassley	Nickles
Breaux	Gregg	Reed
Brownback	Hagel	Reid
Bryan	Harkin	Robb
Bumpers	Hatch	Roberts
Burns	Helms	Rockefeller
Byrd	Hollings	Roth
Campbell	Hutchinson	Sarbanes
Chafee	Hutchison	Sessions
Cleland	Inhofe	Shelby
Coats	Inouye	Smith (NH)
Cochran	Jeffords	Smith (OR)
Collins	Johnson	Snowe
Conrad	Kempthorne	Specter
Coverdell	Kennedy	Stevens
Craig	Kerrey	Thomas
D'Amato	Kerry	Thompson
Daschle	Kohl	Thurmond
DeWine	Landrieu	Torricelli
Dodd	Lautenberg	Warner
Domenici	Leahy	Wellstone
Dorgan	Levin	Wyden
Durbin	Lieberman	
Enzi	Lott	

NAYS—2

Kyl	Santorum

NOT VOTING—1

Glenn

The bill (H.R. 4101), as amended, was passed, as follows:

[The text of the bill was not available for printing. It will appear in a future edition of the RECORD.]

The PRESIDING OFFICER. The Senate insists on its amendment, requests a conference with the House, and the Chair appoints the following conferees.

The Presiding Officer [Mr. SESSIONS] appointed Mr. COCHRAN, Mr. SPECTER, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. BURNS, Mr. STEVENS, Mr. BUMPERS, Mr. HARKIN, Mr. KOHL, Mr.

LEAHY, Mrs. BOXER and Mr. BYRD conferees on the part of the Senate.

Mr. COCHRAN. Mr. President, I express my sincere appreciation to all Senators for their assistance and cooperation in the consideration of the agriculture appropriations bill. In particular, I thank my distinguished colleague and good friend from Arkansas, who has served for 20 years as a member of this committee and was helping manage the agricultural appropriations bill for the last time in his Senate career. He has been not only a very good friend but very helpful, thoughtful, intelligent and effective as a Senator in this capacity, helping shape this legislation during the time we have had the opportunity to work together as members of the Appropriations Committee.

I am going to miss him very much. The Senate is going to miss DALE BUMPERS. He is one of the most astute, articulate and effective Senators serving in the Senate today.

I want Senators to know, too, that at my request, this bill includes a general provision to designate the United States National Rice Germplasm Evaluation and Enhancement Center in Stuttgart, AR, the DALE BUMPERS National Rice Research Center.

In my judgment, Senator BUMPERS is the father of this center. He has helped guide the development of the research there in this important agriculture sector. I think it is very appropriate and I was pleased that the subcommittee included that in our committee print. It was approved by the full committee and is included in the bill that was passed by the Senate.

Mr. President, I also say that without the wonderful assistance of members of our staff and the other members of our subcommittee, the passage of this bill would not have been possible.

I particularly praise the hard work and effective work of the chief clerk of our subcommittee, Rebecca Davies. Those who have assisted her have also turned in exemplary performances, and I appreciate very much all of their work. They are: Martha Scott Poindexter, Rachelle Graves, Hunt Shipman, who is a member of my personal staff and legislative assistant for agriculture and other issues, and our summer intern, Haywood Hamilton, from Albin, MS, who we are glad to have with us in our office this summer.

Those who worked closely with Senator BUMPERS on the Democratic side: Galen Fountain, his chief assistant on this subcommittee we have come to know and appreciate over a period of time, and we are grateful for his excellent assistance; Cornelia Teitka, who is a designee allocated to us as a resource from the Department of Agriculture, has been very helpful in the handling of the legislation; Ben Noble and Carole Geagley also have assisted them from Senator BUMPERS staff. We thank them all. We appreciate very much everyone's good efforts in the work on this bill.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I extend my congratulations and appreciation to the managers of this very important agriculture appropriations bill. My colleague from the State of Mississippi, Senator COCHRAN, always exhibits patience and real leadership on this important legislation. I thank him for what he does. And also to Senator BUMPERS, I think it is absolutely appropriate that this National Center on Rice Research be named after Senator BUMPERS. He certainly has labored in the vineyards on rice and also on the agriculture appropriations bill.

So thank you both for the work that you have done.

Mr. DASCHLE. Will the majority leader yield for a moment?

Mr. LOTT. Certainly.

Mr. DASCHLE. I join with the majority leader in complimenting the manager, the very distinguished Senator from Mississippi, as well as our ranking member. This will be the last bill our ranking member will manage, at least on the appropriations side. He may have other responsibilities in other committees, but on this bill it will be his last bill. We will miss his managerial skills, his remarkable sense of humor, and the ability that he demonstrates each and every day to work with all of us. So I compliment both of them and thank them for their fine work tonight.

I thank the majority leader for yielding.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

Mr. LOTT. I ask unanimous consent that the Senate now resume the HUD-VA appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2168) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Daschle amendment No. 3063, to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

Mr. LOTT. Mr. President, I ask unanimous consent that with respect to the HUD-VA appropriations bill, all first-degree amendments must be offered and debated tonight, and if votes are ordered with respect to those amendments, they occur, in a stacked sequence, beginning at 9 o'clock in the morning—I want to emphasize to our colleagues, we are beginning a little earlier than normal; it will be 9 o'clock; and we will go right to the stacked sequence, with 2 minutes of debate prior to each vote for explanation, as has been requested and is the normal practice—and that all succeeding votes be limited to 10 minutes.

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

Mr. LOTT. Now, Mr. President, I know that there are several amendments that need to be worked through. I see that Senator WELLSTONE is here on the floor ready to go. And I believe we can get some time agreements on other issues.

Does the manager, Senator BOND, wish to comment?

Mr. BOND. Thank you.

Mr. President, I believe Senator NICKLES was prepared to go, and I know that Senator WELLSTONE wants to go right after that. But I believe before we move forward, I need to yield to the distinguished minority leader who has to deal with this. It was our understanding from the discussions that Senator NICKLES would move forward on a major amendment he has, and then I would hope we would be able to turn to Senator WELLSTONE.

With that, let me yield to the minority leader.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

AMENDMENT NO. 3063 WITHDRAWN

Mr. DASCHLE. Mr. President, the majority leader and I have been talking throughout the day. And I believe we are making progress in setting up a procedure by which at some point in the not too distant future—I think the prospects are greater tonight than they have been in some time—we might have a good debate on the Patients' Bill of Rights. Because I believe that these negotiations are proceeding successfully, I withdraw the pending amendment on HUD-VA with an expectation that we will come to some successful conclusion at a later date.

The PRESIDING OFFICER. The amendment is withdrawn.

The amendment (No. 3063) was withdrawn.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Might I make a request for 1 second?

I ask unanimous consent that I be able to follow the Nickles amendment, so I can go back to the office and come back.

Mr. BOND. No objection.

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

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the majority leader and the minority leader for allowing us to get back to this VA-HUD bill. We have had good discussions on it. We have had a very important amendment debated at length on

the space station. This is always one of the important points that we have to debate on the VA-HUD bill.

We have had great cooperation from Senators on both sides. I think we have narrowed the list of amendments. And we hope to be able to accept and include in the managers' amendment many of the things that have been raised by our colleagues.

We are now waiting for Senator NICKLES to come forward to debate an amendment on the FHA limits. But we do have a number of amendments we can accept while we are waiting.

AMENDMENT NO. 3195

(Purpose: To increase funds for VA homeless grant and per diem program)

Mr. BOND. First, I send an amendment to the desk on behalf of myself, Senator CLELAND, and Senator MIKULSKI and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself, Mr. CLELAND, and Ms. MIKULSKI, proposes an amendment numbered 3195.

Mr. BOND. 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:

On page 7, line 18, add the following new provisos prior to the period: ": *Provided further*, That of the funds made available under this heading, $14,000,000 shall be for the homeless grant program and $6,000,000 shall be for the homeless per diem program: *Provided further*, That such funds may be used for vocational training, rehabilitation, and outreach activities in addition to other authorized homeless assistance activities".

Mr. BOND. Mr. President, this amendment would provide, within the $17.2 billion medical care appropriation, $20 million for VA's homeless grant and per diem program. The amendment would make these funds available for vocational training, outreach, shelter, and other important activities to aid homeless veterans in a comprehensive manner.

This should help meet the needs of the 275,000 veterans who are estimated to be homeless on any given night of the year. Together with funds already included in the bill, we will have provided $100 million in VA homeless assistance. This is a critical need. I commend the other Senators who worked on supporting this. I urge adoption of the amendment.

Mr. CLELAND. Mr. President, I would like to thank the Chairman and Ranking Member for their outstanding leadership on this important piece of legislation. Given the hard work that went into this bill, I wanted to first express my appreciation for what they have done. I am reminded of the old phrase "too many cooks spoil the broth." Sometimes the legislative branch might be thought of in that way. As I offer this amendment, I have attempted to be mindful not to "spoil the broth."

As the former head of the Veterans Administration, the veterans portion of this bill continues to be near and dear to my heart. I am extremely pleased to see that the Appropriations Committee under the leadership of Senator BOND and Senator MIKULSKI has increased funding for the Department of Veterans Affairs by over $1.5 billion when compared to last year's budget. This represents a real increase in funding even when inflation is factored in. Senator BOND and Senator MIKULSKI are true friends of America's veterans, and we thank them.

The amendment I have offered attempts to fill a void that exists with respect to services for veterans. When I was head of the Veterans Administration, it was clear to me that the VA could not be everywhere at all times. We relied heavily on other government agencies and private entities in our attempt to assure that all veterans could obtain the benefits they were entitled to and the assistance they needed. Today, in an era of balanced budgets, we cannot depend solely on federal dollars to solve every problem. The era of balanced budgets brings with it the era of partnership.

The VA must continue to partner with other entities to fulfill its mission. For instance, in this year's Defense Authorization bill, I have authored language which would strongly encourage the VA to partner with the Department of Defense to provide health care for our nation's military personnel, their dependents, military retirees, and veterans.

Today, I am advocating much stronger partnering between the VA and the private sector to fill the basic needs of our nation's veterans. The Homeless Providers Grant and Per Diem Program was established in 1992 to fund the development and operation of transitional housing for homeless veterans who are free of alcohol and drugs. Over 2,000 beds have been made available under this program. Over $21 million has been appropriated for this purpose.

Unfortunately, the current program is completely inadequate in the face of the overwhelming need which exists for housing for homeless veterans. The VA estimates that over 275,000 veterans are currently homeless on any given night. In a given year, over 500,000 veterans find themselves homeless at some point. In Atlanta, Georgia, nearly 10,000 veterans are in need of homeless assistance. This is clearly unacceptable. A mere 2,000 beds, while important, would not meet the needs of one state, let alone the entire nation. The program does not come close to fulfilling the entire need. Currently at approximately $7 million, it represents less than two-hundredths of a percent of the entire VA budget.

The amendment I have offered would set aside $20 million for the Homeless Providers Grant and Per Diem program. This would nearly triple the amount available for this program. It would also insure that funds are available for rehabilitation, vocational training, and outreach. These are critical elements because the list of successful programs have demonstrated that helping veterans become drug and alcohol free and employable is the best way to insure that they not find themselves homeless again. Furthermore, it is important to provide for successful outreach to veterans in need to insure that veterans are able to take advantage of the services, both public and private, that are available to them.

Several groups have contacted me since I was elected to the Senate to seek support for the veterans assistance projects they are trying to establish or expand. I would like to take a few moments to describe two such programs.

Last year, the Georgia Military College conducted a pilot program in which veterans voluntarily undergoing drug rehabilitation were offered a college course. The program was paid for through the proceeds of a golf tournament sponsored by the Atlanta Veterans Administration Medical Center. Eighteen veterans participated in the original program. In light of the initial success, the Georgia Military College seized on the idea of expanding the program not only to provide for education but to offer additional counseling and to provide shelter for the participants. The College is in the process of establishing a 5-year program aimed at improving the lives of Georgia's homeless veterans. This is the type of program that can truly make a difference. Instead of a "band-aid" approach, it offers true skills training, and the transitional housing these veterans need to be able to continue with the program.

The National Veterans Foundation offers perhaps one of the most important services a nation can provide to our veterans in need—a human voice. The Foundation was founded by Floyd "Shad" Meshad in 1985 to help veterans recover from the pain of war. It has aided over a quarter of a million veterans, funding housing, legal services, job training, counseling, and rehabilitative programs. A major focus of the Foundation is its toll-free Information and Referral Line. Shad Meshad refers to it as a "Clearing House" to direct veterans and their families to the assistance they need. It is a real human voice on the other end of the line, not a recording. Over the years, the National Veterans Foundation has logged thousands of calls. Unfortunately, this critical outreach program is only available during business hours, Monday through Friday. Our veterans deserve the kind of service provided by the National Veterans Foundation—but they deserve it 24 hours a day, 7 days a week.

These are just two of the types of programs that deserve the support of the VA. In my view, it is only lack of resources which currently limits that support. It should be made clear that what we are talking about is not the old give-away of federal funds. This is not new "corporate welfare." I was introduced to the Homeless Providers

Grant and Per Diem program fairly recently. I was surprised to learn that the Veterans Administration does not currently have a comprehensive grant program that could fund meritorious projects, but it does have this program. I believe the Homeless Providers Grant and Per Diem Program combined with a future comprehensive grant program will leverage federal dollars with private, state, and local money to create a multiplier effect that will aid our nation's veterans for years to come. It is my intent to introduce legislation in the future to provide the necessary statutory authority to establish a comprehensive grant program that goes beyond the current homeless assistance program.

Mr. President, I would like to thank Senator BOND and Senator MIKULSKI for their cooperation and support for this amendment. Without their leadership, this amendment would not be possible. I look forward to working closely with them in the future to further assist our nation's veterans.

I yield the floor.

Ms. MIKULSKI. Mr. President, I am proud to concur with Senators CLELAND and BOND on this amendment. It will increase by $13 million the amount for the homeless grants for the VA. Nobody who fought to save our country should be out on the street. These men have borne the permanent wounds of war, some of which have caused deep-seated emotional problems—unable to find a job.

What I like about the VA homeless program is, it not only provides a shelter but tries to get them focused on starting a new way of life. We have an outstanding one in Maryland. I am proud of it. And I look forward to accepting this amendment and say hats off to try to give the vets a new lease on life.

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

Without objection, it is so ordered.

The amendment (No. 3195) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3196

(Purpose: To require entities that operate homeless shelters to identify and provide certain counseling to homeless veterans)

Mr. BOND. Mr. President, on behalf of Senator MCCAIN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mr. MCCAIN, proposes an amendment numbered 3196.

Mr. BOND. 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:

On page 93, between lines 18 and 19, insert the following:

SEC. 423. (a) Each entity that receives a grant from the Federal Government for purposes of providing emergency shelter for homeless individuals shall—

(1) ascertain, to the extent practicable, whether or not each adult individual seeking such shelter from such entity is a veteran; and

(2) provide each such individual who is a veteran such counseling relating to the availability of veterans benefits (including employment assistance, health care benefits, and other benefits) as the Secretary of Veterans Affairs considers appropriate.

(b) The Secretary of Veterans Affairs and the Secretary of Housing and Urban Development shall jointly coordinate the activities required by subsection (a).

(c) Entities referred to in subsection (a) shall notify the Secretary of Veterans Affairs of the number and identity of veterans ascertained under paragraph (1) of that subsection. Such entities shall make such notification with such frequency and in such form as the Secretary shall specify.

(d) Notwithstanding any other provision of law, an entity referred to subsection (a) that fails to meet the requirements specified in that subsection shall not be eligible for additional grants or other Federal funds for purposes of carrying out activities relating to emergency shelter for homeless individuals.

Mr. BOND. Mr. President, this amendment will assist homeless veterans by requiring the federally funded homeless shelters report to the Veterans' Administration the number of homeless veterans they serve, and it seeks to ensure that these homeless veterans be provide information regarding the availability of veterans benefits.

The amendment will improve the Federal Government's database on homeless veterans and will help homeless veterans know about programs which can help them address critical needs. It has been cleared on both sides.

I urge its adoption, and yield the floor.

Mr. MCCAIN. Mr. President, I rise to offer an amendment to the VA/HUD Appropriations bill for Fiscal Year 1999. The amendment will assist homeless veterans and seek to eliminate some of the suffering of those less fortunate Americans who served their country in the military.

This amendment will develop better methods for identifying veterans who utilize federally funded homeless shelters so that they can be educated about veteran benefits to which they are entitled, including Department of Veterans Affairs health care. A homeless shelter which receives federal funding would be required to inquire if a person, man or woman, entering the shelter is a veteran. This information would be used solely to assist in tracking the number of homeless veterans and providing counseling to the veteran regarding all available benefits, including job search, veterans preference rights, and medical benefits. Additionally, the Secretary of Veterans Affairs and the Secretary of Housing and Urban Development will coordinate these activities and specify a schedule for notifying the Department of Veteran Affairs of the status of these homeless veterans. It is the intent of this amendment to require homeless shelters to follow this procedures if they are to be eligible for additional Federal grants.

Today, there is no easy or accurate way to track the number of homeless veterans in the United States. I find this astonishing. We just celebrated Independence Day, and this country owes a great deal to the men and women who bore arms to keep America free. It is astonishing to me that there would be no mechanism or process set up to accurately track or keep national records on homeless veterans. The Department of Veterans Affairs estimates the number of homeless veterans to be between 275,000 and 500,000 over the course of a year. Conservatively, one out of every three individuals who is sleeping in a doorway, alley, or box in our cities and rural communities has worn a uniform and served our country. Mr. President, the time is right, right now, to give a helping hand.

Of the figures the Department of Veterans Affairs does acknowledge, homeless veterans are mostly male; about three percent are women. The vast majority are single; most come from poor, disadvantaged communities; forty percent suffer from mental illness; and half have substance abuse problems. More than seventy-five percent served our country for at least four years and Vietnam veterans account for more than forty percent of the total number estimated.

Mr. President, there are many complex factors affecting all homelessness: extreme shortage of affordable housing, poverty, high unemployment in big cities, and disability. A large number of displaced and at-risk veterans live with lingering effects of Post Traumatic Stress Disorder (PTSD) and substance abuse, compounded by a lack of family and social support networks.

I do not mean to be critical of the Secretary of Veterans Affairs or the Secretary of Housing and Urban Development in offering this amendment. To a certain degree the Department of Veterans Affairs is responsive in taking care of some homeless veterans. But the ones that are receiving critical medical treatment and veterans benefits are those who know that such programs exist. It is incumbent on our government to reach out to all homeless veterans. However, to do that, there must be a process in place.

Homeless veterans need a coordinated effort, between the Secretaries of Veterans Affairs and Housing and Urban Development, that provides secure housing and nutritional meals, essential physical health care, substance abuse aftercare and mental health counseling. They may need job assessment, training and placement assistance. To those that may argue that this is a new entitlement program, I

would say that these rights and benefits currently exist for veterans today. Why would we as a nation not do everything in our power to provide this help for those less fortunate veterans.

Mr. President, our veterans deserve no less. I hope my colleagues will support this amendment and support our veterans.

Ms. MIKULSKI. Mr. President, no one can speak for the veterans the way a former POW can. I wish to be associated with the remarks of Senator MCCAIN and move the adoption of the amendment.

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

Without objection, the amendment is agreed to.

The amendment (No. 3196) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3197

(Purpose: To provide funds for the Primary Care Providers Incentive Act, once authorized)

Mr. BOND. Mr. President, I send an amendment to the desk on behalf of myself, Senator MIKULSKI, and Senator ROCKEFELLER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] for himself, Mr. ROCKEFELLER and Ms. MIKULSKI, proposes an amendment numbered 3197.

Mr. BOND. 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:

On page 7, line 18, add the following new provisos prior to the period: ''*: Provided further,* That of the funds made available under this heading, $10,000,000 shall be for implementation of the Primary Care Providers Incentive Act, contingent upon enactment of authorizing legislation''.

Mr. BOND. This amendment has been cleared on both sides and would provide $10 million within the VA medical appropriation for the Primary Care Providers Incentive Act contingent upon authorization.

Senators MIKULSKI and ROCKEFELLER have been working to create a program to facilitate the employment of primary care personnel at the VA, including an education debt reduction program which Senator MIKULSKI has long been interested in establishing. This program is intended to improve the recruitment and retention of primary care providers, a very important element in the service to the VA.

The Primary Care Providers Incentive Act seeks to update VA's educational assistance programs for prospective employees, particularly in areas where recruitment has been difficult. I urge the authorizing committees to act expeditiously on this important program.

I urge adoption of the amendment.

Mr. BOND. I yield to my distinguished colleague from Maryland.

Ms. MIKULSKI. Mr. President, this does attempt to recruit the very best and brightest in the field of primary care to the VA. I proposed the debt reduction program, a student debt reduction program, back in 1992.

Now, why do I approach this as debt reduction rather than scholarships? The scholarship program is very worthwhile, but there are many very talented people who have already graduated. They have a substantial student debt from studying either nursing or other primary care practices. What the $5 million would do would go towards reducing their student debt if they would enter VA services; they would get a year's worth of debt reduction for a year's worth of service.

This way, we know they have completed their training, they have passed their licensing requirement, they are as fit for duty as the veterans they will serve. That is why we approached it from that policy standpoint. It also joins with the outstanding efforts being made by Senator ROCKEFELLER to also develop other tools.

I concur in the amendment, and I urge its adoption and ask it be accepted unanimously.

Mr. ROCKEFELLER. Mr. President, I am delighted that $10 million to fund S. 2115, the Department of Veterans Affairs Primary Care Providers Incentive Act, has been provided through a managers' amendment to the VA/HUD appropriations bill. I thank the Chairman and Ranking Member of the VA/HUD Subcommittee, Senator BOND and Senator MIKULSKI, for their cooperation in making this possible.

The new scholarship and educational debt reduction programs that are contained in S. 2115 are designed to revitalize the Health Professionals Education Assistance Program at VA. This program was originally intended to help VA to recruit and retain health professionals, but it has atrophied in recent years, despite an ongoing demand for educational financial aid by health professionals employed by or interested in working at VA. This funding will help breathe new life into the educational assistance programs, and provide much needed incentives to improve recruitment and retention of primary care providers.

The VA health care system is in the midst of a major reorganization that is simultaneously reducing the current workforce and creating the need for more primary care health professionals. VHA's five-year strategic plan includes the activation and/or planning of nearly 400 community-based outpatient clinics, to be staffed by primary care health professionals. Yet hiring of these professionals and retraining of current employees, to prepare for these changes, has lagged behind the planning process. The Primary Care Providers Incentive Programs that will be funded through this amendment will motivate current employees to get training in new areas of need by providing scholarships, and assist in the recruitment of new primary care providers by helping to pay off student loans.

VA needs educational assistance programs such as these to effectively recruit and retain trained primary care health professionals. In VA hospitals and clinics, some of the most difficult positions to fill are those of nurse practitioners, physical therapists, and occupational therapists. In my own state of West Virginia, for example, at one of the VA hospitals, there has been a vacancy for an occupational therapist for over 12 years! Two of the VA hospitals have no physical therapists at all. This is simply unacceptable.

The plain fact is that starting salaries in the VA are not competitive with those in private practice. The Education Debt Reduction Program gives the VA a financial recruitment tool that will be an enormous help in making the VAMCs more competitive for these much-needed and highly skilled individuals. In fact, one of the most frequently asked questions by prospective new employees is whether or not VA has a debt reduction program. Clearly, this program will answer a critical need.

But improving recruitment is only half of the story. Retention of trained people is equally important. Funding the employee incentive scholarship program can help solve this very real problem. Eligibility is limited to current VA employees, providing a way for vulnerable individuals to protect themselves against future RIFs by acquiring training in the new areas of need. This will go a long way toward improving staff morale at the VA, which has been severely undermined in the last few years due to the necessary streamlining that resulted from significant budget cuts.

The educational assistance programs in S. 2115 are a valuable investment, enhancing morale of the VA health care providers in the short term, while building a workforce that matches VA's needs and improves veterans' health care in the long run. In the coming months, I will be working with my colleagues on the Senate Committee on Veterans' Affairs to authorize these worthwhile programs.

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

The amendment (No. 3197) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3198

(Purpose: To provide for the National Fallen Firefighters Foundation)

Mr. BOND. Mr. President, I send an amendment to the desk on behalf of Senators SARBANES and MIKULSKI and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] for Mr. SARBANES, for himself and Ms. MIKULSKI, proposes an amendment numbered 3198.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. NATIONAL FALLEN FIREFIGHTERS FOUNDATION.

(a) ESTABLISHMENT AND PURPOSES.—Section 202 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5201) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) primarily—

''(A) to encourage, accept, and administer private gifts of property for the benefit of the National Fallen Firefighters' Memorial and the annual memorial service associated with the memorial; and

''(B) to, in coordination with the Federal Government and fire services (as that term is defined in section 4 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2203)), plan, direct, and manage the memorial service referred to in subparagraph (A)'';

(2) in paragraph (2), by inserting ''and Federal'' after ''non-Federal'';

(3) in paragraph (3)—

(A) by striking ''State and local'' and inserting ''Federal, State, and local''; and

(B) by striking ''and'' at the end;

(4) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following:

''(5) to provide for a national program to assist families of fallen firefighters and fire departments in dealing with line-of-duty deaths of those firefighters; and

''(6) to promote national, State, and local initiatives to increase public awareness of fire and life safety in coordination with the United States Fire Administration.''

(b) BOARD OF DIRECTORS OF FOUNDATION.—Section 203(g)(1) of the National Fallen Firefighters Foundation Act (36 U.S.C. 5202(g)(1)) is amended by striking subparagraph (A) and inserting the following:

''(A) appointing officers or employees;''.

(c) ADMINISTRATIVE SERVICES AND SUPPORT.—Section 205 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5204) is amended to read as follows:

''SEC. 205. ADMINISTRATIVE SERVICES AND SUPPORT.

''(a) IN GENERAL.—During the 10-year period beginning on the date of enactment of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, the Administrator may—

''(1) provide personnel, facilities, and other required services for the operation of the Foundation; and

''(2) request and accept reimbursement for the assistance provided under paragraph (1).

''(b) REIMBURSEMENT.—Any amounts received under subsection (a)(2) as reimbursement for assistance shall be deposited in the Treasury to the credit of the appropriations then current and chargeable for the cost of providing that assistance.

''(c) PROHIBITION.—Notwithstanding any other provision of law, no Federal personnel or stationery may be used to solicit funding for the Foundation.''.

Mr. BOND. Mr. President, this amendment by Senator SARBANES and Senator MIKULSKI affects the National Fallen Firefighters Foundation, which is a federally chartered corporation dedicated to helping families of fallen firefighters in assisting State and local efforts to recognize firefighters who die in the line of duty.

The Federal Emergency Management Agency, U.S. Fire Administration, is a member of the foundation's board. Senator SARBANES sponsored the original legislation creating this foundation.

His amendment, along with Senator MIKULSKI, makes some technical changes to the law and eliminates the cap on staff. We understand it has been approved by FEMA. It has been cleared by the Commerce Committee. It would have no impact on spending and will ensure that the foundation is able to employ the staff it needs to operate.

I urge adoption of the amendment, and I yield to the sponsors.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I thank the chairman of the subcommittee for his support for this amendment.

The National Fallen Firefighters Foundation has done an absolutely outstanding job. I think it bears out the wisdom of the Congress in establishing it. The services they are now providing to the families of deceased firefighters are really exemplary. We have had many communications from spouses, from children, from parents, of how much the activities of the Fallen Firefighters Foundation mean to them.

They have enlisted very significant support from the private sector for their activities. These changes are technical in nature in order to enable the foundation to carry out its responsibilities with greater efficacy and greater efficiency.

I didn't want to let this opportunity pass without underscoring the tremendously fine work that is being done by the National Fallen Firefighters Foundation.

Ms. MIKULSKI. Mr. President, I concur with the remarks of my distinguished Senator. He has really done the heavy lifting on this policy issue. I want to thank him for doing this. I absolutely concur with the direction in which we are going. I think it will be an important memorial and a way to staff it properly.

I urge this amendment be agreed to.

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

The amendment (No. 3198) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3199

(Purpose: To restore veterans tobacco-related benefits as in effect before the enactment of the Transportation Equity Act for the 21st Century)

Mr. WELLSTONE. Mr. President, I will get started on this amendment.

Mr. BOND. Might I ask for clarification? I ask the Senator which amendment he has that he wants to discuss.

Mr. WELLSTONE. This is the amendment that will restore benefits to veterans for smoking-related diseases.

Mr. President, this amendment which I now send to the desk is on behalf of myself, Senator MURRAY and Senator MCCAIN.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] for himself, Mrs. MURRAY, and Mr. MCCAIN, proposes an amendment numbered 3199.

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

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

The amendment is as follows:

On page 16, between lines 19 and 20, insert the following:

SEC. 110. (a)(1) Section 1103 of title 38, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 11 of such title is amended by striking the item relating to section 1103.

(b) Upon the enactment of this Act—

(1) the Director of the Office of Management and Budget shall not make any estimate of changes in direct spending outlays under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 for any fiscal year resulting from the enactment of this section; and

(2) the Chairmen of the Committees on the Budget shall not make any adjustments in direct spending outlays for purposes of the allocations, functional levels, and aggregates under title III of the Congressional Budget Act of 1974 for any fiscal year resulting from the enactment of this section.

Mr. WELLSTONE. Mr. President, my amendment would restore benefits to veterans with smoking-related diseases. How would we do that? It is simple. The TEA 21 highway program canceled the disability benefits that veterans would have received under existing rules and procedures, and it used that money instead to pay for more highway projects. My amendment would simply return the favor. It would repeal that offset from the highway bill.

Let me go through the procedural history of this to review how we got to where we are today. This offset first appeared in the President's 1999 budget request. The administration, I think, wildly overestimated the cost of benefits for smoking-related disabilities. But this money was then taken from veterans and it was used elsewhere. There is a tremendous amount of indignation in the veterans community over this, and there should be. Congress decided to play the same game. In the budget resolution they agreed to deny benefits to veterans and use the money

elsewhere just like it had been done by the administration. But the budget priorities were a little different. The savings were used for highway projects. That didn't happen on the Senate side, but by the time it came back from the House, that is what happened. That was the major reason I voted against that bill.

The appropriate place to repeal this offset and restore veterans' benefits would have been in the technical corrections to the TEA 21 highway bill. Senator ROCKEFELLER and I intended to offer an amendment which would have done just that, but we never got a chance because that amendment was folded into another conference report so we could never get an up-or-down vote. We all know that conference reports, as I just said, cannot be amended.

As I have said before on the floor, it is only right that we should have a clean vote on this issue. This is not only a question of veterans, it is a question of accountability. There is simply no excuse for hiding behind procedural gimmicks to avoid responsibility. Some have said we have already voted on this bill, or we have already voted on this question, but I don't think that is true.

Let me explain. The two votes we had on the budget resolution did not deal directly with this question. Senators got a chance to pretend they were for veterans and against the offset, knowing that 5 minutes later we could cast a vote in the opposite direction.

We had some camouflage about doing a study sometime in the future. But I think we all recognize it was only a study. And the vote on the IRS reform bill was not a clean up-or-down vote; it was only a procedural vote, a point of order. We need to have a clean vote up or down, no subterfuge, no trickery. It is not enough to take these benefits away from veterans. Congress will add insult to injury by not having a clean up-or-down vote on this question.

I think veterans should take a clear position on this issue, and that should go on the RECORD. Now, some may object to this amendment because it is legislation on an appropriations bill, or they may think that this appropriations bill is the wrong place to remedy this particular problem. Let me remind my colleagues that this offset was a jurisdictional raid to begin with. Transportation conferees stole the money without ever going through the Veterans' Affairs Committee. This was originally the Veterans' Affairs Committee. If we now repeal this offset through the Veterans' Affairs Committee, we will have to pay for it by taking even more money away from veterans. The highway bill took that money away. It was not taken away by the Veterans' Committee. Nobody wants to do that. Nobody wants to take more funding away from veterans.

There are a few misconceptions that I would like to clear up. First and foremost, compensation for veterans with smoking-related illnesses was not a new program. It was not an expansion of a program. It was a benefit to which disabled veterans were entitled to under existing law. Veterans who had become addicted to tobacco because of their service in the military had the right to apply for disability. The highway bill took that right away.

It is a very tough test that the veterans have to meet. Only 300 have passed it. These were not special rules, either. Those veterans had to meet the same legal and evidentiary requirements as for any other service-connected disability. They had to prove that their addiction began in the military service. They had to prove that their addiction continued without interruption. They had to prove that their addiction resulted in an illness. They had to prove that their addiction resulted in a disability.

There is another thing that ought to be pointed out tonight. We are not really talking about $17 billion here. Let's be clear about it. OMB first came up with that figure based on an estimate of 500,000 claims granted every year. But over the past 6 years, a grand total of only 8,000 veterans have applied, and only 300 of those claims have been granted. CBO came in with a lower, but still high, estimate of $10.5 billion. But the TEA 21 conferees needed more money, so they took advantage of the higher OMB number to pay for a huge increase in funding for highways.

The administration's cost projections are based on many, many unknowns. More importantly, OMB is assuming VA will grant 100 percent of all claims but, to date—listen to this, colleagues—VA has granted only 5 percent of the claims. The test veterans have to meet is simply much harder than OMB seems to think.

There are a number of other unknowns with the administration's methodology. On the percentage of veterans who currently smoke or are heavy smokers, VA experts made what we consider to be a questionable assumption that veterans who smoke more than 100 cigarettes in their lifetime would have the same disease rates as smokers; the percentage of veterans who may file claims for tobacco-related illnesses that are already receiving compensation for those or other conditions; the rate at which the VA can adjudicate these claims. There are lots of assumptions I would question.

Let me get right down to the very nitty-gritty of what this amendment is about. My first choice would be to keep the old rules for deciding disability claims—the ones we had before the TEA 21 highway bill. I don't see why Congress should go out of its way to deny disability benefits to veterans. Don't we have better places to look for spending offsets? Back in World War II, these veterans had free and discounted cigarettes included in their rations, and those packs didn't even have warning labels on them. Soldiers were encouraged to smoke to relieve the stress of military strain. And now some of them are suffering the consequences and they are not getting the compensation. That is what is so outrageous about what we have done, and that is what this amendment intends to correct.

The second choice—even if Congress does decide to deny these benefits, I find it hard to understand why this money should be taken away from veterans' programs. I believe, at the very least, it should stay with veterans. It is quite one thing to argue, look, though they deserve this compensation, they have to meet strict criteria to get this compensation. We handed cigarettes out like candy and we know veterans became addicted. They should have been entitled to this benefit. It is quite one thing to take away the compensation benefit, which we have done; it is adding insult to injury to not at least have to put that money, scored by OMB and CBO, back into veterans' health care.

That is why I come to the floor and I speak with so much indignation about this. That is why Senator MURRAY from Washington and Senator MCCAIN from Arizona join me in this amendment. If this offset proposal had been considered in the Veterans' Affairs Committee, as it should have been, I doubt that it would have seen the light of day. But if it had passed the committee, those savings would have remained within the committee's jurisdiction. Those savings would have been plowed right back into veterans' programs. That would have been my second choice.

So let me be clear again. The first choice: This compensation should have gone to the veterans. This is an injustice; it really is. Secondly, if we weren't going to do that, it should have stayed in the Veterans' Committee. I can tell you that committee would have at least made sure that this money would have been invested in veterans' health care. Only because it is late at night and because there are other colleagues who have amendments—trust me, I think I can talk, without notes, for 2 hours about the holes right now—gaping holes—in veterans' health care, in the financing and delivery of veterans' health care.

After all, we are running out of excuses for underfunding veterans' programs. Remember, for many years, Congress used deficit reduction as an excuse. That was the justification for flat-lining the VA budget in the 1997 budget deal. By the way, the flat-line budget is not going to work. It doesn't take into account inflation. It doesn't take into account all of the veterans now living to be 85—an ever-aging veterans population. It won't work. But now the deficit is gone and we can no longer claim that there are no offsets available. The first time an offset comes down the pike, and it is a real whopper, Congress immediately whisks it away to pay for other programs—

programs that obviously have a much higher priority.

I can't imagine how Congress can make its budget priorities any clearer. I have to tell you that if our priority is to live up to our commitment to veterans, then I believe we should have 100 votes for this amendment.

The VA-HUD appropriations bill does include a significant $222 million increase over the President's request in funding for veterans' health care. I thank my colleagues, the Senators from Missouri and Maryland, for their very fine leadership.

Let me bring something to my colleagues' attention. As the Veterans Affairs' Committee wrote in its letter to Appropriations, an increase of over $500 million is necessary to maintain the current level of services. My argument is that not only did we not give the veterans the compensation they would have gotten if we hadn't raided—really, what was their funding for their addiction, for their illness—but to add insult to injury, if we didn't do that, we should have at least put it into veterans' health care because we are not properly funding health care for veterans in this country. Before the budget deal, we just simply did not take into account the inflation that is taking place. The budget is not enough.

Finally, let me be clear about what this amendment will do and what it will not do.

First of all, this amendment does not cancel or deny any transportation projects. Those projects are already in law. This amendment would not affect them in any way.

Second, this amendment that I have introduced with Senator MURRAY and Senator MCCAIN would not trigger a budget sequester. It includes the same protection against sequestration, the same budget gimmickry that was included in the TEA 21 bill.

It may be argued that this amendment would be using the surplus to pay for veterans' benefits. I would argue that the highway bill was spending the surplus because it was using an unreasonably high estimate for this offset. That is going to happen whether or not we repeal that offset.

But to the extent we do restore previous law on veterans' disability benefits and waive the Budget Act—I am asking colleagues to waive the Budget Act—the cost is not going to be anywhere near $17 billion. I want to be clear about that.

In the summer of 1997, the VA said it wouldn't be able to process more than a couple billion dollars worth of claims over 5 years.

Mr. President, and colleagues, let me just summarize. I have decided to really try to be brief. There is a lot that I feel strongly about, and there is a lot that I would like to talk about. But I think my colleagues from Missouri and Maryland were gracious enough to let me come to the floor with this amendment and get to work on it.

I summarize this way. This amendment would restore benefits to veterans with smoking-related diseases. This amendment that I introduce on behalf of myself and Senator MURRAY and Senator MCCAIN does what we should have done—to have provided this funding for compensation to go to veterans for smoking-related disease. We did not do that through a whole lot of gimmickry and a whole lot of zigs and zags. We took that funding away from veterans.

My second choice would have been to have at least invested this funding into veterans' health care.

We have got so many needs for those that are 85, and elderly veterans; so many needs for veterans that are walking around and struggling with PTSD; so many needs for more drop-in centers; so many needs to fill the gaps in our current VA health care system. And we didn't put the money into the veterans' health care.

Then, finally, I want to make real clear what this will do and what it will not do.

I don't want anybody to be able to say that we are now going to cancel any transportation projects. That is not what this amendment does.

I don't want anybody to say it is going to trigger a budget sequester. It has the same protection that we had against sequestration.

I don't want anybody to argue that we will waive a budget order, that we will have to go into a surplus. We have a huge surplus. We put the surplus into the highways. Now, I am just saying take it back, even though you don't take it from the highways, because you have already funded that. You should at least take that money that belongs to the veterans that should have gone to them directly for compensation.

I don't think we can avoid an up-or-down vote on this any longer. We should have a clear up-or-down vote. We should all be accountable. I feel very strongly about this, and I hope that I will receive very strong support for this amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I think the Senator from Alaska has another amendment. I was going to say that I believe the Senator from New Mexico, the chairman of the Budget Committee, will raise a point of order tomorrow. As the Senator from Minnesota knows, the Senator from Maryland and I have supported his position. There will be a Budget Act point of order.

But I ask for the yeas and nays on Senator WELLSTONE's amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, first of all, I would like to thank Senator WELLSTONE for his cooperation in this debate, and for his willingness to stay on the floor. I also appreciate his remarks. I know the passion that the Senator from Minnesota has on behalf of veterans. He spoke in behalf of atomic veterans, and in behalf of a group of veterans in his own State that have been ignored. He has spoken for the homeless, for the mentally ill veterans, and also for the need for long-term care for the veterans. I thank him for that.

Mr. President, when we debated both the highway bill and the budget bill, I supported the sense-of-the-Senate resolution that we not raid the veterans' medical care. Thence, when we voted on the highway bill, I voted for final passage, but was very clear saying we should not fix America's potholes on the backs of America's veterans and their needs for health care, many of whom bear the permanent wounds of war.

I thank the Senator for raising this issue again. I want the Senator from Minnesota to know that I support his policy position on this. I, too, believe that promises made should be promises kept to the veterans, and we should find other ways of funding that highway bill.

I look forward to further work with him on this topic.

Mr. MCCAIN. Mr. President, I rise to offer my strong support, as an original cosponsor of the amendment offered by Mr. WELLSTONE to the VA/HUD Appropriations bill for fiscal year 1999 which will rightfully transfer approximately $10.5 billion back to the Department of Veterans Affairs for veterans programs. I understand from the managers of the bill that the vote on this critical amendment will not occur until tomorrow. I would have voted for this provision if I was not called out of town on a prior commitment. Furthermore, I urge my colleagues to show their support for veterans and vote for this measure.

On July 8, 1998, I submitted for the RECORD a statement regarding veterans' health care activities for tobacco-related illnesses and disabilities. At that time, I had every intention to offer an amendment to the VA/HUD Appropriations bill that would restore the $10.5 billion in funding that was so egregiously and eagerly taken from our nation's veterans to fund pork-laden highway programs in the Intermodal Surface Transportation Efficiency Act of 1998 (ISTEA). Unfortunately, there was simply no possibility that this amendment would be adopted, simply because of the inflexibility of the Appropriations Committee's allocation of funds between the Transportation and VA/HUD Committees.

Because of the arcane rules of the Senate, I and my cosponsors are precluded from righting this profound wrong that has been perpetrated against those who have served and sacrificed for our country. I am not sure that our efforts will be more successful this evening, but I do know, that it is

the right thing to do. This issue is far from dead.

It is important, I believe, that my colleagues fully understand the facts regarding the funding shortfall for veterans health care and compensation for tobacco related diseases.

First, the Department of Veterans Affairs critical funding shortfall is a result of President Clinton's legislative proposal to Congress to disallow service-connected disability or death benefits based on tobacco-related diseases arising after discharge from the military. Congress, eager to fund pork-laden highway programs, then transferred nearly $10.5 billion to the Intermodal Surface Transportation Efficiency Act of 1998 (ISTEA), H.R. 2400, earlier this year. This egregious act was fully supported by President Clinton.

Second, on April 2, 1998 the Senate voted for an amendment sponsored by Senators DOMENICI, LOTT, and CRAIG on the Balanced Budget Act which transferred approximately $10.5 billion over five years from the Department of Veterans Affairs for veterans' tobacco-related diseases to the ISTEA bill for transportation related projects. I voted for this amendment, in part, because I believed that the tobacco companies, rather than the taxpayers, should bear the burden for tobacco-related diseases caused partially by smoking and using other tobacco products while they were in military service. Military service did not force servicemembers to smoke, but I acknowledge that for morale reasons, the services made cigarettes available for free or at inexpensive prices. The services also give servicemembers condoms and birth control pills at no cost to military personnel, but that does not mean that they want our men and women in uniform to be promiscuous.

Third, on the tobacco bill, I sponsored legislation that would provide not less than $600 million per year to the Department of Veterans' Affairs for veterans' health care activities for tobacco-related illnesses and disability and directed the Secretary of Veterans' Affairs to assist such veterans as is appropriate. The amendment would have provided a minimum of $3 billion over five years for those veterans that are afflicted with tobacco-related illnesses and disability. Additionally, the amendment would have provided smoking cessation care to veterans from various programs established under the tobacco bill.

Now that the tobacco bill has been returned to the Commerce, Science, and Transportation Committee, I feel more compelled to rectify this situation. As a conferee on the ISTEA bill, I refused to support and sign the ISTEA Conference Report. I opposed the ISTEA Conference Report for a number of reasons, particularly because of my objections to shifting critical veterans funding to support pork barrel spending in this massive highway bill. It seems that the Congress has no hesitation in breaking budget agreements, when it suits their own purposes to do so, to spend far more on transportation than agreed to in the balanced budget plan. What's worse, it seems that the Congress has no problem with robbing from veterans, whose programs have been seriously under funded for years, to pay for this luxury.

Furthermore, Mr. President, the facts are clear with respect to tobacco related health care costs and the impact on veterans:

Tobacco-related diseases, for example, include cancers of the lip, oral cavity, and pharynx; esophagus; pancreas; larynx; lung; bladder; kidney; coronary heart disease; cerebrovascular disease (stroke); various circulatory diseases; and chronic bronchitis.

The Department of Veteran Affairs' (VA) fiscal year 1997 expenditures for health care for veterans with tobacco-related illnesses are estimated to be $2.6–$3.6 billion.

In fiscal year 1997, the VA treated 405,000 patients with at least one tobacco-related illness.

In fiscal year 1997, the VAs' average cost per patient with at least one tobacco-related illness was $8,800.

In fiscal year 1997, patients with tobacco-related illnesses accounted for over 6.5 million visits to the VAs' health care facilities.

The projected additional health care costs for tobacco related-illnesses for the VA are estimated to be $2.9 billion over the next five years.

The projected additional health care costs for tobacco related-illnesses for the VA are estimated to be negligible for fiscal year 1999.

The projected cost for tobacco claims in fiscal year 1999 is about $500 million based on the number of claims that could be processed. Processing time for claims is expected to increase with an influx of tobacco claims.

Our nation's veterans should not be excluded from payments by tobacco companies for health care costs associated with tobacco-related diseases. The failure to address the tobacco-related health care needs of our men and women who faithfully served their country in uniform would be wrong. Congress cannot continue to rob from veterans, whose programs have been seriously under funded for years, to pay for these and other special interest projects.

Mr. President, our veterans deserve no less. I hope my colleagues will support this amendment and support our veterans. Thank you.

Mr. WELLSTONE. Mr. President, if there is more comment on this amendment, I will wait. I ask my colleague from Alaska whether he intends to move on to another amendment, or comment on this amendment.

Mr. MURKOWSKI. Mr. President, in response to my friend, it would be my intent to ask unanimous consent that the amendment be set aside so I can offer mine.

Mr. WELLSTONE. Mr. President, other colleagues may want to speak to that. I will take 2 minutes, I say to all of my colleagues.

I would like to thank the Senator from Maryland for her very kind remarks. I have to say that I will not go now through the technical part of what happened. I am telling you that this was a real injustice. We sort of went on record saying we wouldn't do this, and we have done it. We shouldn't have. This amendment restores that funding to where it should go.

I wish to say to my colleagues that we have a huge surplus. We really essentially took some of that money and put it in the highways. We shouldn't have. We got the highways. But we left the veterans out in the cold. They know that. All of these veterans organizations know that. I will say this tomorrow again. All these veterans know that. Senator MURRAY, Senator MCCAIN, and many of my colleagues know it as well.

I hope that there will be very strong support for this, Democrats and Republicans alike, because, again, the money should have gone to deal with the problem, to deal with veterans who really are struggling with illness based upon addiction to tobacco, and, if not, it should have gone into the veterans' health care. It should not have gone, as my colleague from Maryland said, to pay for additional highways, which is what happened.

So let's correct a wrong. Please. Let's have a very strong vote on this tomorrow morning.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 3200

Mr. MURKOWSKI. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside, and the clerk will report.

The legislative clerk read as follows:

The Senator from Alaska (Mr. MURKOWSKI) proposes an amendment numbered 3200.

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:

SEC. . VIETNAM VETERANS ALLOTMENT.

The Alaskan Native Claims Settlement Act (43 U.S.C. 1600, et seq.) is amended by adding at the end the following:

OPEN SEASON FOR CERTAIN NATIVE ALASKAN VETERANS FOR ALLOTMENTS

SEC. 41. (a) IN GENERAL.—(1) During the eighteen month period following promulgation of implementing rules pursuant to paragraph (6), a person described in subsection (b) shall be eligible for an allotment of not more than 160 acres of land under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as such Act was in effect before December 18, 1971.

(2) Allotments selected under this section shall not be from existing native or non-native campsites, except for campsites used primarily by the person selecting the allotment.

(3) Only federal lands shall be eligible for selection and conveyance under this Act.

(4) All conveyances shall be subject to valid existing rights, including any right of

the United States to income derived, directly or indirectly, from a lease, license, permit, right-of-way or easement.

(5) All state selected lands that have not yet been conveyed shall be ineligible for selection under this section.

(6) No later than 18 months after enactment of this section, the Secretary of the Interior shall promulgate, after consultation with Alaska Natives groups, rules to carry out this section.

(7) The Secretary of the Interior may covey alternative federal lands, including lands within a Conservation System Unit, to a person entitled to an allotment located within a Conservation System Unit if—

(A) the Secretary determines that the allotment would be incompatible with the purposes for which the Conservation System Unit was established.

(B) the person entitled to the allotment agrees in writing to the alternative conveyance; and

(C) the alternative lands are of equal acreage to the allotment.

(b) ELIGIBLE INDIVIDUALS.—(1) A person is eligible under subsection (a) if that person would have been eligible under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as that Act was in effect before December 18, 1971, and that person is a veteran who served during the period between January 1, 1968 and December 31, 1971.

(c) STUDY.—The Secretary of the Interior shall—

(1) conduct a study to identify and assess the circumstances of veterans of the Vietnam era who were eligible for allotments under the Act of May 17, 1906 but who did not apply under that Act and are not eligible under this section; and

(2) within one year of enactment of this section, issue a written report with recommendations to the Committee on Appropriations and the Committee on Energy and Natural Resources in the Senate and the Committee on Appropriations and the Committee on Resources in the House of Representatives.

(d) DEFINITIONS.—For the purpose of this section, the terms 'veteran' and ''Vietnam era'' have the meanings given those terms by paragraphs (2) and (29) respectively, of section 101 of title 38, United States Code.

Mr. MURKOWSKI. Mr. President, I think we have given the amendment to both of the floor leaders.

The simple reality of this amendment is that this affects a group of native Alaskans—Aleut, Eskimo, and Indian—who served in uniform during the Korean or Vietnam war, and as a consequence of that service were unavailable and not in the State at the time when they would have had the opportunity to take advantage of an individual allotment, which was authorized under the 1906 Alaska Native Allotment Act, allowing the collection of up to 160 acres of nonmineral, vacant, unappropriated, unreserved land in Alaska to any qualified Alaska Native head of a household.

What happened during that timeframe between 1968 and 1972, which is the 3 years that are explicitly addressed in this amendment, is that the authorization for the selection ended. So what we have here is the passage of the Alaska Native Claims Settlement Act in 1971 that terminated this selection opportunity, and there were a number of Alaska Natives serving in the military who did not have an opportunity to take advantage of the 160 acres that were due them under the 1906 law.

Now, Mr. President, it is fair to say that we do not have a scoring on this. We hope to have one tomorrow. It is fair to say also that scoring would be very insignificant because this is land where they traditionally have fished, they have hunted, they have subsisted, and it is not land in areas of sensitivity relative to parks, wilderness areas, and wildlife areas. In all candor, it is also appropriate to say that the Department of Interior will be in opposition to it from the standpoint of any public land transferring to any individuals, even the indigenous people who were given by congressional action the right to the selection of this land.

Now, it is also fair to reflect on the fact that Alaska contains about 365 million acres. We are talking about authorization for those valid recipients of land in an amount less than 300,000 acres. So it would be equivalent to dropping, if you will, a tack in the State of Virginia in relationship to the footprint.

I recognize the effect that anything of significant scoring would have on this bill. We do not want to jeopardize the bill. I have talked to the floor manager. It is my hope that we can get an accurate scoring that reflects reality. It is also my hope that we recognize this truly belongs in the category of veterans issues. I am on the Veterans' Committee. I have been on that committee for 18 years. These veterans simply were unable to take advantage of the opportunity because they were serving in the Armed Forces.

So the amendment would restore the right of the Vietnam era Alaskan Native veterans to apply for these allotments as a right that they were denied only because they were serving in the uniform of our Nation.

The Amendment calls for the same standards that were in effect under the Allotment Act to be used to evaluate the new applications. Additionally, it calls for DOI to develop rules to implement this bill in consultation with Alaska Natives.

This amendment allows the Department of the Interior ample time to promulgate regulations needed to carry out the provisions of this amendment.

The amendment protects the current valid rights of the Federal Government.

The amendment also addresses the concerns of the administration about possible Veteran allotments within Conservation System Units.

If an Allotment is within a Conservation System Unit The Secretary of the Interior is authorized to offer other lands to the allottee.

I think this is a fair solution as these veterans had rights to these lands long before they were ever made part of a CSU.

This amendment is appropriate on this bill as it addresses a specific problem incurred by Veterans of the Vietnam war who are Alaska Natives and were denied a privilege offered other Alaska Natives, for the sole reason that they were overseas defending our freedom.

I know the administration would like to see this amendment ''tightened'' to include a smaller class of veterans and I think that is plain wrong.

Where our veterans are concerned I think we should always err on the side of greater participation as without every one of them we would not be here today as free people.

On a per capita basis, Alaska Natives represent the largest group of minorities serving in active duty in the U.S. Armed Forces.

It is my intention to ask for the yeas and nays tomorrow sometime, but I hope to have the opportunity to have further discussion with the floor managers on the scoring unless they have specific questions for me at this time.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, the Senator from Alaska presents a very compelling case. As a Senator interested in that area, I can see the importance of the case he makes. The problem is, this deals with a subject matter over which this subcommittee does not have primary jurisdiction, and therefore I would have to say, No. 1, I cannot comment on or respond properly to the views of the appropriate appropriations subcommittee, nor could I respond to the questions that might be raised by the authorizing committee.

The Senator has advised us that we do not have the scoring from CBO. He has assured us it will be minimal. Frankly, this bill is very close to our limits, and if the scoring turns out to push us over the allocations, we will have to raise a Budget Act point of order.

So I urge the Senator to talk with the chairman of the Appropriations Committee—the chairman and ranking member, and the chairman and ranking member of the appropriations subcommittee, and seek their counsel on it. We will be happy to have a vote on it or to deal with it tomorrow. While it does involve veterans, the subject matter is not one which is within the expertise of this subcommittee, and we do need to hear from the other appropriations subcommittees and the authorizing committee on it.

Mr. MURKOWSKI. If I may respond to the floor manager, I appreciate his understanding. I don't want to jeopardize activities of the committee. If there is a significant scoring, I will be willing to withdraw the amendment. But if it is a significant scoring, I would appreciate your consideration. If I may leave it at that, I would reserve the right—it would be my intention to have it listed on the pending amendments. I will ask for the yeas and nays.

Mr. BOND. I would be happy to join in asking for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MURKOWSKI. I will address it in the morning. I thank the floor managers, the gentlelady from Maryland, and the gentleman from Missouri.

I yield the floor.

Ms. MIKULSKI. Mr. President, I concur in the remarks of Chairman BOND. It sounds as if it is a worthwhile endeavor, a complex issue, and not necessarily appropriate to our subcommittee. So we await further information in the morning to see what are the appropriate next steps. I concur that the Senator always has a right to ask for a vote on his amendment. So we will just wait to hear what we hear on the scoring and what the Interior subcommittee chairman and ranking member say.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENT NO. 3201

(Purpose: To provide class size demonstration grants)

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

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 3201.

Mr. FEINGOLD. 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:

On page 93, between lines 18 and 19, insert the following:

SEC.___. CLASS SIZE DEMONSTRATION GRANTS.

Subpart 3 of part D of title V of the Higher Education Act of 1965 (20 U.S.C. 1109 et seq.) is amended to read as follows:

"Subpart 3—Class Size Demonstration Grants

"SEC. 561. PURPOSE.

''It is the purpose of this subpart to provide grants to State educational agencies to enable such agencies to determine the benefits, in various school settings, of reducing class size on the educational performance of students and on classroom management and organization.

"SEC. 562. PROGRAM AUTHORIZED.

''(a) PROGRAM AUTHORIZED.—

''(1) IN GENERAL.—The Secretary shall award grants, on a competitive basis, to State educational agencies to pay the Federal share of the costs of conducting demonstration projects that demonstrate methods of reducing class size that may provide information meaningful to other State educational agencies and local educational agencies.

''(2) FEDERAL SHARE.—The Federal share shall be 50 percent.

''(b) RESERVATION.—The Secretary may reserve not more than 5 percent of the amount appropriated under section 565A for each fiscal year to carry out the activities described in section 565.

''(c) SELECTION CRITERIA.—The Secretary shall make grants to State educational agencies on the basis of—

''(1) the need and the ability of a State educational agency to reduce the class size of an elementary school or secondary school served by such agency;

''(2) the ability of a State educational agency to furnish the non-Federal share of the costs of the demonstration project for which assistance is sought;

''(3) the ability of a State educational agency to continue the project for which assistance is sought after the termination of Federal financial assistance under this subpart; and

''(4) the degree to which a State educational agency demonstrates in the application submitted pursuant to section 564 consultation in program implementation and design with parents, teachers, school administrators, and local teacher organizations, where applicable.

''(d) PRIORITY.—In awarding grants under this subpart, the Secretary shall give priority to demonstration projects that involve at-risk students in the earliest grades, including educationally or economically disadvantaged students, students with disabilities, and limited English proficient students.

''(e) GRANTS MUST SUPPLEMENT OTHER FUNDS.—A State educational agency shall use the Federal funds received under this subpart to supplement and not supplant other Federal, State, and local funds available to the State educational agency to carry out the purpose of this subpart.

"SEC. 563. PROGRAM REQUIREMENTS.

''(a) ANNUAL COMPETITION.—In each fiscal year, the Secretary shall announce the factors to be examined in a demonstration project assisted under this subpart. Such factors may include—

''(1) the magnitude of the reduction in class size to be achieved;

''(2) the level of education in which the demonstration projects shall occur;

''(3) the form of the instructional strategy to be demonstrated; and

''(4) the duration of the project.

''(b) RANDOM TECHNIQUES AND APPROPRIATE COMPARISON GROUPS.—Demonstration projects assisted under this subpart shall be designed to utilize randomized techniques or appropriate comparison groups.

"SEC. 564. APPLICATION.

''(a) IN GENERAL.—In order to receive a grant under this subpart, a State educational agency shall submit an application to the Secretary that is responsive to the announcement described in section 563(a), at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

''(b) DURATION.—The Secretary shall encourage State educational agencies to submit applications under this subpart for a period of 5 years.

''(c) CONTENTS.—Each application submitted under subsection (a) shall include—

''(1) a description of the objectives to be attained with the grant funds and the manner in which the grant funds will be used to reduce class size;

''(2) a description of the steps to be taken to achieve target class sizes, including, where applicable, the acquisition of additional teaching personnel and classroom space;

''(3) a statement of the methods for the collection of data necessary for the evaluation of the impact of class size reduction programs on student achievement;

''(4) an assurance that the State educational agency will pay, from non-Federal sources, the non-Federal share of the costs of the demonstration project for which assistance is sought; and

''(5) such additional assurances as the Secretary may reasonably require.

''(d) SUFFICIENT SIZE AND SCOPE REQUIRED.—The Secretary shall award grants under this subpart only to State educational agencies submitting applications which described projects of sufficient size and scope to contribute to carrying out the purpose of this subpart.

"SEC. 565. EVALUATION AND DISSEMINATION.

''(a) NATIONAL EVALUATION.—The Secretary shall conduct a national evaluation of the demonstration projects assisted under this subpart to determine the costs incurred in achieving the reduction in class size and the effects of the reductions on results, such as student performance in the affected subjects or grades, attendance, discipline, classroom organization, management, and teacher satisfaction and retention.

''(b) COOPERATION.—Each State educational agency receiving a grant under this subpart shall cooperate in the national evaluation described in subsection (a) and shall provide such information to the Secretary as the Secretary may reasonably require.

''(c) REPORTS.—The Secretary shall report to Congress on the results of the evaluation conducted under subsection (a).

''(d) DISSEMINATION.—The Secretary shall widely disseminate information about the results of the class size demonstration projects assisted under this subpart.

"SEC. 565A. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this subpart $15,000,000 for fiscal year 1999 and each of the 4 succeeding fiscal years.''.

SEC. ___. PROHIBITION REGARDING RESEARCH AND DEVELOPMENT BY NASA RELATING TO SUPERSONIC OR SUBSONIC AIRCRAFT.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Administrator of the National Aeronautics and Space Administration may not carry out research and development activities relating to supersonic aircraft or subsonic aircraft.

(b) DEFICIT REDUCTION.—Upon the date of enactment of this Act, savings resulting from amounts reduced pursuant to the application of subsection (a) shall be subject to the following provisions:

(1) BUDGET AUTHORITY AND SPENDING LIMITS.—The Office of Management and Budget shall—

(A) reflect the reduction in discretionary budget authority that results from the application of subsection (a) in the estimates required by section 251(a)(7) of the Balanced Budget and Emergency Deficit Control Act of 1985 in accordance with that Act, including an estimate of the reduction of the budget authority for each outyear; and

(B) include a reduction to the discretionary spending limits for budget authority and outlays in accordance with the Balanced Budget and Emergency Deficit Control Act of 1985 for each applicable fiscal year set forth in section 251(c) of that Act by amounts equal to the amounts for each fiscal year estimated pursuant to subparagraph (A).

(2) ADJUSTMENTS TO SPENDING LIMITS.—The Office of Management and Budget shall make the reduction required by paragraph (1)(B) as part of the next sequester report required by section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(3) CBO ESTIMATES.—As soon as practicable after the date of enactment of this Act, the Director of the Congressional Budget Office shall provide to the Committee on the Budget of the House of Representatives and the Committee on the Budget of the Senate an estimate of the reduction of the budget authority and the reduction in outlays flowing from such reduction of budget authority for each outyear.

On page 78, line 24, strike ''$1,305,000,000'' and insert ''$866,000,000''.

Mr. FEINGOLD. Mr. President, just briefly, my amendment accomplishes three things: It provides States some modest funding to promote one of the single most effective reforms we can make to improve the education of our children, and that is smaller class size; it eliminates a notorious piece of corporate welfare in the budget; and it reduces our budget deficit by $2.1 billion over the next 5 years.

The amendment authorizes a limited number of innovative demonstration grant programs to assist States in their efforts to reduce public school class size and to improve learning in the earliest grades.

My State of Wisconsin has been a leader in the effort to reduce public school class size, and this amendment is modeled after Wisconsin's successful pilot program, the so-called Student Achievement Guaranty in Education, or the SAGE Program.

Mr. President, we have been very proud of this program. It has worked well, and I think a model for it on the national level would be extremely helpful.

The amendment is fully offset by cuts in a wasteful and unnecessary Federal subsidy that benefits research and development for the world's largest aircraft manufacturer. We can fully fund this important SAGE Program and still reduce the Federal budget by more than $2.1 billion over 5 years if this amendment is adopted.

As we near the end of the 105th Congress, I fear that Congress will somehow go home having done nothing to reduce public school class size. My amendment approaches this issue without expanding the deficit and it eliminates an expensive corporate subsidy.

Briefly, passage of this amendment will save $2.2 billion by dealing with certain research efforts that have the explicit goal of maintaining the company's market share in the global aircraft market.

For the information of my colleagues, this company has reported profits in excess of $5 billion over the last 5 years, and I don't think there is any justification for this kind of subsidy. It flies in the face of free-market economics and it wastes billions of our constituents' tax dollars.

My distinguished colleague, the senior Senator from Texas, in speaking out against this subsidy, said, ''The market system is much more efficient at creating jobs and opportunities than the Government is.''

So I urge my colleagues to take his heed and eliminate this form of corporate welfare. As I noted before, we would produce in our amendment a $2.1 billion net deficit reduction over the next 5 years. To some of us, we may sometimes feel we are belaboring the obvious, but I feel constrained to point out that we still do have a deficit in our Federal budget and that this amendment will be very helpful in that regard.

I thank the Senator from Oklahoma and my friend, the senior Senator from Wisconsin, for deferring to me briefly so I could have the opportunity to speak about this amendment and offer it. In light of the understanding that the Senate wants to move forward on this bill, let me, in a moment, withdraw my amendment, but indicate I hope to offer it on another appropriations bill later this year.

With that, Mr. President, I withdraw the amendment and yield the floor.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 3201) was withdrawn.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I express my appreciation to the Senator from Wisconsin. We are now ready for the amendment by the Senator from Oklahoma. The Senator from Rhode Island has an amendment to go after this one. I ask the Chair to recognize him after this amendment has been dealt with.

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

The Senator from Oklahoma.

AMENDMENT NO. 3202

(Purpose: To amend the bill with respect to single family maximum mortgage amounts, and for other purposes)

Mr. NICKLES. Mr. President, on behalf of myself and Senators KOHL, MACK, ALLARD, FEINGOLD, DEWINE and FAIRCLOTH, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for himself, Mr. KOHL, Mr. MACK, Mr. ALLARD, Mr. FEINGOLD, Mr. DEWINE and Mr. FAIRCLOTH, proposes an amendment numbered 3202.

Mr. NICKLES. 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:

On page 53, strike lines 9 through 25 and insert the following:

SEC. 219. INCREASE IN FHA SINGLE FAMILY MAXIMUM MORTGAGE AMOUNTS AND GNMA GUARANTY FEE.

(a) FHA SINGLE FAMILY MAXIMUM MORTGAGE AMOUNTS.—Section 203(b)(2)(A) of the National Housing Act (12 U.S.C. 1709(b)(2)(A)) is amended by striking ''38 percent'' and inserting ''48 percent''.

(b) GNMA GUARANTY FEE.—Ssection 306(g)(3)(A) of the National Housing Act (12 U.S.C. 1721(g)(3)(A)) is amended by striking ''No Fee or charge'' and all that follows through ''or collected'' and inserting ''A fee or charge in an amount equal to not less than 12 basis points shall be assessed and collected''.

Mr. NICKLES. Mr. President, before I describe the amendment, first I would like to just express my appreciation to my colleagues, Senator BOND from Missouri and Senator MIKULSKI from Maryland. I have the pleasure of serving with them on the Appropriations Committee, on this subcommittee, and I enjoyed the work on this subcommittee. This subcommittee is a hard committee because it deals with so many agencies. It is not easy. It is not just one agency. The bill is commonly VA-HUD and other agencies. It includes EPA, the Science Foundation, NASA and so on. So it requires an enormous amount of work by staff and by Senators to try to stay on top of all the demands, and the multitude of requests by the agencies and Senators who are involved with them. So I compliment them for their work.

Mr. President, I agree with most of the things they have in their bill, although I have some questions about the cost of the bill, but I will may raise that at another time. I notice in the committee report the bill has about a $5 billion increase in requests compared to last year. I do not know of any other appropriations bill that has that kind of increase. I am going to have to check into that, but that is not what I raise tonight. I may vote against the bill because of the $5 billion compared to last year's level. I am concerned about that, but I am going to do my homework on that.

The reason I am rising to introduce this amendment is because in the committee bill it increases the FHA loan limits and increases them rather significantly. For those who are not familiar with this, FHA, the Federal Housing Administration, insures mortgage loans. These mortgages are 100 percent guaranteed by the Federal Government. It was started many, many years ago, and its purpose was to expand housing in areas where people maybe could not afford it. It had a noble purpose. We had a housing shortage. We had people who could not get money, could not borrow money. The private sector markets were not there and money was not available to assist people to buy a home.

One of the basic, fundamental principles we have in this country is we want people to be able to buy their own homes. We want people to be able to own their own homes, not just rent, we want people to own their own homes. So the Federal Government assisted in this program with the Federal Housing Administration.

But we have limits. We have guiding principles that say, if we are going to have the Federal Government insure home loans to individuals, they basically be limited to about 95 percent of the median home price for that area. It kind of makes sense. You should not be able to get 100 percent Federal insurance for home loans far in excess of the value of homes in the area. That does not make sense.

There is in effect, base amounts or a bottom amount so every county across the country would not fall below a particular amount. And then there is also a cap. We ought to have some kind of limit. We should not have the Federal Government insuring loans very expensive homes. I see my colleague from Rhode Island. There are some areas of Rhode Island, at least one area there,

where there are probably all million-dollar homes.

Mr. REED. That is in Massachusetts.

Mr. NICKLES. Maybe that is in Massachusetts, I am not sure. But the Federal Government should not be insuring those million dollar homes. So we have a maximum limit to make sure the federal government doesn't insure million dollar homes. The bottom loan limit is $86,000 this year. Last year, it was $81,000, so it has increased. The top limit it is $170,000. So you have limits set at 95 percent of the median value of homes, but everywhere in this country is going to have at least this base limit, $86,000. Right now, current law, you can get a home Loan, insured 100 percent by the Federal Government, guaranteed by the taxpayers, in an amount equal to $86,000. In some areas, the higher price home areas, up to $170,000.

The committee increased both of those limits. They increased the base amount from $86,000 to $109,000. And they also increased the top limit from $170,000 to $197,000—almost $200,000. Our amendment strikes the increase in the top limit.

I hope my colleagues would say, wait a minute, $170,000 is enough for the Federal Government to insure. Shall we really go up to $200,000? Last year, it was $160,000, so, because it is tied to a percentage of the Freddie Mac conforming loan limit, it already goes up from last year's level in the top areas, from $160,000 it goes to $170,000. Isn't that enough? But, no, the committee said let's go on up to almost $200,000.

The purpose of this program was to assist low-income people, or people who could not get loans to be able to get a loan with a Federal guarantee; a loan that is guaranteed by taxpayers 100 percent. But now the committee is going all the way up to $200,000? I think that is too high. I do not think that was the purpose of the program.

The Secretary of Housing called me two or three times and said, ''Can't we do this?'' I disagreed with him. He wanted to do it on the highway bill, and I respect the Secretary of Housing, but I said, ''No. That is bad public policy.'' They tried to get this put in the highway bill and I disagreed with him and we were successful in stopping it. Now the VA-HUD appropriations subcommittee is doing it.

Our amendment does not touch the bottom increase. I might tell my colleagues, I think we should. I did not want to increase the bottom amount, but I also know how to count votes. I didn't have the votes to prevent the increase in the bottom limit. I hope we will have the votes to not increase the top limit. I hope we will keep the Federal Housing Administration targeted to lower income individuals. You have to have a pretty good income in order to be able to afford a $200,000 mortgage. Is that the purpose of the Federal Government, to insure loans and mortgages up to $200,000? I don't think so. I don't think that is why FHA was created.

What brought us here? The Secretary of Housing wants to increase the loan limits. I guess there was a Housing Affairs letter, an internal industry newsletter that quoted a HUD official saying, ''The increase in the loan limit is vital to the President's nationwide home ownership campaign, and if it passes Congress, it will surely translate into votes in the next Presidential campaign.''

I'm not sure that is why we have this increase. I just don't think that is what the Federal Government should be doing. I might mention the administration wanted to take it up to $227,000, so maybe I should thank my colleagues from Maryland and Missouri because they did not go to $227,000. They did not accede to the President's request. The President wanted to take it to $227,000 nationwide. That is a quarter of a million dollars. That was the administration's proposal. To me, that is absolutely wrong and we should not do that.

What kind of a job has FHA been doing? Have they done such a great job that we should be encouraging them to make more and more loans? I might mention, when you are having a Federal insured loan, you are crowding out private sector loans. Shouldn't the private sector be making loans? If we are talking about loans of $200,000, shouldn't the private sector be making those loans with the risk that is involved? Or are we going to have the Federal Government do it and have the taxpayers at risk? I think the private sector should do it. If somebody wants to build or buy a $200,000 home, great, I hope they do. But I don't think the taxpayers should be at risk for it.

I have a young son who is working. When he looks at his paycheck he says, ''Hey, Dad, thank you very much. You guys are taking a big chunk out of my check. Thank you very much.'' I don't think we should put his tax dollars at risk for somebody having a $200,000 home. He doesn't have one. My daughter doesn't have one. Why in the world should we be putting them at risk to be guaranteeing $200,000 loans? I don't think we should be doing that. But we are getting ready to do it in this bill. So I think that is a serious mistake.

Is FHA doing such a great job? They have three times the default rate of conventional loans. They are not doing that great if they have a default rate running at 8.4 percent, three times the national rate in conventional loans.

They have a smaller downpayment, which means a much greater risk. If you have a loan with FHA, I believe the loan-to-value ratio is 96 percent. That is far lower than conventional loans, so you have a lot more risk and three times the default rate.

FHA is not doing such a great job. We have a system that really encourages lenders to make FHA-insured loans, and that is another part of our amendment. We try to take some of the incentive away from lenders steering home buyers into FHA. Right now the system is really loaded, really geared towards FHA. You get a 100 percent Federal guarantee if you go FHA, and if you happen to be in the business of lending, you are going to get a much better deal going through FHA than you do through the private sector.

In our amendment, we also change the point level dealing with Ginnie Mae. We raise the Ginnie Mae guaranty fee from 6 basis points to 12. I might mention, under most conventional loans, servicing fees to lenders are usually about half, about 25 points, but under current law, FHA, it is 44 points.

What does that mean? If you are servicing a $100,000 loan, under a conventional mortgage you will get about half of those 50 basis points, or $250 on a $100,000 mortgage. If you do it for FHA, you get $440, a much better deal if you go with the Government-guaranteed loan. There is a much lower downpayment, and the Federal Government is going to guarantee it 100 percent. There is a real encouragement for people to steer home buyers into FHA. The Government is going to take care of it.

I might mention, that has had a catastrophic effect in many, many neighborhoods. This is sad.

Let me read a little summary. And, Mr. President, I will have several articles printed in the RECORD from people who studied this issue far more than I. But this is from a report that was done by the Chicago Area Fair Housing Alliance policy paper dated March of 1998, and it talks about the two faces of FHA. I will read a couple points:

> The Chicago Area Fair Housing Alliance has conducted studies which indicate that when FHA lending is concentrated, it has disastrous effects on these areas of concentration, resulting in undue levels of blight and disinvestment.

It goes on. It says:

> Yet our research clearly indicates that a pattern of FHA lending that limits housing opportunities contributes to segregation, perpetuates a myth of race as a contributor to community disinvestment and ultimately leads to community decline itself. The racially discriminatory effects of FHA single-family programs have been known to HUD for more than 25 years. However, HUD has failed to take its share of responsibility for the role FHA plays in the destruction of these communities.

It goes on:

> FHA has allowed itself to be a direct contributor to community disinvestment and decline.

We should be ashamed of ourselves. In other words, FHA in many areas has done more damage than good and has contributed to the decline of many, many neighborhoods.

This didn't come from DON NICKLES, from my research, this came from a group, the Chicago Area Fair Housing Alliance.

Mr. President, I will point out a few other comments that were made by people who have studied this issue, again, far more than I, just for the information of our colleagues, so they can see what a lot of people have said, that raising the FHA loan limits is not the right thing to do.

There is a letter from the Cato Institute, dated July 16, 1998. I will read a section.

Mr. President, it says:

I wish to remind you that in the late 1980s the FHA lost over $2 billion of taxpayer funds when it became overextended. I fear that we may soon be facing the same problem today.

It is also worth noting that the FHA already has a very poor lending record. At a time when the average conventional mortgage default rate hovers between 2 and 3 percent, FHA incredibly has an 8.4 percent default rate. I am very fearful that the FHA is becoming a ticking timebomb that will explode in the taxpayers' laps.

That was by Stephen Moore.

Americans for Tax Reform—I will highlight one page:

The time has long passed since potential homeowners needed drastic federal intervention to qualify for affordable loans. With today's home ownership at an all-time high and with an innovative private mortgage market meeting the needs of homeowners across the bracket, logic would strongly suggest scaling back the FHA.

The bill we have before us doesn't scale back the FHA, Mr. President, it expands it, and expands it rather dramatically.

The Heritage Foundation issued an executive memorandum, dated July 16, 1998. I will read a short part of it:

If ultimately enacted into law, these provisions—referring to the expansion, raising the loan limits—would expand the federal government's role even deeper into the residential mortgage market, provide windfall profits to a select group of mortgage financiers, undermine the viability of private mortgage insurers, and expose the U.S. taxpayers to a costly bailout for an already faltering FHA insurance fund.

According to budget data provided to Congress by HUD, the FHA's 1997 property acquisitions through foreclosure were up 117 percent, or a staggering $2.3 billion, from initial projections.

I might mention, if my memory serves me correct, in 1997, FHA foreclosed on $5 billion worth of properties. This is not a success story in housing.

I will read from a different group. I have read from the Heritage Foundation, from the Cato Institute, and from a taxpayers group. Those groups are usually perceived to be free enterprise, conservative think-tanks and institutions.

This is from the Consumer Federation of America. It doesn't fall into the above category. It says:

''I am writing to express our strong support for your amendment''—the amendment by myself, Senator KOHL and others—''to the HUD Appropriations bill when it comes to the Senate floor.''

The amendment eliminates a proposed increase in the high-cost FHA loan limit, which will keep FHA focused on the moderate-income home buyers it was created by Congress to serve.

It continues:

Your amendment discourages lenders from inappropriate behavior by bringing the fee they make on FHA loans more in line with private sector fees—without any increase in the cost of an FHA loan to consumers.

They are right. Again, I reiterate, one of the things that we did in adjusting the guaranty fees on Ginnie Mae, going from 6 points to 12 points, will be to bring down the staggering servicing fees to the lenders from 44 basis points to 38. That is not much, but it moves it closer to being in line with the private marketplace. The marketplace is a lot closer to 25 basis points. Right now this very high fee is a real incentive for people to steer loans to FHA. We shouldn't have a Federal policy making it more profitable for people to send their loans FHA insurance with the Federal Government guaranteeing the loans. That doesn't make sense, but that happens to be current policy.

I ask unanimous consent that letters and statements from the Cato Institute, from the Americans for Tax Reform, and the National Taxpayers Union, as well as the Consumer Federation of America, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CATO INSTITUTE,
Washington, DC, July 16, 1998.

Hon. DON NICKLES,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES: I just wanted to write you to thank you for your efforts to block any increase in the top FHA loan limit this year. With the FHA already holding over $300 billion of loans in its portfolio, it is the height of fiscal folly to be substantially increasing the size of the FHA loan portfolio, particularly since this policy would mostly affect higher income homebuying. Taxpayers are already at great risk of default, especially if the housing market goes into slowdown. I wish to remind you that in the late 1980s the FHA lost over $2 billion of taxpayer funds when it became overextended. I fear that we may soon be facing the same problem today.

It is also worth noting that the FHA already has a very poor lending record. At a time when the average private mortgage insurance claims rate hovers between 2 and 3 percent, FHA incredibly has an 8.4 percent default rate. I am very fearful that the FHA is becoming a ticking timebomb that will explode in taxpayers' laps. just as the savings and loan bailout required billions of dollars of taxpayer rescue funds in the late 1980s.

There is no reason that a federally subsidized agency should compete with the private market place, when private companies are quite adequately serving market need. The primary effect of increasing the FHA loan limit will be to divert homebuyers from PMI insurance to FHA insurance.

I'm enclosing a recent article of mine on FHA policy as well as my recent testimony before the Banking Committee. My position has been and continues to be that we ought to move aggressively towards privatizing the FHA, not expanding it.

Best wishes,

STEPHEN MOORE,
Director of Fiscal Policy Studies.

AMERICANS FOR TAX REFORM,
Washington, DC, June 18, 1998.

Hon. DON NICKLES,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES: I am writing to applaud your efforts to reject the provision in the FY 99 VA/HUD Appropriations bill that unnecessarily hikes the current Federal Housing Administration (FHA) loan limits to $197,490 in high-cost areas and to nearly $109,000 in lower-cost markets. Though lower than the $227,150 nationwide limit requested by the Administration, the new limits put forth in the Senate bill would substantially hinder the private market's ability to provide adequate mortgage capital and subsequently place the taxpayer at a higher risk of losses.

In what may have seemed like a plausible solution to solving mortgage debt defaults during the Great Depression, today's FHA loan program has changed little to meet the current structure of the market. The time has long passed since potential homeowners needed drastic federal intervention to qualify for affordable loans. With today's home ownership at an all-time high and with an innovative private mortgage market meeting the needs of homeowners across the income bracket, logic would strongly suggest scaling back the FHA.

Instead of limiting such loan programs, however, the Clinton Administration wants to increase the guaranteed loan rate for the most affluent homeowners, making it possible for higher-income individuals who cannot qualify for credit in the private market to obtain taxpayer-insured loans. Why should Americans, at any level of income, run the risk of paying higher taxes to cover the potential mortgage defaults of higher-income individuals with poor credit ratings?

The FHA loan program, which requires minimal payments yet loses $4 billion per year, has a default rate of three times the national average in comparison to the private sector. Lacking any credible economic wisdom, we must assume that the Clinton Administration will use the taxpayer-funded loans to harvest votes.

The Congress should not place American taxpayers at a higher risk of losses by increasing FHA's loan limits. Americans for Tax Reform, and the undersigned groups, in support of limiting the tax burden on all Americans, considers such an increase as fiscally irresponsible and a gross intrusion into the private market. On behalf of all taxpayers, we applaud your efforts to defeat this provision.

Sincerely,

GROVER G. NORQUIST
(And 6 others).

THE HERITAGE FOUNDATION,
July 16, 1998.

EXECUTIVE MEMORANDUM—WHY RAISING THE FHA MORTGAGE INSURANCE LIMIT WOULD BE BAD POLICY

(Ronald D. Utt, Ph.D.)

As Congress moves to consider the House and Senate appropriations bills for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), lawmakers will have to consider provisions to raise the maximum mortgage amount that can be backed by the Federal Housing Administration (FHA) insurance fund. If ultimately enacted into law, these provisions would expand the federal government's role even deeper into the residential mortgage market, provide windfall profits to a select group of mortgage financiers, undermine the viability of private mortgage insurers, and expose the U.S. taxpayers to a costly bailout for the already faltering FHA insurance fund.

Since early this year, the FHA has been confronting much-higher-than-expected loan defaults and insurance claims. According to budget data provided to Congress by HUD, the FHA's 1997 property acquisitions through foreclosure were up 117 percent, or a staggering $2.3 billion, from initial projections. The FHA further announced that it anticipated this higher rate of foreclosure to continue,

and that it was revising 1998 foreclosed property acquisition estimates upward from an initial $1.9 billion to almost $4 billion. The FHA's declining confidence in the quality of its mortgage insurance portfolio has been justified by events. In the first quarter of 1998, despite the booming economy and rising employment throughout the United States, the FHA's delinquency rate reached an all-time high of 8.35 percent, meaning that nearly one in ten FHA borrowers were behind in their payments. This compares with a default rate of just 2.91 percent on conventional mortgages, the market on which the FHA seeks congressional approval to encroach.

Apparently having learned little from the devastating collapse of the savings and loan industry in the 1980s and the subsequent scandals that revealed shoddy underwriting standards in billions of dollars of mortgages, some Members of Congress are proposing that the FHA be allowed to insure a greater share of the market by moving into riskier, higher-valued mortgages. They also are recommending that the FHA's minimum down-payment requirement be reduced from its already inadequate levels. Minimal down-payment requirements under current law allow the FHA to insure 99.6 percent of a $100,000 loan, leaving little or no equity cushion to protect FHA reserves in the event of loan default and/or foreclosure.

HUD Secretary Andrew Cuomo has proposed that the FHA maximum loan limit be increased to $227,150 throughout the country, and that FHA's already generous down-payment requirements be made even more generous. House and Senate appropriators have agreed to propose much of what Cuomo is asking for: upping the regional cap on the minimum loan from $86,000 to $109,000, raising the maximum cap from $170,000 to $197,000, and allowing borrowers to make an even smaller down payment.

If enacted into law, these changes would worsen an already deteriorating situation within the FHA's insured portfolio by exposing it to disproportionately greater risks. With FHA out-of-pocket losses typically running at a rate equivalent to 30 percent of the value of the loan on the foreclosed property, the unanticipated foreclosed property acquisitions in 1997 and 1998 could lead to additional losses of $1.26 billion against the FHA's reserves.

Rather than placing the taxpayer at far greater risk of having to pick up the tab on foreclosed FHA-backed mortgages, a better alternative for Congress to consider is an amendment to the Senate bill that will be offered by a bipartisan coalition composed of Senators Don Nickles (R–OK), Herbert Kohl (D–WI), Connie Mack (R–FL), Wayne Allard (R–CO), and Russell Feingold (D–WI). Their amendment would raise the floor on the maximum-size mortgage the FHA can insure from the current $86,000 to $109,000 to target first-time and moderate-income home buyers more accurately while also eliminating much of the windfall corporate welfare benefits FHA mortgages bestow on some mortgage financiers. Whereas conventional mortgages allow mortgage originators to keep just 20 to 25 basis points in servicing fees, the FHA currently allows them 44 basis points, which largely explains the real estate industry's enthusiasm for the further federalization of the market. Under the bipartisan coalition's plan, these excessive servicing fees would be cut back to 38 basic points, with the 6-basis-point difference applied to the Government National Mortgage Association, a part of HUD that repackages and reinsures FHA and VA mortgages for final sale to investors.

Although the bipartisan coalition's amendment is a step in the right direction, an even better alternative would be for Congress to reject any expansion of the FHA's scope and instead hold oversight hearings to determine the reason the FHA and the mortgage originators that use the program have done such a consistently poor job of maintaining the financial integrity of a program that could be of considerable value to first-time home buyers. By failing to achieve underwriting standards common in the conventional mortgage market, the existing management of the FHA has exposed the U.S. taxpayer to the risk of a costly bailout and made it likely that many more FHA home buyers will face the humiliation and financial loss of foreclosure.

[Ronald D. Utt, Ph.D. is Grover M. Hermann Fellow in Federal Budgetary Affairs at The Heritage Foundation. For additional information, see the author's ''HUD Wants Federal Housing Administration to Offer More Corporate Welfare,'' Heritage Foundation Executive Memorandum No. 512, March 9, 1998.]

CONSUMER FEDERATION OF AMERICA,
Washington, DC, July 13, 1998.

Hon. DON NICKLES and Hon. HERB KOHL,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES AND SENATOR KOHL: I am writing to express our strong support for your amendment to the HUD Appropriations bill when it comes to the Senate Floor.

The amendment eliminates a proposed increase in the high-cost FHA loan limit, which will keep FHA properly focused on the moderate-income home buyers it was created by Congress to serve. Congress should not increase FHA's loan limit to enable borrowers making as much as $75,000 a year to use a government program to buy a home.

The amendment also is a step in the right direction in lowering lender incentives to steer borrowers to FHA-insured mortgages when they may not be the best financing option. Lenders now make nearly twice the amount servicing FHA loans than they do servicing conventional loans. Your amendment discourages lenders from inappropriate behavior by bringing the fee they make on FHA loans more in line with private sector fees—without any increase in the cost of an FHA loan to consumers. Lowering lenders' fees on FHA loans even further would serve as a more effective disincentive for such anti-consumer lender action.

Sincerely,

STEPHEN BROBECK,
Executive Director.

NATIONAL TAXPAYERS UNION,
Alexandria, VA, July 14, 1998.

Hon. DON NICKLES,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES: On behalf of the 300,000-member National Taxpayers Union (NTU), I am writing to applaud your opposition to any increase in FHA mortgage insurance ceilings.

The Federal Housing Administration was created in 1934 to fill a void in the marketplace created by the Depression. Its aim has been to assist lower income families in obtaining their first home through mortgage insurance and lower down payments. Thanks to the enormous economic growth experienced in America since World War II, first time homeowners' reliance of FHA subsidized loans has fallen from 50% of the market during the 1950s, to the current level of only 10%. Yet, instead of trumpeting the success in lowering the number of Americans reliant upon government assistance to enter the housing market, the Clinton Administration is seeking to expand this entitlement to the wealthiest 14% of American households.

Now, some in Congress are pushing a ''compromise'' that would raise the top FHA limit to $198,000 and the base FHA limit to $109,000 (up from $86,000). This ''compromise'' will expand FHA benefits to the richest 16% of Americans and will direct FHA away from low and moderate income borrowers.

Defenders of the FHA note that the agency provides an important resource to lower-income families and minorities who wish to purchase a home. NTU fails to see how low income families will be served by FHA loans to those in the middle-to upper-class income range. This is especially curious since approximately 90% of Americans at this income level already own a home or have owned a home in the past. In most cases, families in this income bracket who cannot obtain private mortgages are trying to purchase homes out of their price range. Apparently, supporters of raising the ceilings will not be happy until every wealthy American owns a home at government expense.

In fact, the evidence suggests that low income families would actually be hurt by increasing the mortgage ceiling. A recent GAO report shows that in 1994, the FHA insured only 24% of all loans made to minorities, 20% of all loans to low-income families, and 21% of all loans to first time buyers—all of whom the FHA was supposedly created to help. Under the current system, the only means FHA has to direct loans to these target groups is through the loan insurance ceilings. Raising the ceilings would direct even less FHA assistance to these presumably needy groups. Who can defend lessening federal entitlements to the poor and minorities in order to expand benefits to the richest Americans?

This move also represents an unnecessary government intervention into the private sector—which could have disastrous results. As a document prepared by the House Banking Committee notes:

''Since the FHA pays mortgage lenders significantly higher servicing fees than either Fannie Mae or Freddie Mac (.44% of a loan value compared to .25%) and the agency assumes the total risk, allowing the FHA to expand into this market would skew the incentives of mortgage lenders against dealing with private entities to no justifiable public end.''

In other words, the federal government would crowd private mortgage insurers out of the home mortgage business, leaving the government as the main mortgage insurer for most Americans. What's next? The official U.S. Government Visa card? This represents a clearly unneeded and harmful intrusion into the private sector by the federal government and should be stopped.

In fact, there is some question as to whether the FHA is even necessary in today's market. Presently, home ownership is at an all time high of 65.7%. In 1997 alone, there was a 27.7% surge in minority home ownership. Clearly, the days when most Americans couldn't afford their own home are over.

While the need for the FHA has been decreasing, there has been a serious increase in mismanagement at the FHA. In fact, as recently as last year, the GAO designated the FHA as ''high-risk.'' Within the last year, FHA was forced to change its adjustable rate mortgage program as a result of high losses caused by weak underwriting. A report prepared by the House Banking Committee notes that:

''[I]n 1997, the FHA fund paid 71,599 claims, an 18% increase from the previous year. These foreclosures occurred despite reforms to the FHA fund, the Omnibus Budget Reconciliation Act of 1990, a record low levels of unemployment, increasing real wages, historically low mortgage interest rates, and a period of sustained economic prosperity since 1993. According to the Mortgage Bankers of America, FHA delinquencies have

risen by 23% since 1988. During that same period, Department of Veterans Affairs Single Family Mortgage Guaranty Program delinquencies rose at a much lower rate (only 9%) and conventional mortgage delinquencies actually fell by 8%.''

Plainly, wise lending practices are not being followed by the FHA. What the FHA needs is reform, not expansion.

To put it simply, Washington wants to expand an inefficient federal program that barely helps those it is intended to help in order to provide an entitlement to the richest 14% of American families—done at the expense of low income and minority families.

Mr. NICKLES. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial that was in the Wall Street Journal on June 8 of this year talking about vote building, which is an excellent editorial that talks about how this policy will hurt areas, large cities, blighted areas, and how this policy will increase, unfortunately, the plight of many, many neighborhoods, as well as the exposure to taxpayers.

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

[The Wall Street Journal, June 8, 1998]

REVIEW & OUTLOOK

VOTE BUILDING

It seemed like a worthy idea at the time. In 1934, when Congress created the Federal Housing Administration, half the nation's mortgage debt was in default. It was felt some entity was needed to help home buyers who couldn't qualify for conventional mortgages. Today, home ownership's at an all-time high and an innovative private mortgage market keeps coming up with new products to extend credit to low and moderate income home buyers. Logic suggests scaling back the FHA: instead, the Clinton Administration wants to make it easier for the affluent to qualify for 100% taxpayer-insured loans. This is intriguing.

FHA's share of the mortgage market has fallen to 9.1% in 1996 from 13.1% in 1990. This has prompted Housing and Urban Development Secretary Andrew Cuomo to propose a plan he says will let the FHA ''maintain its market share'' by increasing its maximum loan amount to $227,150, a one-third increase over current levels.

Not only would this reorient the program to higher-income borrowers who don't need government help to purchase a home, but it would increase the taxpayer risk of loans going sour. Democratic Senator Herb Kohl of Wisconsin notes that the default rate on FHA lending, which requires minimal down payments, is almost three times as high as in the private sector. This year, the FHA is losing $4 billion in loan defaults.

Even at current loan levels, the FHA is having a perverse effect on neighborhoods. The Chicago Area Fair Housing Alliance issued a study this month that found the FHA's 100%-backed loans offer service fees that are twice as large as those for privately insured loans and that encourage mortgage lenders to create loans likely to fail. The result is clusters of abandoned and boarded-up homes in marginal neighborhoods. ''Large inventories of FHA foreclosed, vacant and deteriorating properties are found concentrated in minority and racially changing areas,'' the study concluded. ''It is this blight that creates the impression that racial change causes neighborhood decline.''

There are better ways to open the housing market. Financing isn't the only restraint on supply; there are politically created obstacles. In 1991 a commission headed by then-HUD Secretary Jack Kemp called for removing unnecessary barriers to the creation of housing. New studies have estimated that in high-priced California, where many new FHA loans would be made, the amenity and code requirements can boost prices as much as $60,000 a home.

Despite the taxpayer risks inherent in increasing the FHA loan limit, the Clinton Administration is trying to sell the expansion as a revenue raiser. Added premiums from FHA mortgage insurance would add some $1 billion to the Treasury over five years.

But it may also be an attempt to use a taxpayer-funded program to harvest votes. The April 17 issue of the Housing Affairs Letter, an internal industry newsletter, quoted a HUD official as saying, ''The increase in the loan limit is vital to the president's nationwide homeownership campaign, and if it passes Congress, it will surely translate into votes in the next presidential campaign.'' Former HUD Secretary Kemp calls raising FHA loans limits a ''classic Clinton-Gore strategy: courting suburbanites with proposals that they could rationalize through the prism of politics, but couldn't defend as sound policy.''

Under ideal conditions, a political playpen like the FHA would be privatized and local governments encouraged to fine-tune their zoning and code requirements to help home buyers now frozen out of high-priced markets. But so long as that doesn't happen, it makes little sense to expand FHA loans to people with upper-middle-class incomes.

Who should be eligible for FHA loans? Why not restrict such loans only to those families in the 15% tax bracket. If the Clinton Administration wants to help more people buy homes, it can lower the number of people subject to the steeper 28% bracket, and at the same time provide them with more money to meet the loan payments and avoid default. But with its more upscale ''reform,'' it appears that the White House prefers buying votes the old-fashioned way.

Mr. NICKLES. Mr. President, I have a letter from Jack Kemp, who was former Secretary of Housing and Urban Development, dated July 15, 1998. I will read one short paragraph. He says:

Your amendment will also stop a brash move by the administration to push the FHA further and further away from its core mission of supporting the home ownership dreams of low- and moderate-income American families, a noble mission that has enjoyed bipartisan support in Congress.

The drive to raise the FHA loan limit to $197,000 is motivated by a desire for votes in the fall elections. It would take an income of about $75,000 a year to qualify for such a loan, or the top 16% of wage earners.

Mr. President, I ask unanimous consent to have that letter printed in the RECORD.

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

JULY 15, 1998.

Hon. DON NICKLES,
SH–133 Hart Senate Office Building, Washington, DC.

DEAR SENATOR NICKLES: I am writing to you today to support your efforts to stop yet another attempt by the federal government to expand its power, harm those it intends to serve and trample on the private sector mortgage market. As you know, I have opposed raising the FHA loan limits at all. And the provision in the current HUD/VA Appropriations Bill raising the limits to the proposed level would expose the federal taxpayer to $10 billion in contingent liability. It also would increase economic incentives for mortgage lenders to steer borrowers to the FHA program even though it may not be the best financing option. Therefore, I cannot support raising the FHA loan limits a single dollar.

However, if you have concluded that the provision has sufficient support to pass, I believe your amendment to raise Ginnie Mae's guarantee fees from 6 to 12 basis points goes a long way toward making a bad idea a livable one. And on its own merits, I believe you have an excellent proposal. Without costing a homebuyer an extra cent, your amendment removes the incentive for mortgage companies to unnecessarily direct buyers toward FHA loans. Currently, lenders make twice as much in servicing fees from FHA loans than they do in servicing conventional loans. Even though they require lower downpayments, FHA loans are more costly to the borrower over the life of the loan. By reducing lenders' fees for servicing FHA loans, lenders will have less incentive to steer borrowers to these higher cost FHA loans when they might have qualified for cheaper conventional financing.

Furthermore, the point must be made that without your amendment, the contingent liability on the American people will increase by $10 billion. With FHA delinquencies already at an all-time high, an economic slowdown or recession could render the FHA insurance fund insolvent and that contingent liability would come due.

Your amendment also will stop a brash move by the administration to push the FHA further and further away from its core mission of supporting the homeownership dreams of low- and moderate-income American families, a noble mission that has enjoyed bipartisan support in Congress.

The drive to raise the FHA loan limit to $197,000 is motivated by a desire for votes in the fall elections. It would take an income of about $75,000 a year to qualify for such a loan, or the top 16% of wage earners. Among these borrowers, 86% are homeowners today. It would make more sense to target families making less than $50,000, 40% of whom own their home, and can use the FHA program at today's levels.

I applaud you for your efforts to sensibly raise money for housing programs and keep the FHA program true to its mission of serving low- and moderate-income Americans.

Very sincerely yours,

JACK KEMP.

Mr. NICKLES. Let me just conclude by stating that I regret coming in and opposing my friends and colleagues from Missouri and Maryland on this issue. But if my memory serves, several years ago the Senator from Maryland and I wrestled with this issue on the floor of the Senate.

At that time there was an effort for people to raise the limits. I said, ''Wait a minute. Why are we having the Federal Government guaranteeing more and more loans?'' Home ownership, I might mention, in this country is at an all-time high. I think that is great. Most of that is done in the private sector. It just so happens FHA is losing its percentage share as the private sector has exploded. I think that is good.

I think this increase is an effort by the Secretary of Housing to say, ''Wait a minute. We want the Federal Government to be making more loans.'' I also think it is also driven by a desire to generate more money for the Government. Because as you increase the loan

limits, you increase the fees, and so on, and that allows the Government to spend more money.

I will not get too technical on the budget, but if the committee raises money through fees and so on, that allows them to stay within the ''budget caps'' because they get an offset for the increase in fees, and as a result, by increasing the fees both on the bottom and the top, the committee is going to get about an extra $80 million a year over and above the budget that we agreed to last year, that the President signed. I am not saying it is not within the rules of the Congress. I am just saying I think it is an attempt to have more money to spend. I personally am somewhat troubled by that.

Under existing law, loan rates on both the low end and the top end have already increased. They increased on the low end from $81,000 to $86,000. This committee bill increases it to $109,000. We do not touch that. I think maybe we should, but we do not.

Our amendment just says we should not increase the top limit from $170,000—keep in mind, last year's was $160,000—to $197,000. A $10,000 increase in Federal Government loan guarantees in the high income areas, surely that is enough. The committee wants to take it almost $200,000. I think that is a serious mistake. I think that takes FHA away from its core mission. FHA's mission was to help low- and moderate-income people, not the wealthiest 15 percent of society.

I urge my colleagues to vote in favor of this amendment. We will be voting on it early tomorrow morning. I think it is very important that we protect taxpayers from greater risk, and that we keep FHA focused on low and moderate income home buyers. I thank my colleague from Wisconsin for his leadership and support on this amendment, his coauthorship of this amendment, as well as my colleague, Senator MACK, from Florida, who happens to be chairman of the authorizing committee. I also want to thank Senators FAIRCLOTH, ALLARD, and FEINGOLD for their support in trying to eliminate this expansion of the higher income limits for FHA.

Mr. President, I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, it is always good to see our former colleague on the VA-HUD committee come to the floor to talk about the difficult issues. We certainly appreciate his kind comments.

The VA-HUD-Independent Agencies is a very challenging and interesting area. He raised the question about the increase in spending; and to explain that will perhaps give my colleagues some idea why this is such a complex area.

The total spending includes—total spending is about $93 billion—includes $22 billion in mandatory spending for veterans administration categories. That is about a $4 billion increase over fiscal year 1998. The increase is attributable largely to the following—about a $1.5 billion increase in veterans administration, primarily mandatory spending, things over which our subcommittee has no control.

In addition, there is, HUD figures, about $2.6 billion over last year's figure. And that is because money was taken from section 8 contracts earlier in the year to pay for a supplemental. This is the budget that is always raided. And the broader Appropriations Committee has raided these section 8 contracts. That would be good except for the fact that the cost of renewing section 8 contracts in HUD continues to escalate.

In fiscal year 1997, we needed $3.6 billion in budget authority to renew existing section 8 contracts. Because we had moved to shorter and shorter term contracts, from multiyear contracts down to 2-year and 1-year contracts, it then shot up to $8.2 billion in budget authority for fiscal year 1998, the current year; and it jumps to $11.1 billion in fiscal year 1999. That is the result of the length of the contracts.

But it means, in order to continue providing the same assistance we do currently under section 8, we have to have about $2.9 billion more in budget authority for fiscal year 1999 than we did for fiscal year 1998. If you say we do not want to increase it, it means, in essence, that we are going to have to take away section 8 housing contracts and kick people out. That is just a simple choice.

I must oppose the amendment of my good friend from Oklahoma to strike the increase in FHA mortgage insurance limits for high-cost areas and to offset that with an increase of 6 basis points to the fees that Ginnie Mae charges for servicing costs.

The first point we need to make is that the FHA mortgage insurance increase is a bipartisan proposal, a bipartisan congressional proposal, that enjoys wide support from both Republicans and Democrats in this body. I do not see this modest increase as growing government. Rather, the FHA mortgage increase represents an approach to fill a gap that allows Americans of modest means—moderate-income Americans—to own their own homes, one of the great American dreams for all families.

The FHA was established in 1934 as a result of nearly impossible lending conditions during the Great Depression, and in over 60 years the public-private partnership of FHA and private lenders has enabled more than 25 million families to realize the dream of home ownership. Moreover, the FHA Mortgage Insurance Program supplements and complements the role of private mortgage insurance by assisting families who do not have adequate resources to meet the private mortgage markets' downpayment requirement, which is often 20 percent of the mortgage amount.

While the private mortgage insurance market has made tremendous strides in providing new products to assist families in purchasing homes, many families would be unable to purchase their home without the benefit of FHA mortgage insurance. In brief, the Senate VA-HUD fiscal year 1999 appropriations bill provides modest increases in the FHA mortgage insurance limits, raising the floor from 38 percent of the Freddie Mac conforming loan limit, or about $86,000, to 48 percent of the conforming loan limit, or some $109,000. It establishes a new ceiling for high-cost areas from the existing 75 percent of the conforming loan limit, or some $170,000, to 87 percent of the conforming loan limit, or some $197,000.

And let me indicate where these higher loan limits would be implemented. Right now—this is a chart which shows the United States. The colors of the chart indicate where the low rate, the base limit, is in place. These are the areas in blue. This is where the base lending rate would go from $86,000 to roughly $109,000.

The green areas on here are 95 percent of the local median.

The high-low rate, the one which is being challenged in this amendment which is raised to $197,000, would be in these few red areas on the East Coast—essentially, Boston, New York, Washington, DC area, Denver, CO, and California along the coastline. The rest of the country is not affected by the increases in the higher-end loan limit.

I think the legislation seeks to strike a reasonable balance to promote additional home ownership and would allow home ownership for some 30,000 families, 20,000 in high-cost areas and 10,000 basically nonurban areas. In particular, these new FHA mortgage insurance limits will help in nonurban areas where the price of new housing has escalated beyond the capacity of first-time home buyers to use FHA mortgage insurance to buy a house in some areas because the FHA lower-limits financing is not available for construction of first homes for families of workers with lower wages.

The problem is that the existing FHA mortgage insurance limits do not reflect the higher cost of new homes. New homes cost more than existing homes because of the cost of materials and labor. In addition, there are many other expenses. For example, the cost to develop new housing subdivisions is expensive because of the cost of utility hookups, environmental requirements, local taxes and surcharges for things like schools, roads, fire protection, as well as the cost of buildable land. Currently, the median price for a new home is $142,000, while the median price for an existing home is $126,500, for a $15,500 difference.

Now, this difference is very important for Missouri as well as the rest of the Nation. Home ownership in housing construction has been and always will be a locomotive for the U.S. economy. In addition to the jobs created through

the development of new housing, many nonurban areas in particular will be able to provide the affordable housing that is so critical to attracting new business and to maintaining existing businesses.

I have talked with people in areas just outside the metropolitan Kansas, MO area, in areas of north Missouri, where they are benefiting from new jobs coming into the area but they are strangled because the new jobs bring in people who can't get housing. They can't get affordable housing. This is one of the critical needs for people in those areas so that they can continue to create jobs and see their communities grow. They need to have affordable housing. I am hoping that the raising of the lower limit will enable them to get FHA financing and build new homes.

Now, I don't want to confuse anyone. As I said, Senator NICKLES' amendment does not seek to reduce the increase to the FHA mortgage insurance floor, the one I was just talking about, as provided in the VA-HUD 1999 appropriations bill. Senator NICKLES' concern, as well as those of his colleagues, is that the proposed new mortgage insurance limit of $197,000 for high-cost areas is too high. In particular, in a ''Dear Colleague'' letter, Senators NICKLES, MACK, ALLARD, KOHL, and FEINGOLD state that to qualify for a mortgage of $197,000, a family would need an income of at least $75,000. Well, $197,000 is a lot of money for a house. That cost, however, is the reality in many areas and it needs to be addressed.

In addition, I think it is fair to say that $75,000 is not an extraordinary amount of income for a family. For example, it means that a two-income family, a schoolteacher and a firefighter, will be able to live in a community in which they serve. This is important. I do not think we should lose sight of the importance of mixed-income communities while providing opportunities for home ownership.

Moreover, as part of Secretary Kemp's FHA reform initiative as enacted in the National Affordable Housing Act, Price Waterhouse conducts an actuarial review of the FHA Mutual Mortgage Insurance Fund on an annual basis. From the perspective of actuarial soundness, NAHA mandated a fund to achieve a capital ratio of at least 2 percent by fiscal year 2000. However, the fund reached a capital ratio of 2.81 percent in fiscal year 1997 and is expected to reach 3.21 percent by fiscal year 2000. Moreover, the projected economic value of the Mutual Mortgage Insurance Fund was $11.3 billion at the end of fiscal year 1997. This represents a more than $14 billion increase in the value of the fund since Secretary Kemp's reforms in 1990, when it was a negative $2.7 billion.

In addition, the FHA Single Family Mortgage Insurance Program is self-sustaining, has not cost the American taxpayer any money in its entire existence. Insurance premiums and loan loss recovery proceeds pay for all costs incurred in the administration of the program, leaving sufficient reserves from an actuarial perspective to pay all future claims.

I note that Senators NICKLES, MACK, and FAIRCLOTH have developed a number of very worthwhile reforms to the FHA mortgage insurance program which have been agreed to and will be included in the next managers' amendment. As with my colleagues, I remain concerned over HUD's capacity to administer its many programs, including its FHA mortgage insurance programs. These FHA management reforms would require that each lender provide a comparison of FHA mortgage funding with three of a lender's most frequently employed mortgage loan structures, an annual study by GAO on steering by lenders to FHA, and a requirement that HUD submit an initial report within 60 days annually on how HUD plans to correct mortgage problems in the FHA Single Family Mortgage Insurance Program.

Finally, I have concerns about any changes to the Ginnie Mae servicing structure. I have been advised that any change in the servicing fee will likely result in increased home ownership costs to families, with estimates that it could cost consumers some $250 million per year and price some 15,000 home buyers out of the market each year.

I have a letter from a significant group of veterans organizations that I will place at the end of my statement for the RECORD from the AMVETS, Disabled American Veterans, Non Commissioned Officers Association, Blind Veterans Association, and Paralyzed Veterans of America, saying that any increase in Ginnie Mae fees will result in an added cost to lenders which will invariably be passed on to VA loan recipients. We estimate that even just a 6-basis-point increase in the Ginnie Mae guarantee fee will cost VA borrowers over $67 million annually, with a typical veteran paying over $250 in upfront closing costs. With the veterans already struggling to afford their first homes, this cost increase would be devastating.

I expect the argument of my colleagues will be that lenders currently receive a fee for servicing FHA-insured mortgages of 38 basis points, almost double the fee that lenders receive for servicing loans in the private sector. For example, as opposed to the 38 basis points lenders receive in service fees under FHA, lenders receive between 20 and 25 basis points for servicing fees associated with conventional mortgages guaranteed by Fannie Mae and Freddie Mac. Nevertheless, Ginnie Mae operates significantly different from Fannie Mae and Freddie Mac, particularly when Fannie Mae and Freddie Mac take on the responsibility that all security holders receive their payments, whereas the servicer is responsible for the pass-through on a Ginnie Mae security, and where a servicer fails, it is no longer permitted to participate in a Ginnie Mae program. That is a significant responsibility and merits additional fees.

I send this letter of July 14 to the desk. It happens to be addressed to the distinguished occupant of the Chair. This is a letter from AMVETS, Disabled Veterans, Non Commissioned Officers, Blind Veterans, and the Association of Paralyzed Veterans of America.

I ask unanimous consent to have it printed in the RECORD.

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

July 14, 1998.

Hon. WAYNE ALLARD,
U.S. Senate, Washington, DC.

DEAR SENATOR ALLARD: The Senate is scheduled to consider the FY 99 VA/HUD Appropriations bill, S. 2168 in the next few days. As organizations that share a deep commitment to our nation's veterans, we ask that you oppose any amendments to increase the Ginnie Mae guaranty fee. Specifically, this fee increase would mean added costs to veterans taking out VA mortgages. Quite simply, this policy would make homeownership more expensive for veterans.

Because VA mortgages are typically placed into mortgage-backed securities guaranteed by Ginnie Mae, the VA home loan program is linked to the capital markets. This link means lower cost mortgage funds for veteran borrowers. Ginnie Mae, which charges lenders a fee for the guaranty, makes the whole process possible.

However, any increase in Ginnie Mae fees will result in an added cost to lenders, which will invariably be passed on to VA loan recipients. We estimate that even just a six basis point increase in the Ginnie Mae guaranty fee would cost VA borrowers over $67 million annually—with the typical veteran paying over $250 more in up-front closing costs. With many veterans already struggling to afford their first homes, this cost increase could be devastating.

Please vote against any amendments to increase the Ginnie Mae guaranty fee.

Sincerely,

AMVETS.
DISABLED AMERICAN VETERANS.
NON COMMISSIONED OFFICERS ASSOCIATION OF THE USA.
BLINDED VETERANS ASSOCIATION.
PARALYZED VETERANS OF AMERICA.

Mr. BOND. I urge my colleagues, when the vote is held on this very important amendment tomorrow morning, that they oppose this amendment. I believe the time has come to provide this modest increase in the loan limits, and I hope our colleagues will support the committee in this effort.

I yield the floor.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise as a cosponsor of the amendment offered by my colleague from Oklahoma, Senator NICKLES. As my colleagues know, this amendment would strike the increase to the high-end FHA loan limit included in the VA/HUD bill.

FHA is intended to fill an important mission—helping low- and middle-income Americans purchase their first

homes—helping those who are not served by the private market.

For this reason, our amendment leaves the proposed increase to the low-end FHA loan limit in place, ensuring that in the vast majority of States across the country—97 percent of the counties in the United States—the loan limit will be more than sufficient for low- to moderate-income people to purchase homes of their own.

But we should all be reminded that any decision to raise the loan limits on the high end should be approached with caution. FHA loans are 100 percent insured by the Federal Government. If a home owner goes into default, it is the taxpayer, not the lender, that bares the risk. And that's no small risk—FHA default rates are three times higher than defaults on conventional mortgages. Last year, foreclosures on FHA homes resulted in over $5 billion in claims.

There is no reason to extend that risk on behalf of home buyers who are already well-served by the private market. Raising the high end limit and expanding FHA to cover expensive homes may very well jeopardize the health of the entire program. Higher priced home loans, especially when combined with the relatively low downpayments required by FHA, default more often—and obviously cost more when they default. Raising the high end limit would clearly place the Federal Government in competition with the private sector, needlessly expose taxpayers to more risk, and give upper income home buyers access to mortgage credit they don't need.

Changing the high end limit will steer the program away from working families—at a higher cost to taxpayers—with more devastation to the communities that hold abandoned, foreclosed-upon FHA properties.

With this amendment, we have the chance to ensure that the program stays focused on borrowers who legitimately need help and also to create a strong, healthy FHA that works for everyone—home buyers, lenders, and the taxpayers.

So I urge my colleagues to support the Nickles amendment.

Mr. FEINGOLD. Mr. President, I rise today to join my colleagues, Senator NICKLES, Senator KOHL and Senator MACK in supporting this amendment to strike language raising the ceiling on mortgage limits insured by the Federal Housing Administration.

Mr. President, the appropriations bill we are currently considering includes language that would raise the ceiling on the Federal Housing Administration's loan limit from the current level of 75% of the conforming loan limit—approximately $170,000—to 87% of the conforming loan limit, which is approximately $197,000.

Mr. President, it is—quite frankly—astounding to me that Congress is considering action that would raise the FHA loan limit. In a time when Congress needs to be focusing on balancing the budget, it is truly ironic to me that some members seem to want to increase the burden to taxpayers by expanding a government program into an area already well-served by the private sector. In case you or any of our colleagues is wondering, a $197,000 loan translates to a house worth over $200,000. To afford such a house, a family would have to have annual earnings of over $75,000—an income level that only about 16% of American families are at. I don't know about you, Mr. President, but in Wisconsin, we don't consider folks who own $200,000 homes to be ''needy.'' These upper-income families are already well-served by the private market.

Mr. President, the arguments against raising FHA loan limits are overwhelming: HUD's own FY 1999 Budget proposal predicts a 100% increase in the default rate for 1998—totaling $4 billion. The very same Committee Report seeking to raise the loan limits also acknowledges, and I quote, ''concern[s] about HUD's capability to manage the FHA mortgage insurance programs and the potential exposure of the Federal Government if there is an economic downturn.'' Since 1990, while the mortgage delinquency rate in the conventional market fell by 8%, the FHA delinquency rate rose by 23%. FHA backs 100% of every loan it insures, and so those delinquencies and defaults are borne 100% by taxpayers. It would seem to me, Mr. President, that those who seek to increase FHA's loan-limits are sending a strong message that they are willing to let American taxpayers pick-up the tab.

Mr. President, I have here a letter from the National Taxpayers Union to Congressman Bob Livingston, Chair of the House Appropriations Committee. The letter, which I would ask be inserted in the record, sums-up—I think very nicely—the manifold concerns with increasing the loan limit ceiling:

> Defenders of the FHA note that the agency provides an important resource to lower-income familes and minorities who wish to purchase a home. NTU fails to see how low-income families will be served by FHA loans to those in the middle-to upper-class income range . . . Apparently, supporters of raising the ceilings will not be happy until every wealthy American owns a home at government expense.

It would seem to me, Mr. President, that rather than raising the FHA loan limits, Congress needs to be thinking critically about what steps we can take to improve the actuarial safety and soundness of FHA programs so that it can continue to help working families purchase their homes. Rather than expanding the program for the benefit of upper-income borrowers and special interest groups, we ought to be thinking about how we can make sure those working families of modest means are truly being served by the existing FHA programs.

Mr. President, the amendment my colleagues and I are introducing today would remove language raising the FHA loan limit ceiling and increase the Ginnie Mae guaranty fee by 12 basis points. I believe that raising the loan limit ceiling to $197,000 is fiscally irresponsible, unnecessarily expands a government program into an area already well-served by the private sector, and distracts the FHA from its mission to serve lower-income home-buyers. I hope my colleagues will give careful consideration to these concerns and support our amendment.

I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I rise in opposition to the Nickles amendment. The simple fact is that the Nickles amendment would greatly reduce the availability of FHA loans, which have helped millions of first-time, low-income and minority home buyers share in the American dream of home ownership. S. 2168, before us, currently includes a provision that would expand the FHA loan limits in high-cost markets only—in high-cost markets only—from a current cap of $170,000 to a new cap of $197,000 in such high-cost markets. My able colleague from Missouri earlier indicated on a map where those markets would be located.

Now, the committee's proposal represents, I think, a very significant and appropriate compromise to the administration's request. The administration's request was to institute a single, nationwide loan limit of $227,000. The committee did not go down that path. The committee, instead, went down the path of raising the lower limit which, interestingly enough, this amendment does not try to strike, apparently, according to my colleague from Oklahoma, because of just political realities of the matter, and also raise the high-cost limit, maintaining that distinction. I think it represents a very significant compromise. I urge my colleagues to support the committee and to reject the amendment.

Now, we are experiencing a time when almost two-thirds of American families own their own homes today. This would not have been possible without the FHA Single Family Mortgage Insurance Program. Each year, about 700,000 Americans purchase homes using FHA insurance. The vast majority of these home buyers could not qualify for a conventional home loan. If the FHA weren't available, they would not have been able to break into the ranks of homeowners.

The point is made that the default rate within the FHA is somewhat greater, at 8 percent, than it is in the private insurance market. But that is because, of course, the FHA is making this opportunity available to people who would otherwise be closed out of the market altogether. Of course, the reverse side of the 8 percent is the 92 percent who were able to break into the home ownership market.

It is estimated that 77 percent of first-time home buyers and 85 percent of minority home buyers who use FHA

would not have qualified for private mortgage insurance. And since the FHA insurance premium is financed through borrower premiums, it does not end up costing the taxpayer.

One of the difficulties is that FHA insurance, at a set figure, cannot be utilized effectively in all parts of the country. Nationwide, there are 43 metropolitan areas, representing 25 percent of the population, which are capped at the current ceiling of $170,000. In 32 out of the 43 metropolitan areas, the median home price exceeds the $170,000 figure. So at the $170,000 figure, in 32 of the 43 metropolitan areas, the median home price exceeds that figure. In Maryland, half of our counties—12 of our 24 countries—are now capped at $170,000. Now, by striking the provision in S. 2168 which raises the loan limits in high-cost areas to $197,000, the result of the Nickles amendment would be that hundreds of thousands of Americans would be denied the opportunity to purchase modestly priced homes simply because they live and work in high-cost parts of the country.

These are not wealthy Americans. These are teachers, policemen, and firemen who serve in communities where they often cannot afford to live. Now, this isn't just unfortunate, this is also unfair. What has to be understood is that a limit that will work in one part of the country will not work in another part of the country. In other words, if you say, well, we ought to give moderate-income people an opportunity to have home ownership, you have some parts of the country where the cost of housing is low, incomes are lower, costs are lower, a whole different dynamic works, and other parts of the country where costs are much higher and housing costs in particular are much higher.

I can take you on a very short ride from here to jurisdictions where ordinary working people would not have a chance at home ownership, except through the FHA program. We need to raise those limits in those areas because the median housing cost is now well above the existing cap.

Furthermore, I want to know—because of the split which the Senator from Oklahoma has made where he said he doesn't go after the lower limits, which, of course, have a much broader application throughout the country—the Nickles amendment imposes substantial increases in Ginnie Mae user fees. This imposes a double hit on consumers. First, the increased cost to lenders will be passed along to FHA consumers in the form of higher interest rates and/or larger downpayments. Second, FHA lenders may opt out of the program if the cost of participation becomes too high.

The net result of these changes, the increase in the Ginnie Mae user fees, would be a substantial reduction in FHA use and availability even within the current loan limits. And to those of my colleagues who do not have high-cost areas in their State, I point out that the Nickles amendment provision to increase the Ginnie Mae user fees would hurt all FHA users regardless of the size of their loans. By contrast, S. 2168 would increase FHA participation without placing a cost on the taxpayers or any additional financial burdens upon FHA consumers.

Mr. President, the FHA program has helped millions of Americans purchase homes who would not otherwise qualify. The FHA program serves a much higher percentage of first-time, low- and moderate-income and minority home buyers than any conventional loan product.

If we as a Nation are committed to supporting home ownership for all Americans, we should reaffirm our commitment to the FHA program.

I really want to commend the committee, I think, for the very careful balance which they developed. This is a far departure from what the administration's request was. In fact, I think the committee obviously took into account the number of points that had been raised by proponents of the Nickles amendment in making their calculations and reaching their judgments in terms of what to do. But unless we raise the cap in the high-cost markets, they are really going to get excluded from the possibility of home ownership. People really qualify as low- and moderate-income people in those high-cost areas. The Nickles amendment allows the floor figure to come up, which in those areas of the country means that the very sort of people that I am concerned about in the high-cost areas would, in fact, not be able to obtain home ownership. I don't think the people in the high-cost areas who confront a whole different economic circumstance ought to be denied that opportunity.

This program has been enormously important and successful in moving Americans into home ownership who would not otherwise have had that opportunity.

I urge my colleagues to vote against the Nickles amendment.

I yield the floor.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Mr. President, I rise in support of the Nickles amendment.

At the outset, I want to say to the chairman of the VA-HUD Subcommittee, both to Senator BOND and Senator MIKULSKI, that I congratulate them for their effort in putting together what is generally a good and balanced HUD appropriations bill.

As chairman of the HUD's authorizing subcommittee, I appreciate the difficulty of funding the most important parts of HUD's mission, while also addressing the critical need of the Department to reform its management and operations.

I especially appreciate Senator BOND's cooperation in helping ensure the effective implementation of the section 8 ''mark-to-market'' program we enacted last year. However, on the issue of FHA loan limits, Senator BOND and I disagree.

I am concerned that the Appropriations Committee did not consider the views of the authorizing committee. This is a major policy change that is being implemented through the appropriations process despite evidence gathered in hearings that would indicate that the change is ill-advised.

Last month, the Housing Opportunity and Community Development Subcommittee held two days of oversight hearings on FHA. The Subcommittee heard extensive testimony from HUD, GAO, the HUD Inspector General and outside witnesses on the programs, operations and mission of FHA, and on proposals for reform. I heard little testimony at those hearings that made a compelling case to raise the FHA loan limit. As chairman of the authorizing subcommittee, I would not have recommended an increase in the loan limits.

This bill does not contain the Administration's initial proposal for raising the loan limits—a proposal I strongly oppose. However, the proposal contained in the bill does focus attention away from the traditional mission of FHA of serving low- and moderate-income families and first-time home buyers. Further, it covers up some of the fundamental problems in the FHA single-family insurance program that jeopardize its long-term stability.

This proposal would result in targeting FHA, in part, to households well above median income, the vast majority of whom are already homeowners. An increase in the maximum mortgage amount would do little to help the households that FHA is intended to serve, namely moderate income families who for one reason or another do not have access to the conventional mortgage market.

Mr. President, Senator NICKLES, I think, did a good job of arguing his position, and the points that Senator SARBANES raised is one of the central areas of debate.

I would like to focus my attention on some other aspects of FHA. I want to focus the bulk of my comments now on a series of management problems in FHA which should be corrected before FHA expands its program and assumes further risks.

At a Housing Subcommittee hearing in May, we heard testimony concerning serious material weaknesses in internal controls, financial systems and resource management that make the Department vulnerable to waste, fraud and mismanagement. Although HUD is in the process of a major management reform program, the ultimate success of that effort is questionable.

FHA, with about $400 billion of insurance-in-force and a portfolio of 6.7 million single-family loans, is HUD's largest, most visible—and most vulnerable—program area. Many of the material weaknesses identified and described by the HUD Inspector General,

the General Accounting Office and others, involve FHA programs. Further, these problems have been identified in each independent audit of FHA conducted since fiscal year 1991.

First, FHA's staffing resources have significantly declined over the past several years. Furthermore, the majority of staffing reductions that have already occurred or are planned under HUD's 2020 Management Reform come out of FHA's single-family operations. FHA's staffing resources have declined during a period where its insured portfolio has continued to increase. In 1992, FHA's staff was about 6,800, but today, its staff is down to around 4,100. This is equivalent to a 40 percent reduction. This raises concerns about the quality of skilled staff that remain at FHA today, since many senior staff have left the Department. Replacing this staff is problematic, since unlike private entities, FHA does not have the authority to hire staff or the ability to quickly invest more resources in automated tools or staff training when its business increase.

Second, FHA has serious weaknesses with its accounting and financial management systems. The main problems with its information system is that the systems are not linked and integrated or configured to meet all financial reporting requirements. Also, data quality problems exist in its default monitoring system. Although these problems have been recognized for several years. The HUD Inspector General has found that ''resources needed to develop state-of-the-art systems are lacking'' because of budgetary constraints or the lack of prioritizing these matters.

FHA's accounting and financial management systems will also be affected by the so-called ''Year 2000'' or ''Y2K'' problem. FHA has 19 critical systems that OMB has mandated to be Y2K compliant by March 1999. However, only two systems have been programmed to address Y2K, and neither has been certified as Y2K compliant. The GAO recently warned that failure to address the Y2K problem could result in system failures that would interrupt the processing of applications for mortgage insurance and the payment of mortgage insurance claims.

Third, data integrity problems with its default monitoring system has affected FHA's ability to effectively monitor the performance of its mortgagees. FHA also lacks an effective underwriting system that can predict which borrowers pose the greatest risk. Identifying and managing risk is absolutely critical to the long-term soundness of FHA.

While FHA's single-family insurance fund currently exceeds its capital reserve requirement, there have been recent indications of potential problems in the FHA program. If these problems are not corrected, then FHA faces financial instability. For example, FHA defaults are serveral times higher than either the VA or the conventional mortgage market. During fiscal year 1997 claim payments for FHA-insured loans, especially for adjustable rate mortgages, were far higher than expected. The inventory of single-family properties owned by HUD increased by about 30 percent to more than 30,000. We have also heard and seen evidence that the geographic concentration of mortgage defaults, and FHA's inability to manage and monitor its portfolio, have damaged neighborhoods and permitted families to purchase homes that are either substandard or unafforable. In addition, Fannie Mae and Freddie Mac have recently introduced lower down payment mortgage products that may attract some of FHA's lower-risk borrowers, leaving FHA with more of the high-risk market.

There is no denying that the FHA single-family insurance program has been a success. More than 24 million households have used FHA since its creation in 1934. FHA has traditionally been a preferred tool for homeownership by young families and first-time homebuyers and by lower income and minority households who for many reasons have not been served well by the conventional marketplace. And, thanks to reforms begun under Secretary Jack Kemp, FHA has made significant strides toward financial stability. I have a strong interest in ensuring that FHA take all of the necessary steps to ensure that it continues to serve the people and communities the program is intended to serve and will ultimately make the program more financially stable.

However,I question whether it is prudent for any business, let alone one ultimately subsidized by the taxpayer, to expand its operations while attempting to deal with serious management problems. And on the basis of this concern alone, an increase in FHA loan limits would not be prudent.

Mr. President, I yield the floor.

Mrs. BOXER, Mr. President, I take the floor to stand in opposition to the amendment that would strike the raise in the ceiling on the Federal Housing Administration loan limit. I believe the raise in the ceiling is critical for high cost real estate market areas, and I urge my colleagues to vote no on this amendment.

This bill raises the ceiling on FHA loans from 75 percent of the Freddie Mac conforming loan limit, which is about $170,000, to 87 percent of the conforming loan limit, or about $197,000. This is particularly good for my state, where the cost of housing is so high, especially in Los Angeles and San Francisco.

FHA loans encourages lenders to make mortgage credit available in areas and to borrowers who may not otherwise qualify for conventional loans on affordable terms, such as first-time home buyers. Raising the loan limit will help those who have not been able to get conventional loans because of small credit blemishes or a lack of a large cash downpayment. These are the gaps in homeownership that FHA now fills, across income levels, and home prices.

This is a modest proposal, and one that helps consumers residing in high-cost areas of the country who are currently locked out of housing because the FHA maximum of $170,362 is less than the average cost of housing.

The cost of housing is so high in the Bay Area, that Bridge Housing Corporation rarely uses FHA. Carol Galante, the president of Bridge, one of the largest non-profit housing developers in the country, says she rarely can use FHA insurance because the loan limits are so far below the median home price for Northern California.

Raising the FHA loan limit will enable FHA to reach more borrowers and more communities which are not currently being served by the private mortgage industry. The raise in the FHA loan limit as provided for in this bill will help between 125,000 and 175,000 worthy American families, including 16,500 to 23,100 California families, to have access to homeownership over the next 5 years.

In the 15 highest cost U.S. housing markets, the homeownership rate is only 58%. That is more than 7 percentage points below the national average, and in these markets, FHA is the only credit program not available to moderate-income households. Thus, in places like New York, Boston, Los Angeles, and San Francisco, over 7% of families are systematically denied access to homeownership. This increase in the loan limit will allow 18 counties in California to raise their loan limits.

The increase in the loan limit will generate revenues of about $80 million a year. FHA has never called upon the taxpayers for a bailout, and certainly will not under this proposal.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise in opposition to the Nickles amendment.

I wish to associate myself with the remarks by the chairman of the subcommittee, the Senator from Missouri, Mr. BOND, as well as the senior Senator from Maryland, Mr. SARBANES, who also is the ranking member on the Housing, Banking, and Urban Affairs Committee. Senator SARBANES outlined, I think in rather solid, logical terms, exactly why the Nickles amendment really is, though well-intentioned, flawed in its public policy ramifications, as did Senator BOND.

I must say that initially, when Secretary Cuomo came and presented this idea, I really raised my eyebrows. I thought, my gosh, FHA—he wanted to raise the limit to $227,000. That is a quarter of a million dollars. That is a lot of money. Now, from the time I either chaired the subcommittee or now, as ranking, it has been my passion and my commitment to public policy to expand opportunities for first-time home ownership, and two significant tools

were in the VA-HUD Subcommittee—the VA mortgage itself, which has been a significant empowerment tool for minorities and for others who might have been really segregated out of the mortgage market, and also FHA has been very, very important in terms of first-time home buyers.

But yet as we looked at the facts, it really became important for us to lift the limit, and we felt that a reasonable approach would be to raise the FHA loan limit in high-cost areas, many of which are in my State, from $170,000 to $197,000, and also to raise the limit in low-cost areas from $86,000 to $108,000, which are also in my State, and to streamline the downpayment calculations to reduce administrative costs and burdens.

The administration wanted to have just that one limit of $227,000 for all communities. I do not believe that one size fits all. I do believe we need to recognize the realities of the market.

In addition to that, we are concerned about foreclosures, and we did not want to risk people getting into so much debt early in their lives or risking the loss of a home because they got in over their heads. We did not want to end up with heartbreak for the families and heartburn for the taxpayers.

I believe what we have here is a good middle ground. Included in the language, in addition to the mortgage, we direct HUD to consult with Congress before beginning its bulk sale of foreclosed properties so that we can deal with the way they deal with foreclosed properties, which I am not happy about and I know the Presiding Officer is not either. I do not want to see those properties go at fire sale prices or end up blighting a community when it should have been a tool of empowerment. The Federal Government ends up being a slum landlord, selling it to someone who either cannot afford it or chooses to use it to downgrade the neighborhood. FHA should be a tool for first-time home buyers and not a tool for neighborhood deterioration.

Let me just give you some figures from Maryland and why I think this bill is good for Maryland and also good for the Nation. There are three counties in Maryland at the current low end limit of $86,000. They are Allegany, Garrett, and Somerset. And I also know Dorchester sits somewhere in there as well. In Garrett, the realtors report that the median home price is $124,000 in a county where the FHA limit is $86,000. That is a poor county. FHA is a very important tool. It is not a poor county, but it is of very modest means.

Eleven counties out of our 23 and Baltimore have limits at the FHA limit of $170,000, yet in Montgomery County housing the median price is $174,000. Raising these limits, I note, could help create 2,000 new home buyers in the State of Maryland.

Well, Mr. President, that talks about Maryland, and I have a whole set of facts here on why it would be good for the Nation and also why increasing the Ginnie Mae fees would really give me pause, and I absolutely oppose raising the Ginnie Mae fees.

What applies in Maryland will also apply in many communities around the country.

This is especially true in many urban high cost areas, particularly in the Northeast and California. It is also true that in many rural areas in the heartland of the country. FHA does not meet the local market realities.

HUD estimates that the provision we have included in our bill will provide for 17,000 new home buyers annually and generate $80 million a year in revenue for the FHA fund.

HUD estimates the Senate's FHA increase will raise the limits in 32 high-cost metropolitan areas and 174 lower cost areas.

But let's be clear; we're not talking about buying a place, but we are talking about buying a home. It is estimated that the average loan amount under the Senate proposal will only be $142,000.

We have raised the limits enough to meet today's market realities without unduly increasing the risks for foreclosures.

FHA is also a critical resource to fill the gap for potential home buyers who are credit worthy, but don't have the money for large down payments. Two-thirds of FHA loans have down payments of 5 percent or less, while only 8 percent of private mortgage insurance purchases are low down payment loans.

Why oppose the Nickles amendment? Two reasons: it eliminates the high-cost area increase and increases GNMA fees by 6 basis points, from 6 to 12.

ELIMINATES INCREASE IN LOAN LIMIT IN HIGH COST AREAS

Striking the high-end increase will affect people in 32 high-cost areas across the country, including several areas in Maryland—Baltimore City, and three counties: Baltimore, Montgomery, and Prince Georges.

For thousands of people in high cost cities and counties across the country, FHA will be severely limited in its ability to provide this real resource for families shopping in the local housing markets.

INCREASES GNMA FEES

The Nickles amendment also increase the GNMA fees for those who handle FHA loans. This can get really technical, and the ''experts'' have a nice time detailing the intricacies.

The bottom line is that it will cost more for a lender to have GNMA securitize both FHA and VA loans and despite what people may say, I think we all would agree that when costs go up for a product provider, costs often go up for the consumer.

Simply put, this amendment could make FHA and VA loans more costly for consumers. HUD estimates that it will increase the cost to the lender by an average of $2,200. Several veterans services organizations have also estimated that the increase in GNMA fees will increase costs for veterans purchasing a home by $250. These costs may be passed along to those trying to purchase their first homes.

We do not want to burden our first-time home buyers or our veterans with pass-through costs.

Mr. President, home ownership is critical step in a person or family's attempt to obtain assets and become a more permanent fixture in a community.

Like many of my colleagues, I share the concern about the effect that foreclosures can have on individuals' credit and the stability of a community. My own hometown of Baltimore has been a victim of foreclosures harming neighborhoods.

We have provided a modest increase that does not raise the limit too much too quickly.

Our objective is clear, for those who FHA serves, ensure that it is a useful tool. The objective is not to put the private mortgage insurance companies out of business or to move FHA away from providing for low- and moderate-income buyers.

I believe that the FHA provision included in the Senate bill before us is good for Maryland and good for the Nation.

I believe that this is a positive step in rewarding investment and provides relief to working families.

I encourage my colleagues to oppose the Nickles amendment and support the Appropriations Committee's attempt to help home buyers across the country.

Mr. President, I hope that we defeat the Nickles amendment at tomorrow's vote and I look forward to hearing my colleagues' comments.

Mr. BOND. Mr. President, I think the distinguished Senator from Colorado wishes to speak on this. Has the Senator from North Carolina spoken yet? I believe he also wishes to speak. And then I believe we are ready to go on to the amendment by the Senator from Rhode Island. So I thank the Chair.

The PRESIDING OFFICER (Mr. MACK). The Senator from Colorado.

Mr. ALLARD. I thank the Senator from Missouri. I thank the Chair for recognizing me. I appreciate the other Members who are on the floor allowing me to go ahead and speak. I was presiding, and the Senator from Florida has graciously consented to give me some relief from the Chair while I come down and make some comments on this important piece of legislation.

I want to talk a little bit about my State because I think it gives some idea of how this issue impacts my State.

I happen to be rising in favor of the Nickles amendment, the Senator from Oklahoma. You see the map on the Senate floor entitled ''FHA Loan Limits by County,'' which was alluded to during comments made by my colleague from Missouri. During his comments, he pointed to the Rocky Mountain region in my State. That region

characterizes counties of high levels of income which would be impacted by the upper loan limit increase in the VA/HUD Appropriations bill. These counties have a high preponderance of second homes. The reason these counties have a higher FHA loan limit is that they are recreation counties. People who go to these counties and have second homes make a considerable amount of money.

Now, there is no doubt that there is a housing problem in those counties for individuals who have to run the ski lifts, individuals who work in the ski lodges, but they do not have the income level to afford a loan of $197,000 for a home. In fact, some may not even qualify for the lower loan limit range, which we are raising from $86,000 to $109,000. In addition to this disparity of wages that you see in these areas, many of these counties have implemented a no-growth policy.

Finding affordable housing is certainly a problem we all should strive to deal with, not just at the Federal level, but also at the local level, at the county level, and particularly at the city level. Many counties in Colorado, because of their rapid growth rate, have decided to try to slow down that growth by increasing the costs of development, increasing the costs of homes.

If we have a problem in those counties with obtaining affordable housing, I think that local governments should have a responsibility and should implement some programs that would hold the costs of those homes down so that those with lower and median incomes can afford them.

I think my colleague from Oklahoma, Senator NICKLES, did a very good job in explaining what the current situation is, and the proposed increase of the FHA loan limit. Currently, the lower FHA loan limit is $86,000 and the upper limit is $170,000. This appropriations bill raises both of these limits to a lower limit of $109,000 and an upper limit of $197,000. I like the idea that we raise up the lower loan limits. I think that helps us meet the needs of lower income and median-income families. The higher income limits, in my view, don't need to be subsidized. Most of that market is already met by conventional loans. In fact, in order to have a $197,000 mortgage, a buyer typically needs an income level of $74,000 or more. These individuals are the top 16 percent of the income earners in the United States. Nearly 85 percent of households earning more than $50,000 already own homes. I think that is reflected in the State of Colorado.

I point out this idea of raising the loan limits is a rather controversial issue, as far as Colorado is concerned. The mortgage lenders in my State cannot reach a consensus as to whether this ought to happen or not. They are divided. So it is with a considerable amount of thought and concern that I enter into the debate as it applies to my State of Colorado.

I see no reason why the Congress should be advocating that HUD compete against a very successful private market. I would also point out, from some of the testimony that was received by the Banking Committee on which I serve with the Senator from Florida, Senator MACK, there is really no clear connection between FHA loan limit increases and greater access to financing affordable houses.

So when I put all these factors together, I find myself opposing raising the upper loan limit, and yet supporting an increase in the lower FHA loan limit. I think a lot of the testimony that was heard by the Banking Committee, the authorizing committee, was significant in pointing out that there is a three-times higher default rate for higher loans than there is for lower loans. In other words, the higher the loan is for the home, the higher the default rate is, as far as FHA is concerned.

In this program, if there is a default on a loan, the taxpayers must pick up the cost. I do not think it is necessary for us to provide for that indirect subsidy.

If we look at the lower loan limit, 73 percent of all mortgages of $85,000 or less are already provided by the private sector. Therefore, I think we can assume that this market is being serviced sufficiently. The FHA program is set up to make riskier loans to individuals who are not serviced in the private sector. By allowing the loan limit to increase, FHA will be insuring higher valued loans and will be, as a consequence, exposed to an increased risk.

As I pointed out earlier, as these loan limits increase, the number of defaults will simply increase. I don't think that we should be increasing the upper loan limit. Therefore, I am supporting the Nickles amendment. I think it is the correct approach to the problem, particularly as it applies to my State. I think it is also the right approach as far as the country is concerned since only three percent of the counties will be affected by the upper limit.

Without any further ado, I yield the floor. I thank Senators for their indulgence.

Mr. FAIRCLOTH. Mr. President, I rise to support this amendment. This amendment does two things. First, it limits the FHA loan limit increase to the base level. Second, it creates an equal playing field for private sector and FHA loans.

The current FHA limit for low-cost areas is $86,000. Although it gets indexed every year to median home sale prices in that area (so that it is increased annually), many believe that the limit is too low. Some argue that you cannot build new construction for $86,000.

Now, I thought FHA was for first-time and low and moderate income home buyers. And I didn't realize that first-time home buyers were entitled to a brand new house. I thought FHA was supposed to help with ''starter homes''. But some people feel otherwise and so this amendment will leave the increase in place that raises the limit from $86,000 to almost $109,000.

However, I feel very strongly that we should not be raising the ceiling from the current $170,000 to more than $197,000. To qualify for a mortgage of $197,000 a person must make more than $75,000 a year. Only 15% of the people in this country make salaries that high—and most of those folks already own homes through the private sector.

I don't think when President Roosevelt created FHA back in 1934 that he intended the program to help people making $75,000 a year. I don't think he intended for the federal government to back 100% of those loans. He believed that FHA should step in where the private sector cannot. The private sector is making these loans already. There is no reason to raise the limit to almost $200,000.

Second, the amendment establishes a more level playing field between FHA and private sector loans so that borrowers are not steered towards FHA. Currently, lenders receive huge financial incentives to make loans through FHA.

The first incentive is that the federal government insures 100% of the loan amount. There is no risk to the lender. Total to taxpayer. In the private sector, the lender assumes some of the risk of the loan so there is a greater stake in making sure that a borrower can pay back the loan.

Second, under FHA, the lender makes twice the amount in servicing the loan than what he makes in the private sector. A servicing fee is charged for collecting the monthly mortgage payment, escrowing real estate taxes, etc. There is no justification why lenders should get much bigger servicing fees for FHA loans. CRS said that it would have no effect on FHA loans or increasing costs on homeownership. It only goes to the profit that the servicers make.

Until we level the playing field lenders will have every economic incentive to steer borrowers towards FHA. Remember we've already given the lender a 100% federal guarantee that the loan will be paid back. Now we are making them rich in servicing fees.

I urge my colleagues to support this amendment. FHA has a lot of problems already. Default rates for FHA loans are already three to four times the rate of the private sector. Unless we take steps to change the situation and deter borrowers from being steered towards FHA, things may only get worse for the program and, ultimately, the country. Join consumer groups, the National Taxpayer Union and others in supporting this amendment.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, as the ranking member on the Committee on Banking, Housing and Urban Affairs, I echo the comments made by others praising the work that has been

done by Senator BOND and Senator MIKULSKI in framing the housing part of this appropriations bill. I have had a chance to go over it. I think they have been very sensitive to the various concerns existing in this field. I think they have done a very good job on the legislation. So as the ranking member on the authorizing committee, I want to enter that into the RECORD as others have done, recognizing the general work they have done on this legislation.

Ms. MIKULSKI. I thank my colleague.

The PRESIDING OFFICER. Does the Senator wish a recorded vote?

Mr. BOND. Mr. President, I do not see any other Senators wishing to speak on this amendment.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BOND. I ask this amendment be set aside and the Senator from Rhode Island be recognized to offer his amendment.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 3203

(Purpose: To increase the funding for community development block grants)

Mr. REED. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. REED] proposes an amendment numbered 3203.

Mr. REED. 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:

On page 33, line 17, strike ''$60,000,000'' and insert ''$70,000,000''.

On page 33, line 21, insert *''Provided:* That none of these funds shall be available for the Healthy Homes Initiative'' before the period.

Mr. REED. Mr. President, I am offering this amendment tonight not only on behalf of myself, but Mr. ABRAHAM, Mr. CHAFEE, Mr. LEAHY, Mr. WELLSTONE, and Ms. MIKULSKI. My amendment would add a modest $10 million increase to the budget for the Office of Lead Hazard in the Department of Housing and Urban Development.

I first want to commend and thank the chairman and ranking member for their assistance and their help. Both Senator BOND and Senator MIKULSKI have committed to finding more resources to prevent the exposure of young children to the lead hazard which is so prevalent in older housing throughout the United States. They have worked very closely with my staff and myself. I thank them for that. I am also very confident they will continue these efforts in conference so we can increase even more the funds that are allocated to this important endeavor.

Over the last 20 years, the United States has made great strides in reducing lead exposure among our population, particularly among our children. Since the enactment of a ban on lead-based paint, since the elimination of lead solder in food cans and the deleading of gasoline, we have seen a significant decrease in blood level exposures of American citizens by about an order of 80 percent. However, it is still estimated that approximately 1 million children nationwide still have excessive levels of lead in their blood, making lead poisoning a leading childhood environmental disease and a disease that can be prevented.

Today, the key culprit in this exposure is lead-based paint in housing. It is the major source of exposure and is responsible for most cases of childhood lead poisoning. It has been estimated that approximately half of America's housing stock, roughly 64 million homes, 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, paint that can be ingested by children, taken into their bloodstream, causing them severe health problems.

The problem of lead-based paint is particularly severe in my home State of Rhode Island. Forty-three percent of our housing stock was built before 1950, the time in which lead paint was universally used in painting homes.

But the problem of lead-paint exposure and lead-paint poisoning in children is not related to Rhode Island; it is truly a national problem. One in 11 children nationwide have elevated blood levels, and if you refer to the chart on my left, you can see that, for example, in the city of Baltimore, 22 percent of children age 1 through 6 have dangerously high levels of blood—Chicago, 12 percent; Davenport, Iowa, 18 percent; Denver, CO, 16 percent; Milwaukee, 36 percent; St. Louis, MO, 23 percent; my home State, Providence, RI, 28 percent of children tested have higher than normal levels of lead in their bloodstream. This is a nationwide problem. It is a problem particularly severe in the older urban areas of the country, but not exclusively there.

Again, one of the key factors is housing stock of the community. Housing built before 1950 typically have extensive lead paint still residing in these homes. If you look across the country, there are States everywhere that have significant totals of housing built before 1950. For example, in Illinois, 36 percent of the housing was built before 1950; in Michigan, 31 percent; in New York, 47 percent.

All of this points to an extremely important public health problem. It is important because childhood lead poisoning has a profound health effect on children, a profound educational impact on children, their ability to learn and their ability to develop intellectually. Children with high blood levels can suffer from brain damage, behavior and learning problems, slow growth and hearing problems.

Children with a history of lead poisoning frequently require special education to compensate for intellectual deficits and behavior problems. In my State of Rhode Island, officials believe special education services are 40 percent higher among children with significant lead exposure, and in 1990 dollars, it costs roughly an additional $10,000 to provide special education services to a child.

By failing to eliminate the hazard of lead in homes, we are harming not only the children directly, but we are also incurring huge additional costs for education and health care. This is truly a problem that we must address, and we have to address it with the resources necessary to address this problem effectively.

Mr. President, childhood lead poisoning is a significant health, educational and fiscal issue. We must do everything to eliminate this lead-based paint hazard to our children. By providing sufficient funding to the HUD's Office of Lead Hazard Control, which has the primary responsibility for addressing this hazard in housing, and since 1992, the Office of Lead Hazard Control has been a highly effective component of the Federal Government's effort to address childhood lead poisoning.

Through its grant program, this office has provided grants to State and local governments to reduce the exposure of young children to lead-based paint hazards in their homes. Specifically, they have given grants to privately owned homes, to low-income occupied, and rental housing, all in an attempt to help them eliminate the source of lead poisoning in children, the most common source, and that is lead paint within homes.

Since 1993, $385 million has been awarded to 30 States and the District of Columbia. These grants have helped abate or mitigate lead-based paint hazards in 50,000 homes where young children reside. Regrettably, this is just, in effect, the tip of the iceberg, because there are so many homes that have these particular hazards to children.

In addition to helping mitigate and abate lead exposure in homes, they have also supported programs to test children for lead-based paint exposure, and also to test the homes. All of these efforts together have helped in some small way to eliminate this problem, and I have had the opportunity in my own home State of Rhode Island to visit and look at the efforts that are undertaken to eliminate these exposures to children. They are important.

What is most important is ensuring that we have the resources so that we can protect the health of all of these young children. As I stated before, this is a problem that is terribly frustrating. We know that children, if they ingest lead into their system, will suffer some type of health effect. This health effect will usually result in poor intellectual development and behavioral problems. We will be paying later through special education and through

the lifetime of these children who then become adults.

We can at this point take an effective step to ensure that these problems are addressed. It is preventable. It is a pediatric disease we can prevent if we simply get the lead out. My amendment this evening will increase the resources to the Office of Lead Hazard Mitigation so that we can, in fact, help local communities ensure that the housing these young children are living in is lead free.

Oftentimes, the families of these children have no choice. They must go to homes that is the best available housing, but in providing a shelter for their child, in some cases unwittingly they are exposing their child to a hazard which will claim not only their health, but also their intellectual development.

I urge all of my colleagues to support this amendment. I am prepared to yield to the chairman at this time.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Missouri.

Mr. BOND. Mr. President, I commend the Senator from Rhode Island because there is no question about the dangers of lead-based paint, what hazards they present. This is a critical program. The program is funded at $60 million. The Senator's amendment will increase it to $70 million.

There is a great need to reduce lead-based paint hazards for children. As the Senator has pointed out, some of the statistics of lead-based paint and the dangers in some of our more mature urban areas is really frightening. I believe the figures are that there are some $3 billion in housing rehabilitation needs existing out there to address all of the lead-based paint problems in the country.

It is our desire to accept the amendment on this side. The funding will be taken from the overall CDBG funding of $4.75 billion, which is $75 million over last year's level. We are willing to accept it on this side.

Ms. MIKULSKI. Mr. President, I, too, concur with the chairman. I thank the Senator from Rhode Island for his leadership. The facts speak for themselves. The situation in Baltimore of 22 percent of children in Baltimore city have some type of lead in their blood, this is a serious issue. I won't go into all the public health aspects and pediatric consequences this late. But I will tell you what it means.

It means lower intellectual achievement. It means a lethargy, a sluggishness that is perpetual. Unless the child has their blood chelated, and if you go into Johns Hopkins and you are going to have your blood chelated because there was lead paint dust on your mom's kitchen table that kind of got mixed up with after-school cookies, then it is going to cost $8,000 in Medicaid to clean out your blood.

Even if we can clean that blood out, we can't necessarily clean out the consequences that have already set this child back, particularly in cognitive development.

I thank the Senator from Rhode Island for raising this, to move it up.

I am glad we can finally accept it with an offset. I asked that I be a cosponsor of the amendment. And we know that we need more research. We need the type of licensed people to be able to clean out the lead paint and protect our children. I view this as an important public health, get-behind-our-kids initiative. I look forward to just accepting it and defending it in conference.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

Without objection, it is so ordered.

The amendment (No. 3203) was agreed to.

Mr. BOND. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. BOND. I thank the Senator from Rhode Island.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 3204

(Purpose: To prohibit the Administrator of the Environmental Protection Agency from implementing or enforcing the public water system treatment requirements related to the copper action level of the national primary drinking water regulations for lead and copper until certain studies are completed.)

Mr. KERREY. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. KERREY], for himself and Mr. HAGEL, proposes an amendment numbered 3204.

Mr. KERREY. 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:

On page 93, between lines 18 and 19, insert the following:

SEC. 423. TEMPORARY PROHIBITION ON IMPLEMENTATION OR ENFORCEMENT OF PUBLIC WATER SYSTEM TREATMENT REQUIREMENTS FOR COPPER ACTION LEVEL.

(a) IN GENERAL.—None of the funds made available by this or any other Act for any fiscal year may be used by the Administrator of the Environmental Protection Agency to implement or enforce the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.), to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level, until—

(1) the Administrator and the Director of the Centers for Disease Control and Prevention jointly conduct a study to establish a reliable dose-response relationship for the adverse human health effects that may result from exposure to copper in drinking water, that—

(A) includes an analysis of the health effects that may be experienced by groups within the general population (including infants) that are potentially at greater risk of adverse health effects as the result of the exposure;

(B) is conducted in consultation with interested States;

(C) is based on the best available science and supporting studies that are subject to peer review and conducted in accordance with sound and objective scientific practices; and

(D) is completed not later than 30 months after the date of enactment of this Act; and

(2) based on the results of the study and, once peer reviewed and published, the 2 studies of copper in drinking water conducted by the Centers for Disease Control and Prevention in the State of Nebraska and the State of Delaware, the Administrator establishes an action level for the presence of copper in drinking water that protects the public health against reasonably expected adverse effects due to exposure to copper in drinking water.

(b) CURRENT REQUIREMENTS.—Nothing in this section precludes a State from implementing or enforcing the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.) that are in effect on the date of enactment of this Act, to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level.

Mr. KERREY. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. KERREY. Mr. President, I am offering this amendment together with my colleague from Nebraska, Senator HAGEL, to delay implementation of a rule that has been promulgated by the Environmental Protection Agency. This delay would be required until the agents review existing scientific data to determine whether there is ample evidence to support the rule.

Mr. President, this rule, together with the rule on lead, is there to protect Americans, to give us safe drinking water. Unlike lead, however, copper is an essential element and is regulated in a much different fashion. I intend with my statement to lay before the body an appeal.

Nebraska has an unusual situation. Perhaps other States do have a similar situation. But ours is essentially this: The Environmental Protection Agency has a limit with their rule of 1.3 milligrams per liter. There isn't a single city in Nebraska that has 1.3 milligrams per liter. Here is the problem. In some communities, the water level is sufficiently acidic if it remains in the pipes for 6 hours or longer. When you turn the water on, you will get more than 1.3 milligrams per liter. Run the water for a minute, and the water drops below 1.3 milligrams per liter.

The EPA is saying, it does not matter. The EPA is saying, ''We test the

water. It comes out of the pipe immediately. It is over 1.3 milligrams; therefore, you have to make investments, substantial investments.''

Hastings, NE, is having to invest about $1 million initially, and $250,000 per year. Sixty communities are being asked to make substantial investments in their water systems to remove copper from their water, even though not a single citizen in Nebraska is getting sick—not a single person. I emphasize this.

The EPA comes into Nebraska and says, ''You are right, Senator, nobody is getting sick.'' I say, ''Wait a minute, what is the Safe Drinking Water Act for?'' They say, ''Well, it is to make the water safe.'' I say, ''The water is safe, is it not? If somebody was getting sick, then we would have unsafe water.'' They say, ''Yes, that is right. But we have established 1.3 milligrams per liter as the level allowed.'' And even though there is not a single community with 1.3 milligrams per liter—if it sets in the pipe 6 hours—even though it is flushed out immediately, and even though the State public health people are willing to implement a program of public education to make sure they stay below 1.3 milligrams, the EPA says, ''It doesn't matter.''

Unfortunately, Mr. President, this has become one of those litmus test issues. I have talked to many people in the environmental community. And they have said to me, ''Gee, Senator, you can't put this on this bill because it is another rider.'' They compare it to the 1995 bill—I guess it was 1995 or 1996—the year when a lot of riders were attached. ''We don't want another rider.'' I said, ''Well, what does that have to do with anything? Do you think the public health data supports what you are trying to do in Nebraska? Is there a reason?'' They say, ''No, it doesn't matter. What we are talking about here, Senator,'' they say, ''is politics. We don't disagree with the public health aspect of this.''

Mr. President, I ask unanimous consent that two studies be printed in the RECORD, both done by the Centers for Disease Control, that say there isn't a problem.

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

INTERIM TRIP REPORT: CU HEALTH EFFECTS IN DELAWARE, 1996

DATES AND PLACES

Washington, DC: Feb. 12.

Dover, DE: July 10–12, July 29–Aug. 7, Nov. 7–8.

BACKGROUND

Copper is an established gastro-intestinal irritant which has been documented to cause nausea, vomiting, stomach cramps, and diarrhea in humans. The lowest level at which these adverse effect occur has not been well defined. Following amendments to the Safe Drinking Water Act in 1986, EPA promulgated a revised standard for Cu. The new copper standard required action, such as the installation of corrosion control measures, when the highest 10% of first morning flush household tap samples exceeds 1.3 mg/1 for a given water distribution system. During a state-wide survey of water systems in Delaware in 1995, 35 systems exceeded the action level for copper. Thirteen of these systems had 10% of their samples higher than 5.3 mg/1, the EPA's LOEL (lowest observable effect level).

Out of concern for the health of individuals consuming high levels of copper, and to utilize the unique social and geological conditions in Delaware to better document the consequences of such exposure. Delaware Health and Social Services contacted CDC for technical assistance. Many small communities in Delaware have older houses with copper pipes and utilize untreated, acidic groundwater sources from high silica soils. The results of this collaborative effort are presented herein. Note that data collection is ongoing and the results presented are those of a work in progress.

PRINCIPLE PERSONS MET

EPA: Jeff Cohen, Office of G.W. and D.W.; Ken Baily, ORD; Bruce Mintz, ORD; Ed Hoddum.

Delaware: Ed Hallock, Barbara Ashby, Raymond C. Davidson, and Donna Stulir, Office of Drinking Water, Health and Social Services; Gerald Llewellyn, Dir. of Public Health, Health and Social Services; Mahhadeo Verma, Director, Public Health Laboratory; and Christopher Zimmerman, Dep. Dir., Public Health Laboratory.

METHODS

Those communities which has high levels of copper during the state-wide survey of 1995, had a population over 100, and which were suspected of not having installed adequate corrosion control measures as of June, 1996 were included in the study. Because of the widespread installation of corrosion control systems in the preceding year, only 4 communities met this criteria. One additional trailer park which not in violation during the 1955 survey but which had older homes with acidic water was also visited. All household in the area with homes built before 1980 were visited.

Contacted households were given a copper free container and asked to capture the first water of the day out of whichever tap they usually drank on the following morning. Participants were asked not to run any other taps and not to flush their toilets in the morning until after they had collected the water sample. On the morning after the bottles were handed out, samples were picked-up by investigators, stored in a cooler, and taken to the State Public Health Laboratory by 1 PM.

Households with > 5.0 mg/l copper in the first flush sample were revisited and interviewed. For each of these ''High Copper'' households, 2 neighborhood matched ''Control'' households were interviewed. Potential control households were those with less than 0.5 mg/l copper in the first flush water sample they had provided. A copy of the interview form is attached.

To attempt to estimate individual doses, all ''High Copper'' individuals and 10 individuals from ''Control'' households were asked to collect a daily water intake sample in a provided bucket. To do this, each time a person ingested coffee, or water, or any other drink containing water, they were asked to put an equal volume, taken from the same tap at the same time, into a bucket. Houses were also revised at the end of the study to obtain a second first flush water sample to help confirm that their exposure status did not change over the course of the study. Blank samples consisted of bottles filled with store bought distilled water. Some bucket samples were shaken and two bottles were filled to serve as duplicates. The laboratory was blinded to the cohort status and the sample type (first flush vs. blank vs. bucket) by a sample numbering scheme. Duplicate samples were separated in the numbering sequence.

Households were contacted by phone once per week over a period of 12 weeks between August 5th and October 21st. Interviewees were asked, ''Has anyone in your household been ill during the past week?'' If the answer was yes, a questionnaire regarding patient symptoms was completed. No individuals were ill with the same symptoms for more than one phone interview. A copy of the illness inquiry form is attached.

Households that were called 3 times without an answer were considered ''not contacted'' for that week. Households who departed for the season or asked to no longer be contacted were terminated and information from the household was included for those person-weeks during which successful phone contact took place. Weeks in which interviewers neglected to call households were also excluded from the analysis.

Self-reported nausea, vomiting, stomach cramps, diarrhea, and constipation were all defined as being consistent with copper toxicity (CCT). Having acute nausea and/or vomiting alone or with a headache, or any 3 of the 5 symptoms consistent with copper toxicity was defined as indicative of copper toxicity (ICT).

RESULTS

Cohort selection

867 houses were approached and 365 successfully contacted (42%). Of those, 7 (1.9%) refused to participate, 32 (8.8%) drank bottled water exclusively, and the remaining 326 self-reported tap water drinkers were asked to collect a first flush sample. Forty-seven households (14.4%) did not return the sample bottle. Of the 279 samples collected, 23 were above 5.0 mg/l copper.

Of these 23 high copper households, 3 could not be re-contacted, and 3 decided that they did not drink the water by the time they were re-contacted. 17 high copper households were enrolled in the study. During the course of the study, 2 households began drinking bottled water, 1 used a RO unit which had been by-passed during our initial sampling, and 1 pregnant woman was advised by the investigators to drink only bottled water. Thus, 13 households and 40 individuals were followed over the entire course of the study. Of the 40 enrolled control households, 3 acquired filters during the course of the study and 7 reported beginning to use bottled water exclusively. These control households were not excluded from the analysis since the new water source did not change their copper exposure status. Two control households and 1 ''High Copper'' household asked to be dis-enrolled during the study.

Water

The average ''High Copper'' household first flush concentration was 7.21 mg/l Cu among the 17 households enrolled. Nine bucket samples were collected from nine individuals. The average first flush concentrations for these people was 7.00 mg/l Cu while the average daily intake value was 2.91 mg/l Cu. Thus, average intake was 41% of first flush values. These 9 people ingested an average of 2.3 quarts per day according to our bucket collection procedure.

Health

A summary of the weekly phone surveillance results is presented below.

Parameter	Control	High Cu
No. of households	40	13
No. of individuals	102	40
Person/week-phone contacts as a % of attempts	818/1127 (72%)	346/413 (84%)
Illness events (all)	26	15
Persons ill at some time during study	20 (19.6%)	11 (27.5%)

Parameter	Control	High Cu
Cases consistent with Cu toxicity (CCT)	31	9
Cases CCT/all person-weeks	31/818 (3.8%)	9/346 (2.6%)
No. of people with CCT at some point	13 (12.6%)	8 (20.0%)
Cases indicative of copper toxicity (ICT)	22	4
Cases ICT/all person-weeks	22/818 (2.7%)	4/346 (1.2%)
No. of people with ICT at some point	9 (8.8%)	4 (10.0%)

Other findings

It is possible that more people (as a fraction of the population) consume high levels of copper (>5 mg/l) in their water in Southern Delaware as anywhere in the U.S. Therefore Gerald Llewellyn and Laurie Cowen of Delaware's Dept. of Health and Social Services searched the state databases to look at the incidence of Wilson's Disease, an illness previously associated with copper ingestion. Between 1979 and the present, only one case of Wilson's Disease was reported in the State and that case occurred in the Wilmington area where systems have little problem with corrosion control. This is a Statewide reported rate of .08 illnesses per million population per year. Nationally, approximately 15 deaths per year were recorded between 1979 and 1992 with Wilson's Disease being listed as the primary cause. Between 1988 and 1990, less than 700 hospital discharges were estimated to occur nationally via the NCHS Hospital Discharge Database (less than 2.8 hospitalizations per million population per year). Given the rarity of Wilson's Disease and the potential for incomplete reporting of this illness, little significance can be attributed to Delaware's apparently lower rate of the illness.

DISCUSSION

While the study reported herein included far fewer households than initially intended, there seems to be no difference in the symptoms typically associated with copper toxicity among the two study groups. If copper is a gastro-intestinal irritant at the levels observed in the 40 individuals included in our study, the effect was not observed here. The most specific and direct indicator for a persistent irritant would be displayed by contrasting the persons meeting the most specific case definition divided by the number of person/week observation periods, ''Cases ICT/all person weeks'' in this study. Individuals in the ''High Copper'' household had a statistically similar, but lower rate of symptoms ''Indicative of Copper Toxicity'' than did the individuals in the ''Control'' households.

There are three possible explanations for this finding.

(1) People drinking water with an average of 2.7 mg/l Cu and with a first flush level of 7.2 mg/l are not ingesting enough copper to develop G.I. symptoms.

(2) The ''High Copper'' exposure level in this study is enough to make people sick, but not the people in this study.

(3) These copper levels do make people sick, but the study failed to detect this fact.

Addressing these issues in reverse order, while the sample size in this study was small, it is likely that a major effect from copper ingestion would have been detected. People displayed symptoms, like those expected in copper toxicity cases (ICT), during approximately 2% of the person weeks surveyed (2.7% in control households, 1.2% in high copper households). Thus, if the effect was missed due to a lack of power in the study, the effect is likely to be less than 3 episodes of nausea or vomiting per person per year, which is not consistent with the ongoing symptoms of copper toxicity typically described in the scientific literature. The final data set was sufficient in size to detect a relative risk of 2.5 in ''cases ICT/all person weeks'' and a relative risk of 3.5 in the ''number of people with ICT at some point'' with 95% confidence and 80% power. While self-described symptoms via a phone interview can produce lower quality data than some other methods, for exmaple, medical examinations, it is unlikely in this case that a systematic bias on the part of the interviewee or the interviewer resulted in an underreporting in the ''High Copper'' cohort. The interviewers were blinded to the cohort status of the study participants.

Explanation 2, that the study population was not susceptible to copper induced illness, is somewhat more problematic. People may be susceptible to copper for a short period and then acclimate. This study had very few transient participants and most households had been at their present location for months or years. Likewise, within a population, some individuals may be particularly susceptible to copper toxicity, realize that their water is making them ill, and change sources. Because households who reported not drinking their water were not enrolled in the study, the data here cannot address that possibility. Several people during the initial interview process reported becoming ill after moving to their present address and attributed their illness to their water. Several of these individuals lived in ''High Copper'' homes.

Explanation 1, that the ingested levels of copper in the study were not sufficient to cause illness, seems the most likely explanation, perhaps in conjunction with the self-exclusion bias described above. Given that the average intake was 2.4 liters with a Cu concentration of 2.9 mg/l, and given this level is below the EPA LOEL, this is not surprising. What is surprising is that, in perhaps the systems serving some of the most corrosive water in the U.S., studying just the older homes with copper pipes, no adverse health effects can be detected. Houses in the study were receiving water at 6 times the concentration of EPA's 90th percentile action level, and represented the 92nd percentile, of the oldest portions of the State's most problematic systems (therefore, perhaps the 99th percentile of their communities). Thus, it is unlikely that there is widespread acute illness in Delaware from the ingestion of copper in people's homes.

FINDINGS

(1) This study indicated that those people drinking the highest levels of copper identified in Delaware are not suffering adverse acute effects from this exposure.

(2) No evidence of Wilson's Disease can be seen in the state registry in this population with some of the highest water copper levels seen in the U.S.

(3) Average daily intakes of copper are not well predicted by first flush values. A time and volume weighed daily intake was typically 41% of the Cu concentrations found in the first flush samples.

(4) The bucket collection procedure employed here for estimating daily dose was easy and quantitative. Future studies should use urine collection techniques to confirm its accuracy.

RECOMMENDATIONS

To Delaware

Future inquiries regarding population concerns over Cu in drinking water in Delaware should be addressed with a one page summary of this study since it represents a best effort to identify the most problematic systems and households in the state. Susceptible individuals may exist and individual complaints regarding systems with corrosive water should be investigated and copper toxicity events reported to the CDC.

Many good reasons exist for promoting corrosion control measures independent of copper and lead toxicity. The results of this investigation should not be used by utilities to avoid undertaking prudent investments in municipal infrastructures or treatment processes.

Cooperation between the Department of Epidemiology, the State Public Health Laboratory, and the Drinking Water Program has been exemplary throughout this study. The study should be held forward as a model cooperatively and thriftily addressing public health concerns.

Phone monitoring efforts in future studies should remain directly under the supervision of the Delaware official with principle responsibility for the study.

To CDC

CDC should not conduct future studies to identify and quantify the copper LOEL in a stable domestic population without reports of symptomatic illness. It is unlikely that ongoing illness from copper exposure in drinking water is a major problem anywhere in the U.S. among domestic users. If the EPA LOEL of 5.3 is an accurate estimate of where health effects begin to be seen, this study indicated that first flush levels of 13 mg/l would be needed to inflict daily average tap water level of 5.3 mg/l Cu. No households in our study or the state-wide survey had such high concentrations of Cu.

the daily dose method employed here was appears to be effective and should be validated.

Support of the kind provided to Delaware in this modest study: (a) is a cost-effective way to produce valuable public health data, (b) established excellent ties for future cooperation, (c) is educational for both State and Federal participants who often have dramatically different perspectives.

INTERIM REPORT

Evaluating Gastrointestinal Irritation among Humans From Copper in Drinking Water, Lincoln, Nebraska (Epi-E94–73)—

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ABSTRACT

EVALUATING HUMAN GASTROINTESTINAL IRRITATION FROM COPPER (CU) IN DRINKING WATER, LINCOLN, NEBRASKA, 1994

Background: In 1993, Nebraska copper (Cu) drinking water levels exceeded EPA's action level of 1.3 mg/L Cu in 50% (19 of 38) of public water systems serving 3,300 to 10,000 people. The action level is based on gastrointestinal illness (GI) including vomiting, nausea, stomach cramps, or diarrhea. Officials at the state health department were concerned that Nebraskan's were suffering adverse health effects as a result of this exposure and requested assistance from the Centers for Disease Control and Prevention.

Methods: To determine if Nebraskan's were at increased risk of GI due to Cu concentrations in drinking water, we interviewed people living in homes having Cu levels (measured in 1993) of >3 mg/L (51 homes), 2 to 3 mg/L (54 homes), and <1.3 mg/L (42 homes). Case-subjects were those who had rapid onset of vomiting or nausea with abdominal pain during the 2 weeks preceeding interview. To validate the relationship between Cu and GI, we conducted a nested case-control study, resampling drinking water in the homes of 22 case-subjects and 27 age-matched control-subjects.

Interim Results: The risk of GI was greater for persons in households with drinking

water >3 mg/L (RR=1.65; 95% CI 0.63, 4.31) but not for persons in households with copper levels from 2 to 3 mg/L (RR=0.73; 95% CI: 0.24 to 2.17) when compared to individuals with copper levels less than 1.3 mg/L. The relationship was not confirmed in the nested case-control study ($OR_{>3\ mg/L,\ <1.3\ mg/L}$=0.44, 95% CI 0.8 and $OR_{2\ to\ 3\ mg/L,\ <1.3\ mg/L}$=0.11, 95% CI 0.02 to 0.62) because 1993 sampling results differed substantially from sampling results in 1994. The occurrence of GI was explained by weight loss (OR=8.30; 95% CI 1.56 to 44.11) and self-reported flue-like illness (OR=4.18; 95% CI 0.77, 22.78).

Interim Conclusions: These preliminary data indicate that at the time of the survey, people were not experiencing GI related to the level of Cu in their drinking water, even though 51 of the selected homes had Cu drinking water levels that were greater than two times the EPA action level the year prior to the study. We also noted that Cu concentrations in drinking water at the time of the study were far less than the levels measured one year earlier. We encourage further investigations of the health effects of copper in drinking water. We also encourage further work to evaluate the reproducibility of the sampling method recommended by the EPA to establish compliance with the drinking water standard for Cu and Pb.

Mr. KERREY. Mr. President, copper is a substance that at certain levels will cause gastrointestinal problems. That is the issue here. Unlike lead, it is a different sort of public health problem. Again, it is an essential element. Understand, that the estimated content in mother's milk in some cases will exceed 1.35—will exceed 1.3 milligrams per liter. You can imagine what the EPA would say if we gave them the authority to regulate mother's milk. Perhaps they would require some sort of contraption to be applied in order to make certain that babies are not getting a dose in excess of 1.3 milligrams, even though no scientific study, Mr. President, has concluded that there is a problem.

The EPA will say, remarkably, ''Well, the World Health Organization has a standard of 2.0 milligrams per liter, and 1.3 milligrams per liter is close.'' Two is almost twice of 1.3. It may look close if you are calculating the size of the deficit, but it is not very close as a multiple of 1.3.

They set a level, Mr. President, an arbitrary level, that cannot be supported by science. All we are asking for is delay. I would be willing to accept some change in the law, some report language that would enable Nebraska to say, ''We will, with our public health effort, make certain that no one in Nebraska is going to get sick. But, for gosh sakes, don't make these Nebraska communities invest millions of dollars in water treatment efforts.''

Some of these communities have very, very small budgets. You are asking them to invest substantial amounts of money even though there isn't a single person in their communities getting sick—no one. There is no public health problem. And what we are being told—we tried to get this amendment accepted. We tried to get EPA to change their rule. They said to us, ''We don't care. We don't care, Senator, that science demonstrates that 1.3 milligrams is not really supportable. We don't care that nobody in Nebraska is getting sick. We are not concerned.'' ''Please, do not offer this because of the political problems of another rider on this bill.''

Mr. President, this is one of the reasons that people like myself—that have supported the Clean Water Act and the Safe Drinking Water Act and the Clean Air Act—we struggle to sustain our support for this kind of effort because time and time again we find ourselves faced with a situation where common sense and science combine to say the EPA should not be given authority to require local communities to make these kinds of investments because there is no public health case that can be made to require them to do it.

This amendment, Mr. President, is propublic health and pro-environment. I, too, seek public health protections, and I seek environmental protections as well. Senator HAGEL and I see this as an amendment that says that money spent on threats that do not exist is money that cannot be spent to prevent actual hazards to health or the environment.

I am not seeking to overturn EPA regulations, and I am not seeking to instruct EPA on scientific issues on which myself and the legislative branch are not qualified to provide instructions. I am seeking, Mr. President, to have the EPA give adequate consideration, evidence from another Federal agency that is amply qualified in this respect, an agency, Mr. President, that is charged with ensuring public health and safety, and that is the Centers for Disease Control and Prevention.

Mr. President, whatever you think on this issue, we should all agree that the people of this country who are drinking the water and who are paying the bills should at least have a say in this matter. And they should have a say through their elected officials. The argument that comes from the EPA that Congress does not have the right or the responsibility to question regulations or to weigh in on regulatory debates is an argument that government should not be held accountable to the people.

Mr. President, that is an argument that I do not support. And it is an argument I hope we would all dismiss outright. But, Mr. President, beyond this argument—and there is a truly valid argument against that scientific basis for this EPA rule which I, tonight on this floor, challenge with this amendment. I challenge any of my colleagues to come to the floor and dispute the evidence that I offer.

The rule pertains to copper levels in drinking water, and the requirement that communities treat their water supplies to remove copper when it is present at levels higher than EPA's 'action level' of 1.3 milligrams per liter (mg/l). There are currently 60 communities in Nebraska that are being required by EPA to begin treating their water to remove copper. I have here in my hand two studies conducted by the federal Centers for Disease Control and Prevention that indicate the drinking water in these communities is safe, and is not causing any illness or adverse health effects. One of the studies was conducted in my state of Nebraska. However, the EPA will not consider these studies until they are peer reviewed and published. Fair enough, I say—they are scheduled to be published before the end of the calendar year, and likely sooner than that. So my amendment simply states that EPA wait until these studies are published, and that they review these studies, and any additional peer-reviewed data pertinent to this issue, to determine whether the CDC is correct, and perhaps this copper action level is not set at the appropriate level.

There is also a savings clause in my amendment that will allow any state that so chooses to continue to implement and enforce, if they desire, the copper treatment aspect of this rule. If a community or a state is currently treating its water supplies to reduce copper, or chooses to implement treatments based on copper levels, nothing in my amendment precludes them from doing so.

Mr. President, I support fully the efforts and the importance of the mission and the work of the Environmental Protection Agency. I support fully the Safe Drinking Water Act, the Clean Water Act, the Clean Air Act, and all the other acts under whose auspices the authorities of the EPA lie. However, I support these Acts based on the assumption that all the rules and regulations that are promulgated by the agency are based on sound science. But in this case—in the case of a copper action level in drinking water supplies—we do not have sound science at work. What we are seeing here is a level that has been set that cannot be supported by science—a level that even the federal Centers for Disease Control and Prevention, EPA's sister agency, says in at least two different studies causes neither illness nor adverse health effects. The CDC has indicated that in my home state of Nebraska, and in Delaware, copper in drinking water supplies that is in excess of EPA's action level does not cause any illness or adverse health effects.

But 60 small- and medium-sized communities in Nebraska are being forced to implement expensive water treatment activities to remove the copper from their drinking water. One community alone, Hastings, Nebraska, with a population of 23,000, has estimated the costs of this treatment at $1 million to start, and $250,000 annually thereafter. That is for one community alone. In the Village of Snyder, which has a population of 280, and an annual water budget of $31,000, the estimated cost to treat two wells is $30,000 for building modifications and equipment purchases, plus an additional annual cost

of $12,000 for chemicals, training, administrative, and repair and maintenance costs. For the first year, then, this figure represents $11,000 more than the Village of Snyder's annual water budget—or a total first year cost of $42,000. Multiply these figures and these hardships by 60 communities, we are talking about an inordinate amount of money to remove an essential mineral, a naturally occurring element, from drinking water when there are no known or associated adverse health effects at the levels that it is present at.

But that's not the most unreasonable aspect of this issue, Mr. President—because there is more. Here's the rub. The ground water that these public water supplies rely on for drinking water in these 64 Nebraska communities does NOT contain copper in excess of EPA's action level. As a matter of fact, none of the natural groundwater supplies in Nebraska exceed the copper action level as established by EPA. Not one.

The problem is the method EPA requires that States use when testing for copper. EPA requires that the water be tested only after being undisturbed for at least 6 hours—that is, the water must be sitting in the pipes and plumbing of a home for at least 6 hours, or overnight, before being tested. And while the water sits in these pipes, copper leaches out of the pipes, and the ''action level'' is exceeded. Why does this happen? It so happens that the acidity of the ground water in my state of Nebraska causes the copper to corrode, or to leach out when it sits in pipes for a long period of time, such as overnight. However, if you run this water for a few minutes before testing it, or before drinking it, the copper action level set by EPA are not exceeded.

But even the CDC has questioned this testing method. In one of its studies, the CDC states:

> We encourage further investigations of the health effects of copper in drinking water. We also encourage further work to evaluate the reproducibility of the sampling method recommended by EPA to establish compliance with the drinking water standard for Cu (copper) and Pb (lead).

But even beyond that, even at the levels that are coming out of these pipes now, and that the people of these Nebraska communities are drinking now, there is no incidence of illness or other deleterious effects from this water. My amendment will simply delay some costly requirements to remove copper from water that is not causing illness.

So the issue immediately at hand, at best I or anyone else can discern, is really an issue of testing. Despite the fact that none of the groundwater in Nebraska exceeds EPA's copper action level, the manner of testing required by EPA results in some communities actually exceeding the action level. Flushing for a few minutes prior to testing, or to drinking, would result in copper levels in the water that are below EPA's action level. And it is likely that an improved testing methodology will result in none of these water systems exceeding the copper rule. But until this is reviewed, we have no way of knowing.

Beyond the testing issue is the greater issue of the validity of the rule. No, I am not a scientist qualified to decide this issue, but some of the scientists that I have talked to about the issue agree that the science is insufficient to support EPA's action level for copper. Even government scientists who have studied copper their entire careers agree that the evidence just isn't there—and I'm talking about human nutrition scientists, not just the scientists who conducted the studies at the CDC. Scientists have told me that there is little evidence of chronic health effects caused by ingestion of copper at the levels we are talking about in our communities. There is even preliminary evidence that seems to suggest that elevated copper plays a role in reducing or preventing the incidence of osteoporosis, a disease which causes significant suffering, discomfort and associated medical problems, primarily in the elderly. What this underscores is the lack of definitive knowledge about this substance.

My colleagues in the State of Nebraska have tried to work with the EPA on this, and have tried to offer reasonable alternatives and solutions that will prevent costly and needless treatments from being required. My colleagues in Nebraska asked the EPA if it would be acceptable to implement an educational program to get folks in these communities to run the water for a time, to flush out the water that may have absorbed some copper, before drinking it. EPA said no.

My colleagues asked the federal Centers for Disease Control to study the issue in the state, and determine if the copper was causing any illness or adverse health effects. The CDC did this, and found no adverse health effects. EPA's response is that they cannot consider this data because it is not yet peer-reviewed and published. That is what bring me here now.

What frustrates me most about this is that I am a staunch proponent of the role of the federal government in protecting the safety and health of the people. This role is perhaps one of the greatest issues separating our country from many other industrialized and non-industrialized countries—we protect our nation from potential hazards in our food and drink, and from many other hazards that may befall us. But I am also a proponent of a government that is of, by, and for the people—of a government that serves to protect when protection is needed, but that does not intervene needlessly when intervention is not needed. Yet here we have evidence that a regulation promulgated by a federal agency will cost Nebraska communities millions of dollars, and will have no apparent impact on the health or safety of the people. So I am here to ask for a delay before costly treatment is required in these communities, a delay to allow these studies to be published, which they imminently will be, and a review of the data, to include these studies.

To help my colleagues understand how deeply flawed this action level may be, and thus, how inappropriate is the insistence of the EPA that these small Nebraska communities spend millions of dollars to correct a ghost problem, let me share with you some additional information on how copper in drinking water is treated elsewhere.

On an international scale, the World Health Organization, or WHO, which is recognized worldwide as the preeminent public health and welfare agency in both developed and underdeveloped nations, has declared that:

> In view of uncertainties regarding copper toxicity in humans, a provisional guideline value for copper of 2 mg/litre was established in the 1993 WHO guidelines for drinking water quality.

The WHO further states that:

> A copper action level of 2 mg/litre in drinking water will be protective of adverse effects of copper and provides an adequate margin of safety. It is also noteworthy that copper is an essential element.

This provisional, international action level for copper of 2 mg/l is set at a level that approaches twice EPA's action level of 1.3 mg/l. Yet EPA cites this level as evidence that their level is ''not far off'' from the WHO level, and thus is supportive of their 1.3 mg/l level.

Mr. President, there are two last, astounding pieces of information. The National Research Council of the National Academy of Sciences has established a recommended daily allowance for copper of 3 mg, with an adult toxic dose of 100 mg. These recommendations are for adults. But more astounding is the following information, published in peer reviewed literature: ''Copper levels of human milk range from 0.15 to 1.34 mg./litre.'' Human breast milk, Mr. President, contains up to 1.34 mg/litre of copper, which is in exceedance of the EPA copper action level.

There is much more evidence to support my contention, Mr. President, that there is cause to review the data and perhaps revise EPA's action level for copper, and I am more than willing to share it with my colleagues. At the moment, however, there is great urgency in offering this amendment and approving it to prevent needless costly treatments from being implemented in many small American communities that will be more harmed from the economic impacts of this rule than from the potential adverse health effects from copper.

The EPA says, ''We don't care''—the EPA says, ''We don't care. This is a political issue.''

I say wait a minute, what is the purpose here? ''We don't care.'' Reject it out of hand, ignore the scientific evidence, and say we are concerned that this is one of these riders. They are not

willing to come and debate each rider on its merit. They say ''rider''; we rule out of hand.

I would love to have Administrator Browning come to Hastings, NB, and explain that to my citizens in Nebraska. She would not be able to do it. That is what I have to do. I have to go home and explain these rules. When I go home and explain these rule to these 60 communities where nobody is getting sick, why they have to spend millions of dollars to invest in their water systems, they say this doesn't make any sense at all.

So I invite any Senator who opposes—I would love, if they take the EPA position—come out to Hastings, NB. Come out to my State and talk to the community and explain to them why, if nobody is getting sick, I have two CDC studies saying there is no health problem and yet the rule still is going to be enforced.

As I said earlier, I am not looking to overturn the EPA regulation. Indeed, in this amendment there is a savings clause that allows any State that so chooses to continue to implement and enforce the copper treatment aspect of the rule. If the communities—or State, is currently treating its water supplies to reduce copper, or chooses to implement treatments based on copper levels, nothing in my amendment precludes them from doing so.

I see both the Senator from Montana and the Senator from Alabama. It looks like they have an amendment. I would like to talk longer, and I apologize to the Senator from Missouri and the Senator from Maryland. I know both they and I would like to go to sleep. I would prefer a healthier debate. Unfortunately, what will happen is, we will talk tomorrow, we will have 2 minutes equally divided, the opponents will offer some reason to oppose this amendment, and everybody is likely to walk down and oppose it.

What will happen is, I will have millions of dollars' worth of investments that will have to occur and there will be a deterioration of support for any regulation of this kind.

I am willing to stop and allow the Senators from Montana and Alabama to offer their amendment. I don't know how long they will take.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I will tell you briefly why this amendment is going to have to be opposed and why I think it will be defeated and move to table it, because we do have other amendments to go on to tonight.

Obviously, the Senator can seek the floor later on if he has not finished.

If he has finished with his argument, I am happy to respond briefly.

The chairman and/or ranking member of the Environment and Public Works Committee will be here tomorrow to express their opposition, and I will print in the RECORD tonight the letter from the Environmental Protection Agency which says the EPA is strongly opposed to this amendment.

Unfortunately, Mr. President, the Senator has some compelling arguments. I sympathize with his frustration, but the EPA said, ''We believe it is unnecessary, inconsistent with the policy requirements of the 1996 amendments to the Safe Drinking Water Act and harmful to the protection of the public health.'' He goes on to cite articles. He does state that, ''The State of Nebraska has yet to avail itself of several opportunities for substantial flexibility and assistance described herein,'' and the EPA Assistant Administrator, Robert Perciasepe, has offered to go to Nebraska and show up in Hastings. I think my colleague from Maryland and I will urge him in the strongest possible terms to coordinate his schedule with yours and go to Hastings and other towns to answer.

But the fact of the matter is that there is a strong objection by the EPA to this. That objection is supported by the members of the authorizing committee. In our appropriations measures, we have not, we do not, and we will not take authorizing measures or legislative matters which are strongly opposed by the authorizing committee. We believe as a courtesy to the committees of jurisdiction that we should not do it. We have not done it and we don't intend to do it.

Mr. KERREY. Mr. President, I guess—as I said, I am willing—I don't know how long the Senator from Montana and Alabama want to talk. I intend to talk further. I appreciate what will happen tomorrow is, there will be 2 minutes equally divided and Senator CHAFEE and Senator BAUCUS will come down here and they will say, ''We don't necessarily disagree with you but we have a letter from the EPA and they are saying for rules''—blah, blah, blah—''we don't care that there is no public health problem. We don't care that nobody is getting sick, and we are willing to be flexible.''

Well, I appreciate you are willing to be flexible, but the problem is, we don't have a public health problem. What are you talking about, you want to be flexible? Thank you, Mr. Perciasepe. I appreciate you being willing to visit these communities, but I have 60 communities you are asking to spend millions of dollars. You have a rule that you are going to enforce it even though there is no public health problem.

I know we have a dilemma here. It is 10:30 at night and the unanimous consent procedure requires me to talk for however long I am prepared to talk, and then we will have 2 minutes tomorrow. I will have 1 minute, Senators CHAFEE and BAUCUS will come down here and they will say whatever, and this thing will get knocked out.

Mr. President, I appeal to my colleagues, this is not something that is a small item. Nobody is going to walk down here. I suspect the Senator from Missouri will not stand up and say that there is a compelling public health reason why Nebraska citizens and their communities should have to make these investments. EPA doesn't. They don't make a case that it is a public health problem. They don't come to Nebraska and say, gee, there is somebody getting sick that we haven't noticed.

Copper is different from lead. We are not talking about something that has the dangerous properties of lead. This is an essential element. This is an element that is contained in mother's milk, for gosh sakes. And in some cases the mother's milk is at a level higher than what the EPA will allow in drinking water.

Nebraska is being forced to sue the Environmental Protection Agency because the Environmental Protection Agency is unwilling to be flexible. I seek a remedy to this, Senators. You are saying you don't accept the amendment, fine. I am prepared to talk, then, further, because I want to make certain that Nebraskans understand what is at stake here—that even though nobody is getting sick, even though there is no public health problem, even though there is no safety issue at all in our State, it doesn't matter; the Federal Government is still going to require and this Senate is going to say, ''Well, it is a rider, we will accept the EPA's recommendation, regardless. We will vote to table or we will vote no on the amendment, we don't care. It doesn't matter.''

It seems to me that what we have here is a reasonable request by a State that has an unusual situation that deserves to be remedied. It is not enough for the EPA to say,''We are willing to be flexible.'' It doesn't work. Their flexibility still, at the end of the day, will say, ''You will have to get your copper levels down to 1.3 milligrams per liter in the first burst of water that comes out of the faucet,'' even though nobody in Nebraska is getting sick, even though no faucet is at 1.3 milligrams per liter. Only the first burst has the problem.

I go back to my statement here and continue.

Mr. BOND. Mr. President, I might ask the Senator from Nebraska. He obviously has made some very compelling points. It is noted there are Senators who are waiting to offer amendments. If he would be willing to do so, I would like to finish up the work of the Senators who are waiting, and I will move to table the amendment, and then I will offer to go back in morning business and afford the Senator from Nebraska as much time as he wishes, because we have heard the compelling arguments—the situation is very clearly that with the authorizing committees opposing this, the agency opposing it, it is our policy not to accept these amendments on an appropriations bill. His arguments are made with a great deal of passion and common sense, but they are not going to be accepted, and he will have an opportunity to appeal to our colleagues in a colloquy or in discussions later this evening, or in the

1 minute tomorrow. Would that be acceptable to the Senator from Nebraska?

Mr. KERREY. Mr. President, I appreciate what you are trying to do, but I am not sure I understand what it is you are trying to do.

First of all, I ask the Senator from Montana, how long does he and the Senator from Alabama want to take?

Mr. BURNS. Mr. President, responding to the Senator's question, it will take me less than 5 minutes. I can assure the Senator from Nebraska that I will support his amendment.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Will the Senator yield so that I may have a letter printed in the RECORD?

Mr. KERREY. Mr. President, I will yield only for that purpose, without losing my right to the floor.

Mr. BOND. Mr. President, I ask unanimous consent that this letter from the U.S. Environmental Protection Agency be printed in the RECORD.

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

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, July 9, 1998.

Hon. JOHN CHAFEE,
Chairman, Senate Committee on Environment and Public Works, Washington, DC.

Hon. MAX BAUCUS,
Ranking Member, Senate Committee on Environment and Public Works, Washington, DC.

DEAR SENATOR CHAFEE AND SENATOR BAUCUS: As you requested, this letter presents the views of the Environmental Protection Agency (EPA) regarding the draft amendment proposed by Senators Hagel and Kerrey to the Fiscal Year 1999 Appropriation Bill for VA–HUD and Independent Agencies, which amendment would prevent for an indefinite period of time the implementation of the portions of the Lead and Copper Rule providing protection from hazardous levels of copper in public drinking water supplies. EPA strongly opposes this amendment. We believe it is unnecessary, inconsistent with the policy directions and requirements of the 1996 Amendments to the Safe Drinking Water Act (SDWA), and harmful to the protection of public health.

The proposed amendment is based on the questions raised by the State of Nebraska on the validity of the science underlying the Copper Rule. These questions are said to be based on interim reports on recent surveillance studies performed in Nebraska by the Federal Centers for Disease Control (CDC), and in Delaware by Delaware's Division of Public Health. Neither of these studies has been peer reviewed or published. The interim findings on the level of adverse health effects reported for the CDC Nebraska study actually are consistent with the scientific data EPA relied upon to develop the action level for copper. That action level incorporates a margin of safety below the lowest level of adverse health effects, as required by SDWA. The interim findings of the Delaware study are based on a very small sample with low statistical ''power'' to identify health effects.

In the 1996 Amendments to SDWA, your Committee developed, and Congress and the President enacted, a requirement that standard setting under the SDWA must be ''based on the best available, peer reviewed science.'' This requirement is equally applicable to EPA's review and revision of existing standards such as the Copper Rule, which was finalized in 1991, as it is to the setting of new standards. EPA does not believe that the interim reports on these studies meet the test of scientific rigor required by the 1996 Amendments for the revision of any existing drinking water standard, or make a compelling scientific case to change the action level for copper. EPA is participating in planning further studies on health effects of copper, and is prepared to reevaluate the scientific basis of the present copper action level if appropriate.

In this regard, an article entitled ''Defining a Safe Level for Copper in Drinking Water'' was published in the July 1998 issue of Journal AWWA by Frederick Pontius, a staff member of the American Water Works Association. This article presents a review of available scientific research on the health effects of copper exposure, noted that ''USEPA's MCLG and action level for copper have been criticized as being either too low, or not low enough, depending on the health study cited,'' and concluded that a ''change in the copper action level would be difficult to justify based on feasibility of corrosion control treatment unless a better measure is developed for determining when optimal corrosion control for copper is being applied.''

The State of Nebraska has also expressed serious concerns about excessive costs and implementation burdens on affected communities from enforcement of the Copper Rule. However, the copper standard is framed as an action level. When public water systems exceed the level in 10 percent or more of the required samples, the State primacy agency is supposed to work with the systems to help them develop and implement a treatment optimization plan. Such a plan is not a ''one size fits all'' approach that seems to have generated exaggerated estimates of compliance costs cited for some Nebraska towns. Rather, treatment optimization is to address in the most cost effective way possible the specific conditions in the system that caused them to exceed the action level, and meet effectiveness criteria set by the State.

The 1996 SDWA Amendments give States additional flexibility to use the exemption process to phase in whatever tailored approach to treatment the State and water system agree to implement. Also, the Amendments provided for a new source of Federal funding, the Drinking Water States Revolving Loan Fund, to offer subsidized financing to water systems facing significant costs associated with implementing treatment. The State of Nebraska has yet to avail itself of any of the several opportunities for substantial flexibility and assistance described here.

I appreciate your request to present our understanding of this issue and the several workable, potential solutions available. EPA wants to continue working with the State of Nebraska to resolve this matter, and stands ready to provide hands-on technical assistance to demonstrate how the State can identify practical, common sense ways to help towns provide the important public health protections that compliance with the Copper Rule will bring.

Sincerely,

ROBERT PERCIASEPE,
Assistant Administrator.

Mr. KERREY. Mr. President, do I have the floor?

The PRESIDING OFFICER. Yes, the Senator from Nebraska has the floor.

Mr. KERREY. Mr. President, in that case, I would like to continue with my statement. Again, I don't mean to tie up the Senator from Missouri and the Senator from Maryland here unreasonably, I appreciate that I am, but this is a very serious issue in my State. We have a UC here that gives me very limited options. The unanimous consent puts me in a position where I have 1 minute tomorrow, and the authorizers are going to come down here and they are going to merely say, ''we object.'' They are not going to offer any science, or refute the scientific evaluation, or argue what the CDC has said. They are not going to present a case that 1.3 milligrams is reasonable. They are not going to refute statements about nobody getting sick in Nebraska, or they are not going to say what EPA is doing is reasonable.

We are left with a situation where the State of Nebraska is going to have to sue the EPA. That is what we are left with. Again, I am willing to step aside here and allow the Senator from Alabama and the Senator from Montana to do their work. I guess what you are seeking is an opportunity to go into morning business so you could all leave and I can stay here and talk. Is that basically what you are saying?

Mr. BOND. The Senator is correct. You have made a very compelling case. We have expressed our views. I was suggesting that other Senators also have amendments to offer. Quite frankly, the people who wish to hear this can read this in the RECORD. They will be able to do so. But there are other people waiting.

Mr. KERREY. I am perfectly willing to make an effort to accommodate. Unfortunately, I am in a situation where I don't feel like I am going to get much accommodation from the Senators in communities that are going to spend millions of dollars to invest in something that is going to produce no improvement in public health.

Ms. MIKULSKI. If the Senator from Nebraska will yield, the suggestion by the Senator from Missouri is not to deny the Senator from Nebraska from presenting his arguments. What it does do is give us a framework for moving on these other two amendments and it relieves us of our responsibility to conduct our business. It doesn't preclude the Senator from Nebraska from talking.

If the Senator will yield further, why would talking while we two are here accomplish what you want to accomplish, beyond what we have already discussed? I don't understand why you are objecting to morning business when we are not in any way asking you to give up your right to continue to speak.

Mr. KERREY. Well, my hope is that by listening to these wonderful arguments, there is going to be persuasion. You are saying that you want to move to table my amendment and leave and go into morning business, and then I will have 2 minutes tomorrow to persuade a majority of my colleagues, which is not going to happen. There is going to be no persuasion. Senator CHAFEE and Senator BAUCUS will come

down with 30 seconds each and they are going to say no, and they are not going to offer any arguments at all. They are not going to read anything into the RECORD or consider any arguments given. I appreciate that things get scheduled and bumped up against a late hour.

Ms. MIKULSKI. But why is it that speaking on the bill is different than speaking in morning business, if you want to continue to persuade?

Mr. KERREY. Are you basically saying you want to move to table my amendment and then walk out? Is that it? You will leave and we will say we are in morning business; is that the offer?

Ms. MIKULSKI. Is it the Senator's belief that the longer we stay, there will be a change in our position?

Mr. KERREY. Well——

Ms. MIKULSKI. Is that his hope?

Mr. KERREY. That is my hope.

Ms. MIKULSKI. Hope springs eternal, as does this evening.

Mr. KERREY. Mr. President, I am sort of teetering on the edge of how reasonable I want to be. I am appealing to colleagues. I have 70 communities in Nebraska that are facing substantial costs. There is no argument against this, other than that EPA opposes it. I don't hear any scientific argument against it or any public health argument against it. Earlier today, by a voice vote, the Senator from Arkansas and the Senator from Mississippi accepted a $500 million amendment to indemnify farmers in disaster aid—just like that—and it was accepted on a voice vote.

Here we are being told, no, we can't accept this amendment. EPA isn't saying we disagree with the science, or we disagree that it is an unreasonable rule in the case of Nebraska, or we disagree with any argument you offer; we are just going to enforce it. I say to the Senator from Missouri—and as you know, I am preaching to the choir here. The Senator from Missouri has faced this sort of thing in the past in Missouri as a Governor and as a Senator.

I am seeking some sort of remedy other than merely voting this amendment down. Had this occurred earlier in the day, my colleague, Senator HAGEL, would be on the floor with me, arguing with much passion in favor of this amendment, that it is reasonable, and that science supports what we are trying to do.

Again, I say to the Senator from Missouri and the Senator from Maryland, I know it is 10:45, and I would rather not be here either, but that is the hand I have been dealt. If it were earlier in the day, there would be more debate on this. I would love to have Senator CHAFEE and Senator BAUCUS come and tell me why this rule should be enforced, tell me why what I am offering, with a savings clause that enables any State that wants to, to continue to enforce 1.3 milligrams per liter—allow them to continue to do that—is not a reasonable thing. Or some other alternative, or some language that would enable Nebraska to engage in a public health effort. Let us spend the money per year to engage in a public health effort to make certain that these communities are keeping their drinking water levels safe.

I am just appealing to my colleagues to look for an alternative. You all have the votes and you have the way to knock this thing out. But there must be some way to give me some assistance with the EPA other than to say they are going to give me flexibility. You know what their idea of flexibility is at the end of the day.

Ms. MIKULSKI. If the Senator will yield, what would he suggest?

Mr. KERREY. I would accept report language that would say the State of Nebraska would be allowed to make a public health investment in those communities where there is in excess of 1.3 milligrams that first minute. I would allow Nebraska to be permitted to experiment with the different testing methodology—anything that would give me something that would say to the communities in Nebraska that the Federal Government is prepared to be reasonable, other than just surrendering me to the good wishes of the EPA, saying they are willing to come out and be flexible. We all know what that means. I would be willing, I say to my colleagues, to accept report language and not put this amendment up for a vote—accept report language that made an attempt to rectify this situation. You know what we are dealing with. I see heads shaking there. Are you saying no?

Ms. MIKULSKI. It would have been useful if perhaps the Senator had suggested this earlier and we could have consulted with the authorizers. Our hands are shackled, really, because of the authorizers strongly opposing the amendment.

Mr. KERREY. I appreciate that. I didn't know at 8 o'clock this morning that we were going to be taking this thing up.

Ms. MIKULSKI. Could the Senator talk to the Senator from Montana, Mr. BAUCUS, and the Senator from Rhode Island, Mr. CHAFEE, to see if they would accept some report language, and come back and discuss the report language?

Mr. KERREY. I would agree to in some sort of consent agreement. I don't want to surrender the floor and then end up with my amendment tabled with no capacity to appeal for some sort of flexibility in law or report language that would enable me to satisfy the concerns that I have. I think what you are asking for is reasonable. I would be willing to talk to Senator CHAFEE, Senator BAUCUS, and Administrative Browner, and see if they would accept some kind of report language that would do precisely what you are saying.

I would say to the Senator from Missouri that I would be willing to go right this minute to the cloakroom and make those calls. But I would like to resolve it without having my amendment tabled, because I know I am going to have to bring a report back to you and say what they said and see if you would agree with it.

Mr. BOND. If the Senator from Nebraska would yield, we are willing to try to be as helpful as we possibly can. I have outlined for him the position in which we find ourselves. We are not going to be able to accept the amendment that is proposed. We have gone through that. The EPA has filed a letter that is now on the record objecting to it. That is not going to change.

The Senator can speak as long as he wishes. But he is not going to change that position from my standpoint.

If the Senator is willing to work with us—we can't do report language here. We can do report language in the committee and attempt to work with him on getting report language and seeing what we can encourage the authorizing committee to do. I have said we would be willing to ask the EPA Administrator to go out there. We don't direct and we cannot control the EPA. I think that is clear. You know what the political situation is.

Frankly, continuing to talk on the floor tonight when others are waiting to offer amendments is not going to encourage us to work with the Senator from Nebraska on the very compelling problem he has. But we would be willing to help him. But talking about it on the floor at greater length is not going to further the process of cooperation and assist us in working out report language or some alternative means by which we can encourage the EPA to come to an agreement with the State of Nebraska.

Mr. KERREY. Mr. President, I appreciate that. The Senator from Missouri knows that a couple of years ago we did the very same thing with the radon rule the EPA had and the Senator from Missouri cooperated. We knew what the impact was going to be, and we delayed or withheld the money from EPA to enforce a radon rule that we all knew was unreasonable. We did that because they could not make a scientific case that the rule that they had was going to increase public health. We withheld their money. As I recall, the Senator from Missouri supported that.

I appreciate what you are saying. I understand I am pushing here to a point where you are saying that if I continue doing this I am going to get less than I would likely get by trying to work cooperatively. I regret that at 11 o'clock at night that I am in that position. I am prepared to call Senator CHAFEE and Senator BAUCUS to ask them. I am prepared to talk to them to see if there is some flexibility to achieve it either in report language or in some fashion.

But I appeal to my colleagues. The flexibility offered by the EPA, as you know, is not sufficient. They have the law on their side. They are going to enforce 1.3 milligrams per liter. They are

not going to give us any testing flexibility. They are going to force 1.3 milligrams per liter even though nobody is getting sick. I have communities investing enormous amounts of money. Again, you are hearing this for the seventh or eighth time, this argument.

Again, I would be willing to allow this thing to come to a painful close. The Senators are saying if I talk to Senator CHAFEE and Senator BAUCUS that they are willing to consider some sort of report language and this thing will move in committee if I can get some report language.

Mr. BOND. In the conference.

Mr. KERREY. But not on this bill.

Mr. BOND. Mr. President, we don't have further report language we can offer.

Mr. KERREY. In conference, you would be willing.

Mr. BOND. I thought we tried to emphasize, we are willing to do anything we can the next opportunity we have. We have already stated on the floor that we would urge the assistant administrator to come out. He has talked in his letter about flexibility being available for the State of Nebraska. The EPA contends that there are a number of remedies available.

I would certainly urge my colleagues on the Environment and Public Works Committee to work with you and the State of Nebraska to see if there are accommodations that can be made. We can work with you. And based on what we learned from the authorizing committee—the majority and minority—we might put language in the report directing or asking that steps be taken. But, frankly, that is not going to be bill language. But we are willing to work with you and with the ranking member and the chairman of the authorizing committee.

Mr. KERREY. First of all, let me say that I appreciate the good-faith effort to try to accommodate this. I know that both the Senator from Missouri and the Senator from Maryland are in a bind. You were facing the situation in your State before. And I know it has been frustrating. I have spoken with both of you about these kinds of regulations and how they can decrease our citizen support for environmental regulations.

I have all week long been approached by environmental organizations begging me not to offer this amendment, and not a single one of them, by the way, being able to offer a single shred of evidence as to why this rule ought to be enforced—not a one of them—just saying, ''for political reasons, we would rather the Senator not offer it.''

Ms. MIKULSKI. Will the Senator yield for a question without in any way yielding the floor? The talented staff has come up with an idea that might help. We would like to discuss it with you by going into a quorum without you losing your right to the floor. This is no trick.

Mr. KERREY. I would be willing to do a UC and let the Senators from Montana and Alabama go to theirs.

Ms. MIKULSKI. I would like you to hear this proposal and see if it would be acceptable to get out of the logjam that we are in right this minute.

Mr. KERREY. I don't object to that. I just want to make it clear that I have a sufficient amount of trust in both the Senator from Maryland and the Senator from Missouri that I would be willing to allow the Senators from Alabama and Montana to offer their amendments. I am not even that concerned about that. The problem is—I know I need to talk to both of you to try to get something and, when I talk to Senator CHAFEE and Senator BAUCUS, that I have instructions as to what it is I am trying to do.

Do we need to go into a quorum call? I would be prepared to let them go ahead, just as long as I get back to this thing when they are finished.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the pending Kerrey amendment be laid aside for not more than 5 minutes, and that the Senator from Montana offer his indemnification amendment, and that at the conclusion of that amendment we return to the amendment of Senator KERREY.

The PRESIDING OFFICER. Is there objection to that unanimous consent request?

Without objection, it is so ordered.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

AMENDMENT NO. 3205

(Purpose: To provide for insurance and indemnification with respect to the development of certain experimental aerospace vehicles)

Mr. BURNS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana (Mr. BURNS) proposes an amendment numbered 3205.

Mr. BURNS. 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:

On page 93, between lines 18 and 19 insert the following:

SEC. 4___. INSURANCE; INDEMNIFICATION; LIABILITY.

(a) IN GENERAL.—The Administrator may provide liability insurance for, or indemnification to, the developer of an experimental aerospace vehicle developed or used in execution of an agreement between the Administration and the developer.

(b) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Except as otherwise provided in this section, the insurance and indemnification provided by the Administration under subsection (a) to a developer shall be provided on the same terms and conditions as insurance and indemnification is provided by the Administration under section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) to the user of a space vehicle.

(2) INSURANCE.—

(A) IN GENERAL.—A developer shall obtain liability insurance or demonstrate financial responsibility in amounts to compensate for the maximum probable loss from claims by—

(i) a third party for death, bodily injury, or property damage, or loss resulting from an activity carried out in connection with the development or use of an experimental aerospace vehicle; and

(ii) the United States Government for damage or loss to Government property resulting from such an activity.

(B) MAXIMUM REQUIRED.—The Administrator shall determine the amount of insurance required, but, except as provided in subparagraph (C), that amount shall not be greater than the amount required under section 70112(a)(3) of title 49, United States Code, for a launch. The Administrator shall publish notice of the Administrator's determination and the applicable amount or amounts in the Federal Register within 10 days after making the determination.

(C) INCREASE IN DOLLAR AMOUNTS.—The Administrator may increase the dollar amounts set forth in section 70112(a)(3)(A) of title 49, United States Code, for the purpose of applying that section under this section to a developer after consultation with the Comptroller General and such experts and consultants as may be appropriate, and after publishing notice of the increase in the Federal Register not less than 180 days before the increase goes into effect. The Administrator shall make available for public inspection, not later than the date of publication of such notice, a complete record of any correspondence received by the Administration, and a transcript of any meetings in which the Administration participated, regarding the proposed increase.

(D) SAFETY REVIEW REQUIRED BEFORE ADMINISTRATOR PROVIDES INSURANCE.—The Administrator may not provide liability insurance or indemnification under subsection (a) unless the developer establishes to the satisfaction of the Administrator that appropriate safety procedures and practices are being followed in the development of the experimental aerospace vehicle.

(3) NO INDEMNIFICATION WITHOUT CROSS-WAIVER.—Notwithstanding subsection (a), the Administrator may not indemnify a developer of an experimental aerospace vehicle under this section unless there is an agreement between the Administration and the developer described in subsection (c).

(4) APPLICATION OF CERTAIN PROCEDURES.—If the Administrator requests additional appropriations to make payments under this section, like the payments that may be made under section 308(b) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b(b)), then the request for those appropriations shall be made in accordance with the procedures established by subsections (d) and (e) of section 70113 of title 49, United States Code.

(c) CROSS-WAIVERS.—

(1) ADMINISTRATOR AUTHORIZED TO WAIVE.—The Administrator, on behalf of the United States, and its departments, agencies, and instrumentalities, may reciprocally waive claims with a developer and with the related entities of that developer under which each party to the waiver agrees to be responsible, and agrees to ensure that its own related entities are responsible, for damage or loss to its property for which it is responsible, or for losses resulting from any injury or death sustained by its own employees or agents, as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(2) LIMITATIONS.—

(A) CLAIMS.—A reciprocal waiver under paragraph (1) may not preclude a claim by any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the

developer's subcontractors) or that natural person's estate, survivors, or subrogees for injury or death, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(B) LIABILITY FOR NEGLIGENCE.—A reciprocal waiver under paragraph (1) may not absolve any party of liability to any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the developer's subcontractors) or such a natural person's estate, survivors, or subrogees for negligence, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(C) INDEMNIFICATION FOR DAMAGES.—A reciprocal waiver under paragraph (1) may not be used as the basis of a claim by the Administration or the developer for indemnification against the other for damages paid to a natural person, or that natural person's estate, survivors, or subrogees, for injury or death sustained by that natural person as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(d) DEFINITIONS.—In this section:

(1) ADMINISTRATION.—The term ''Administration'' means the National Aeronautics and Space Administration.

(2) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the National Aeronautics and Space Administration.

(3) COMMON TERMS.—Any term used in this section that is defined in the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.) has the same meaning in this section as when it is used in that Act.

(4) DEVELOPER.—The term ''developer'' means a person (other than a natural person) who—

(A) is a party to an agreement that was in effect before the date of enactment of this Act with the Administration for the purpose of developing new technology for an experimental aerospace vehicle;

(B) owns or provides property to be flown or situated on that vehicle; or

(C) employs a natural person to be flown on that vehicle.

(5) EXPERIMENTAL AEROSPACE VEHICLE.—The term ''experimental aerospace vehicle'' means an object intended to be flown in, or launched into, suborbital flight for the purpose of demonstrating technologies necessary for a reusable launch vehicle, developed under an agreement between the Administration and a developer that was in effect before the date of enactment of this Act.

(e) RELATIONSHIP TO OTHER LAWS.—

(1) SECTION 308 OF NATIONAL AERONAUTICS AND SPACE ACT OF 1958.—This section does not apply to any object, transaction, or operation to which section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) applies.

(2) CHAPTER 701 OF TITLE 49, UNITED STATES CODE.—The Administrator may not provide indemnification to a developer under this section for launches subject to license under section 70117(g)(1) of title 49, United States Code.

(f) TERMINATION.—

(1) IN GENERAL.—The provisions of this section shall terminate on December 31, 2002, except that the Administrator may extend the termination date to a date not later than September 30, 2005, if the Administrator determines that such an extension is necessary to cover the operation of an experimental aerospace vehicle.

(2) EFFECT OF TERMINATION ON AGREEMENTS.—The termination of this section does not terminate or otherwise affect a cross-waiver agreement, insurance agreement, indemnification agreement, or any other agreement entered into under this section except as may be provided in that agreement.

Mr. BURNS. Mr. President, this is a pretty straightforward amendment.

This is an indemnification amendment that would be part of the reauthorization of the National Aeronautics and Space Administration. We have in process now the building of the X–33 and the X–34, which are unmanned space capsules, and it is probably key to our next step into space. Those tests are due to start next year, and no test has ever been conducted by this country that this clause was not included to cover the testing of those experimental aircraft. I have been told by the leadership that this will require a vote in the morning, and so I would just let the amendment remain at the desk and also call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BURNS. That is all the time I need. I yield the floor.

The PRESIDING OFFICER. The amendment will be laid aside and now the Kerrey amendment 3204 recurs.

Mr. BOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

Mr. BOND. I object.

The PRESIDING OFFICER. Objection is heard.

The bill clerk continued with the call of the roll.

Mr. KERREY. 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. 3204, WITHDRAWN

Mr. KERREY. Mr. President, I have spoken to the managers of this bill, the distinguished Senator from Missouri and the distinguished Senator from Maryland. I appreciate, very much, their cooperation. I understand why they have to oppose this amendment. I know that they have experienced very frustrating situations themselves with regulations that are being imposed with no benefit attached.

What I would propose to do, and I would like to ask the Senator from Missouri and the Senator from Maryland just to engage me in a little bit of colloquy on this, I would be prepared to withdraw this amendment and to work with the Senator from Missouri and the Senator from Maryland as well as the Senator from Rhode Island and the Senator from Montana, the ranking members of the Environment and Public Works Committee, and with Administrator Browner of the EPA, to see if some kind of report language could be included in the conference that would allow us to apply some common sense to the implementation of this rule without sacrificing the public health objective, which is all that I want to accomplish.

Ms. MIKULSKI. First of all, I appreciate the willingness of the Senator from Nebraska to actually withdraw the amendment. The Senator from Missouri has my absolute assurance to work for report language or another acceptable approach that would deal with the compelling issue that he raised about the State of Nebraska. This would mean working with the appropriate authorizers. It also means working with the Administrator. We are willing to work with the Senator.

We understand that Nebraska comes under a rule where there are consequences with excessive copper—with nausea, diarrhea, and other things. They might not affect anybody in Nebraska, but there are consequences. We are not going to debate science tonight.

What we want to let the Senator know is, first of all, we appreciate the Senator's withdrawing the amendment. The Senator has our assurance we will work with him to advance this so that Nebraska's small communities do not have to make these expensive expenditures to comply with a rule that might in that State have either no or limited utility. We all have examples in our States. And the consequences, particularly to small, rural areas, are quite severe.

I have had to confront some of these issues in Maryland myself. I won't give the examples because of the time. But I know what it is like for a county not to have a lot of money, to maybe have to go into bonds to be able to do that and then, having to spend their bond money, they can't build another school, another library, buy another computer for a child. So we understand that and look forward to working with the Senator. The Senator has my assurance we will work with him in conference.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I, too, thank the Senator from Nebraska for his willingness to withdraw the amendment. This is not a productive road we are going down. But we are willing to work with both Senators from Nebraska because the points they make raise some very serious issues that need to be addressed by the EPA and by the authorizing committee with staff. I hope that we can bring them together and perhaps we can come out of the conference with report language that will outline a solution, or at least we can work with the authorizing committees and the other scientific entities to find out if the science on which the EPA is relying is adequate.

Also, as I believe I mentioned, the EPA has said there are flexibility options under the existing programming in which Nebraska could take advantage. I cannot tell the Senator what

those are, but we can find out and present those to the Senators so that a determination can be made if the problem can be solved by flexibility that EPA will utilize. At this juncture, at this time of night, we can't say what it will be, but we certainly assure the Senator that we will work to find, to explore every avenue to bring the relief the Senator seeks.

Mr. KERREY. I sincerely thank the Senator from Missouri and I thank the Senator from Maryland. I know the hour is late. I regret that I am in the Chamber dragging you beyond what is a reasonable hour.

I appreciate very much your willingness to try to work with both Senator HAGEL and I, and I will assure you that I will talk to the chairman and ranking member, Senator CHAFEE and Senator BAUCUS, to try to come up with some report language that will satisfy EPA.

One of the reasons we are here today is the flexibility offering that the EPA made to the Department of Environmental Control in the State of Nebraska was so insufficient the State attorney general has filed a lawsuit against EPA as a consequence. So we have reached this extreme situation, and I am very grateful for the willingness of both Senators to cooperate.

Mr. President, I ask unanimous consent that the amendment I sent to the desk earlier be withdrawn.

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

The amendment (No. 3204) was withdrawn.

AMENDMENT NO. 3206

(Purpose: An amendment increasing funding for activities of the National Aeronautics and Space Administration concerning science and technology, aeronautics, space transportation, and technology by reducing funding for the AmeriCorps program)

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

I also ask that Mr. Jim Frees, a member of my staff, be given the privilege of the floor throughout the debate.

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

The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Alabama [Mr. SESSIONS] proposes an amendment numbered 3206.

Mr. SESSIONS. 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 printed in today's RECORD under ''Amendments Submitted.''

Mr. SESSIONS. Mr. President, I wish to express my sincere appreciation to my good friend, Senator BOND, from Missouri, who is managing this bill in a magnificent fashion, and the ranking member, the distinguished Senator from Maryland, Senator MIKULSKI. She is a true friend of space and NASA. Under the leadership of these two distinguished Senators, the subcommittee has done an excellent job in crafting this important piece of legislation. But, this bill provides funding for a variety of important Federal agencies, and a number of areas in this bill are of special interest to me and my constituents. However, today I would like to confine my remarks to the issues involving NASA and its funding and budget.

First, I congratulate this Senate for its strong support of the International Space Station. On July 7, a few days ago, this body voted by a 2 to 1 margin to continue this Nation's commitment to research in space. The first assembly flights of the space station are only a few months away. When it becomes operable, the space station will provide a unique microgravity laboratory that will far exceed any capability that has been previously available on the space shuttle or the Mir Space Station. Advances in medical and pharmaceutical science that result from space station research alone, may ultimately justify our national investment in the space station. Shuttle-based research is just beginning to demonstrate the enormous potential of using the microgravity environment for research into pharmaceutical products, and other aspects. Important developments in physics, materials science, life science and other fields through the space station research are not only possible, but probable in the future.

Furthermore, perhaps more important, the space station represents a bridge to further human exploration in space. The willingness and foresight of this Congress to take a long-term view to keep the United States involved in manned exploration of the universe is important.

Since its establishment in 1958, NASA has been a tremendous force for scientific and technological progress in this Nation. In addition, NASA has been a source of inspiration for literally millions of people, myself included, who were captivated by the dream of exploring the frontiers of space. Despite its great record and strong public support, however, NASA is laboring under the weight of several successive years of significant budget cuts.

For fiscal year 1999, the President proposed giving NASA less than $13.5 billion, which is far less than 1 percent of the national budget. This would mark the fifth year in a row that NASA's budget has been cut, in terms of real dollars. If we consider the further reduction in buying power caused by inflation during this 5-year period, the significance of these cuts become apparent. To make matters worse, the administration's budget estimate for fiscal year 2000 contemplates almost $200 million in additional budget cuts to NASA. The cuts in the President's budget request are all the more disconcerting in that they come in a year in which the President is proposing increases for almost every other civilian research and development budget as part of what the administration calls the 21st Century Research Fund.

Let me ask, can any agency symbolize to our people, and to the world, the discovering, adventuring spirit of America better than NASA? The administration, and this budget, appear to suggest differently. If the administration wants to build a bridge to the 21st century, then NASA must be one of its trusses. It simply does not make sense for our dynamic, high-tech Nation to keep cutting NASA's budget year after year.

I share the concern expressed by the National Space Society. They wrote recently:

NASA's potential to be a world leader as we move into the next millennium will be compromised by a lack of Administration interest in space exploration.

That is a serious comment and we ought to think carefully about it. The low priority put on the space program is evident when you compare the President's budget submission with the budget projections for NASA from past administrations. This chart makes the comparison.

In 1991, a very distinguished panel studied space, the Committee on the Future of the U.S. Space Program. They projected what we ought to be spending to keep NASA at the level at which they thought it should be. It went all the way up to almost $60 billion by the year 2003, and would be at $37 billion next year. Right now we are at $13 billion in this budget.

In addition to that, according to the FY 1993 budget submission that was projected to carry out through this time period, we would have substantially more money in the NASA budget. Indeed, this year shows us $8 billion below the budget submission that was projected in 1993 for NASA. That is a significant reduction. During this whole time, the total reduction from the budgetary projections for NASA total $27 billion. So they have had basically a flat and declining budget at a time they were projected to go up significantly. I think those are matters of great importance.

Norm Augustine, the Chairman of Martin Marietta, saw the need for NASA budgets which would rise by 10 percent a year through the end of the decade. We have not kept up with his vision for America and the Commission's vision for America, and we must do better about that.

Let me ask this: How has NASA coped with these large budget reductions that they sustained? In my view, they have done very well. Under the leadership of Administrator Dan Goldin, NASA has made ''Doing more with less'' not just a slogan, but a reality. Administrator Goldin has pushed his agency over and over again to do things better, faster and cheaper. The results at NASA, in my opinion, have been remarkable. They have done a good job. Mr. Goldin told me several weeks ago that ''business as usual'' does not count anymore at NASA.

I am sure all of my colleagues recall the fascinating Mars Pathfinder Mission. Just 1 year ago, Pathfinder, on

July 4, with its little Sojourner rover, was busy exploring the surface of the red planet.

Most of my colleagues probably recall also the Viking mission in 1976. The Viking spacecraft landed on Mars, took photos, and was the first mission to scoop up and analyze Martian soil. Viking was a remarkable success. It cost over $3 billion, however, in today's dollars, and took about a decade to develop. It was about the size of an average car. By contrast, the Mars Pathfinder of last year took a quarter of the time to develop, it cost less than one-tenth as much, and it was a fraction of the size, yet produced remarkable results, catching the attention of the world. I am told the Internet site, NASA's Internet site, received more hits during that period of time than any other site in history.

So this chart summarizes what has been accomplished in terms of Mr. Goldin's goal of faster, better, and cheaper.

As to cheaper, the average spacecraft development cost has gone from, in fiscal years 1990 to 1994, a cost of $600 million, down to $175 million in the period fiscal years 1995 to 1999, and they expect it to be at $85 million. That is the kind of progress we like to see. It makes space exploration much more viable in today's world than it was.

The average development time in terms of years: In fiscal year 1990 to 1994, a new mission took 8.3 years; in 1995 to 1999, it is now at 4.4. It will go to 3.5, and 3.1, under their efforts.

With regard to flight rate, that is the number of launches they are able to conduct per year—in 1990 to 1994 there were just 2. In 1995 to 1999 they have gone up to 9. In fiscal year 2000 they expect to have 13; and, in 2004, they expect to have 16. That is good. They are doing what this Congress has asked; that is, to do more with less, to explore space and to make the kind of progress that makes America proud.

Mr. President, during this time since 1993, NASA has cut its number of employees 25 percent. I recall a time 3 years ago when I became Attorney General of Alabama and I faced a budget crisis of enormous proportions. The first day I took office, we made a major decision. We had to terminate the employment of one-third of our people. We worked hard, we did a lot of different things, and we were able to continue the productivity of that office; and begin to build on that as time went by and have a better office.

NASA has done what we have asked them to do. There is no other agency, I believe, in this kind of research and exploration that has had that kind of employment cut in the last 4 or 5 years. They have done well. They are doing more in less time at less cost and at the same time with less people. I think it is something we ought to be proud of and we ought to celebrate. But we ought not to keep taking advantage of them and always cutting their budget because they are performing as we encouraged them to do.

With regard to space flight by humankind, they have continued to work on that, and it is difficult, but they have reduced the cost of space shuttle flights by 42 percent between 1992 and 1997. That is what we like to see. They are working to cut those costs even more.

The conclusion we draw is that during a time of tight budgets, NASA has been doing better than could be expected, and they responded to this Congress' challenge. Certainly, up to a point, budget challenges can be healthy for an agency. They force some critical self-examination, and they result in some positive changes.

We have heard that the periodical giving of blood makes a person strong, but if you give more than a pint and more blood and more blood, it begins to weaken you. I believe NASA is lean and healthy and strong now. It is at a good point, and we need to strengthen it now and allow it to flower and grow and continue its great scientific exploration.

The budget request for 1999 increases other civilian and research development agencies. Almost all of them, whether it is the NIH or National Science Foundation, received substantial budget increases, but not NASA. The administration proposes increases for all the major agencies in VA and HUD, but not for NASA. For fiscal year 1999, the administration has requested less than $13.5 billion, a reduction of $183 million from last year's budget.

Fortunately, Senator BOND and Senator MIKULSKI restored $150 million of that cut, and that leaves NASA facing a $33 million cut for fiscal year 1999. That is just not acceptable for this Nation. This is not a huge amount, but it is an important principle.

Our history, our heritage, our character as a nation is that we are explorers. We believe in discovery and reaching out beyond our homeland and exploring this universe. That character is at stake if year after year we keep cutting our exploration agency.

That is why I am proposing this amendment. It would add $33 million in funds for NASA for fiscal year 1999. That would bring it up to level funding—that is all—but it would be a statement, an important message by this Congress, that the day of cutting their budget more and more will end.

We are supposed to have offsets for that, and we have worked hard at that. There is no way you can have a pleasant experience when you talk about finding funds for an offset.

I have noticed, and it is well known at this time by the Members of this body, that the House committee has terminated the AmeriCorps budget, zeroed it out. We have over $220 million in this bill's funding for AmeriCorps. The whole program is about $400 million.

If we take $33 million from that, we are talking about less than a 10-percent reduction in that budget. That will probably happen in conference committee because, as I said, the House committee has zeroed out the budget, and we expect it to be less. This may be and does appear to be a perfect place to find the funds we need to maintain the NASA spending at the level of last year. In the future, we need to work to increase that budget to identify the kind of programs that will be exciting and worthwhile in this Nation and in this world.

Of the $33 million in additional funds provided by my amendment, $20 million would go to NASA's aeronautics, space transportation, and technology line item, which includes the Reusable Launch Vehicle Program. It will also provide funds to accelerate research in advanced space transportation technologies.

Additional funds will also be available for NASA's important aeronautics programs and many other projects. It will have $13 million for additional funding for NASA's science and technology programs. It will provide them the kind of affirmation and support they need.

I thank our distinguished subcommittee chairman, the Senator from Missouri, and our ranking member, the Senator from Maryland, for their efforts in restoring much of the money that was cut from NASA's budget by the President's budget request. While the amount of money is not large in terms of this Senate's overall budgetary concerns, it is significant and it sends an important signal.

Adoption of my amendment will send an important message, a message that says that NASA's programs are significant for the future of this country and its citizens and that this Congress is not going to be a party to continued reductions in support for space exploration. That is not what we ought to do. We ought not to worry about it when we have well below 1 percent of our budget going for this project.

Next year's budget submission from the President will literally take this Government into the 21st century. I call on President Clinton to demonstrate true leadership by proposing an increase in NASA's budget. The President's plan to cut additional millions from NASA next year is not acceptable.

Last year, on this floor, I made a speech proclaiming my conviction that we must continue to be a nation of explorers. At that time, I stated the following:

> Space is a key to the image and the future of this Nation in the 21st century and beyond. We must have national leadership, keen vision, clear-cut goals and a strong commitment from this Congress and the Congresses to follow. We must be willing to pay the price necessary to realize our dreams and the dreams and goals of our children.

That was true last year, and it is true today, and it will continue to be true. We are a nation of explorers. This is how the world sees us. It is how we see ourselves. All over the world on July 4 last year, people watched Pathfinder

on Mars. The Internet lit up like it has never lit up before. There were record high levels of inquiries. Let's not allow this great achievement to slip away from us. Let's not give it away at this point in time. We have to make a decision as we stand on the threshold of the next millennium. It is no time to be timid; it is no time to fall back. We are on the verge of some of the world's greatest accomplishments in science and space and technology. NASA will play a key role in that.

Mr. President, that is why I ask for support for this amendment. I 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.

Mr. SESSIONS. I yield the floor.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I rise in opposition to the Sessions amendment. I really respect the Senator from Alabama and his deep commitment to space and to the significant investments that must be made in science if America is to be a leader in the 21st century.

I have been to the Huntsville NASA program where they are doing a significant amount of the space station work, along with so many other worthwhile projects, and can see why he would have such a passion both from a patriotic standpoint, a competitive standpoint, and in actually seeing it hands on. I do not dispute the need to increase NASA's budget. Both the chairman and I have really dealt with this issue as forcibly as we could.

Given our parameters, we felt that we have come up with essentially a funding for NASA that keeps crucial and critical programs, that keeps us exploring, keeps the Shuttle safe, and continues our work in Earth observatory data. What I object to, though, in the amendment of the Senator from Alabama, is his offset. He takes the offset of $33 million from the Corporation for National and Community Service. That program, too, has been flatlined for more than 3 years.

When we talk about national and community service, let me just say what it is. This corporation makes grants to States, institutions of higher education, and public and nonprofit organizations to create service opportunities. But most of all, one of its most significant programs is to have volunteers in communities. If you are an AmeriCorps volunteer, you get a voucher to reduce your student debt or to be able to use that voucher to either go to college, higher education, vocational education, or get yourself ready for the future.

Essentially, it is an earned-learned service opportunity. I could ask the Senator from Alabama a series of questions but I will not. But if we are going to talk about $33 million, know that $5 million in this program is to continue the Points of Light Foundation established by President Bush which we have supported in a bipartisan way. It is also $18 million from the Civilian Conservation Corps. I cannot support cutting $18 million for the Civilian Conservation Corps. So $5 million, $18 million, and we are up to $23 million. I really do not want to cut Points of Light. I really do not want to cut the Civilian Conservation Corps.

Then there is $43 million for school-based and community-based service learning. I think we do need to teach values. I do think we need to teach habits of the heart, and service learning is one of the most important ways we could do that.

The benefits in my State, my State of Maryland, show that when students have participated in volunteer services as part of the requirement to graduate from high school, they have been forever changed by the fact that they worked in a library, visited senior citizens, helped in a soup kitchen and did a whole series of other things.

Mr. President, tonight is not the night to extol the virtues of the Corporation for National and Community Service, but it has served the Nation very well. It, too, has been flatlined.

I will just conclude by saying this. There is a program in Baltimore, it is an old convent called St. Stanislaus Convent right down the street from where I lived in a neighborhood called Fells Point. It has been recycled where Catholic nuns and AmeriCorps volunteers are working with children from very poor families—really out of the public housing projects. Because of what the AmeriCorps volunteers bring, they recruit other volunteers to help the sisters be able to educate these children.

When we talk about exploring the future, we have to get behind our kids to make sure that our kids have the skills that they need to get ready for this future. And what AmeriCorps does in many ways is that the very volunteers work in public education, work to be able to recruit people for an American roots program, and gets them ready for the exciting opportunities that we have.

So while we want to go into space to explore—I want to make sure we look for yet unidentified planets—I want to make sure we have those programs that make sure that we get our kids ready to be able to work in these science and technology programs. And I believe the AmeriCorps program helps do that. And, therefore, I urge rejection of the Sessions amendment.

Mr. BOND. Mr. President, I listened with great interest to all of the wonderful and exciting things my colleague from Alabama said about the space program. He made very telling points about how this is the future and motivation of our children, this is a symbol for the next century. There are many, many, many good things about our space program. As a matter of fact, I agree with almost everything he said about how important the space program is, and I think my colleague from Maryland agrees. And, frankly, that is why in a very extremely tough budget, when the President recommended $13.465 billion for NASA, we recommended we appropriate $13.615 billion for NASA.

Now, these are the people who are running NASA. They say all they want is $13.465 billion. And we said, ''No. You've got to do better. You are going to take another $150 million beyond what the folks who are running it—under the direction of the Director of OMB—have asked for. We are increasing it. And we think that is very important.''

Unfortunately, we have had to make these choices in a budget where we had to restore an 83-percent cut in elderly housing, the section 202 elderly and assisted housing, the supportive housing that was savaged by Secretary Cuomo and the administration. We have had to restore money for veterans' health care where that was cut.

Frankly, we have reached the accommodation on a very difficult bill. And we have agreed to maintain the funding at the National Service and AmeriCorps. And as part of, I think, an overall responsible approach to the budget for all of these agencies we work on, and, in addition, to assure that the administration will be able to sign the bill—because without the administration signing the bill, it does not do us any good to go through the drill of coming up with a totally different set of priorities than they have—we have kept in funding for National Service and AmeriCorps.

Therefore, I commend the Senator for his enthusiasm for NASA. I do not believe it is feasible to achieve it. Therefore, I move to table the 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.

Mr. BOND. I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. The amendment will be set aside until tomorrow.

AMENDMENT NO. 3207

(Purpose: To provide for the ineligibility for certain housing assistance of individuals convicted of manufacturing or producing methamphetamine)

Mr. BOND. Mr. President, I send to the desk an amendment for Mr. ASHCROFT and myself.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mr. ASHCROFT, for himself and Mr. BOND, proposes an amendment numbered 3207.

Mr. BOND. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in title IV, insert the following:

SEC. 4___. INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE FOR CERTAIN HOUSING ASSISTANCE.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended by adding at the end the following:

''(f) INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE ON THE PREMISES.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units and assistance under section 8 that—

''(1) permanently prohibit occupancy in any public housing dwelling unit by, and assistance under section 8 for, any person who has been convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law; and

''(2) immediately and permanently terminate the tenancy in any public housing unit of, and the assistance under section 8 for, any person who is convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law.''.

Mr. BOND. Mr. President, quite simply, this has to do with getting and keeping methamphetamine production out of public housing. Many of my colleagues do not have the misfortune of understanding why the amendment is so important. Methamphetamine is a raging crisis in Missouri and many other States in the Midwest. And if it isn't in your State now, it may well be soon.

For those of you unfamiliar with the drug, it is a highly addictive, artificial stimulant constituted of such unwholesome products as lighter fluid, antifreeze, and ether, among other things. It is highly addictive, some say more so than crack; but it is perhaps the most physically destructive of illegal drugs.

In my State of Missouri, through the excellent work of local law enforcement, in cooperation with the State, and with the DEA, nearly 800 clandestine methamphetamine labs were busted last year. Law enforcement reports that there may be even more this year.

Meth started off as a rural drug, but labs have started to turn up in the major metropolitan areas of St. Louis and Kansas City. Urban drug users are starting to discover this drug as well. It is not likely that this trend will slow down, because the drug is cheaper than crack, it is more potent than crack or cocaine, it is more addictive than either of those drugs, and it can be made in the home or, in fact, almost anywhere else. In fact, it largely, in our State, is a home-made drug, which is the reason why this amendment is important.

Most of the meth being consumed in Missouri is homemade in mom-and-pop drug stores. Information necessary to make the drug is widely available and the ingredients can be purchased at your local convenience store or discount store.

The drug, however, is very dangerous to produce. While some who make this drug may consider themselves to be amateur chemists, they are actually rather ignorant individuals who are not only endangering themselves but innocent others.

Mr. President, I have seen pictures of children horribly burned because adults caring for them have them in the room where this junk is being produced, and when it goes off it can be highly dangerous. It is highly explosive. Producing meth in a kitchen or a basement produces toxins, and it produces highly explosive gas. Meth labs have been known to explode when drug officers go into a bust. They use low-velocity guns, they use low-intensity flashlights, because a flashlight, a hot flashlight, could set off the ether.

If you don't believe it, there are buildings that have had the sides blown out of them—motel rooms, shacks, wherever they have done it. When one of the meth labs explodes, it doesn't just cause a little fire. It can burn people. It can kill people. It can blow the sides of buildings out. It is very, very dangerous. That is why this bill provides for training and more assistance to local law enforcement officers, the first responders in emergency personnel—fire officials, law enforcement officials—so they will know what to do when they go into a meth lab.

We need to send a clear message that this activity is not welcome and it will not be tolerated in public housing. Not only do we want drug dealers out, but we especially want those out who are so cavalier with the safety of others that they would conduct a chemical operation, a chemistry operation that is highly dangerous, in the heart of a densely populated residential area. Should anyone doubt that this is taking place, law enforcement officers have told me about drug dealers performing the process in hotel rooms, moving cars, trailer parks, State parks, in the parking lot next to our official offices in one city, and in homes with children.

This amendment adopts zero tolerance for drug dealers. I hope that it can be adopted.

Ms. MIKULSKI. Mr. President, this side of the aisle accepts the amendment offered by Senators BOND and ASHCROFT. I commend the Senators from Missouri for bringing this to our national attention.

It obviously points out this despicable drug has two negative consequences. It is horrendous and devastating to anyone who takes it, but it is also dangerous in where it is made, and innocent people, innocent children nearby, are unwittingly exposed to and even in additional danger around its manufacturer.

We want to support this amendment. I believe we need those steps to get crime out of public housing. Public housing should be an opportunity to lead a better life, not an incubator for small business drug trafficking.

Mr. ASHCROFT. Mr. President, I rise in strong support of the amendment offered by my colleague, the senior Senator from Missouri. I am proud to be an original cosponsor of this amendment because it addresses the most pressing illegal drug problem facing our state and, perhaps, our country.

As my colleague explained, our amendment provides for a lifetime ban for individuals who manufacture or produce methamphetamine on public housing premises. Specifically, the amendment requires public housing agencies to prohibit occupancy in any public housing unit by any person convicted of manufacturing methamphetamine in violation of federal or state law. Current tenants convicted of meth manufacturing will be evicted immediately and permanently.

The need for this amendment could not be clearer. According to the Drug Czar's office, methamphetamine is by far the most prevalent synthetic controlled substance manufactured in the United States. This fact is not news to my constituents in Missouri. Last year alone, authorities seized 396 meth labs in Missouri, more than double the number of labs seized in California.

Congress has taken some significant steps to address the growing meth problem. I was proud to have sponsored the Comprehensive Methamphetamine Control Act of 1996 and to have helped secure funding for the creation of a high-intensity drug trafficking area in the Midwest. We have tried to target meth production by giving it higher priority in the demand for limited federal resources.

Unfortunately, the meth problem has become a crisis. Just this past weekend, the National Institute of Justice released a study showing that methamphetamine use among adult arrestees and detainees has risen to alarming levels. The problem is not confined to adults, however. Among 12th graders, the use of ice, which is a slang term for a very pure, smokeable form of meth, has risen 60 percent since 1992.

The amendment we are offering today sends a clear signal to meth producers: We will not tolerate your behavior and we certainly will not subsidize it. If you want to turn your taxpayer-subsidized residence into a meth lab, the only public housing you will be eligible for in the future is the penitentiary.

Our amendment attacks the problem of meth production and manufacture in federal housing projects in order to protect the safety and welfare of those law-abiding individuals who need subsidized housing. The sponsor of this amendment, my colleague from Missouri, deserves a great deal of credit for his lead role in cracking down on drug users and dealers in public housing. In 1996, he was instrumental in getting Congress to pass a provision requiring the eviction of any tenant from publicly or federally assisted housing if that tenant is determined to be involved in a drug-related criminal activity. As a result of his efforts, tenants

involved in drugs are prohibited from receiving federal housing assistance for three years or until the evicted tenant successfully meets certain rehabilitation requirements.

These provisions were designed to ensure the safety and security of families living in public housing. In addition, the reforms sought to instill responsibility in families participating in the federally assisted housing programs and to emphasize that federal housing assistance is a privilege, not a right. The amendment we are offering today extends and strengthens these provisions to address the deadly consequences of meth production.

Meth labs have been called toxic time bombs, containing highly flammable materials and deadly chemicals. As DEA Special Agent Michael Cashman has observed, ''The investigation of clandestine methamphetamine laboratories is one of the few instances where the evidence and crime scene can hurt or even kill the investigator.''

Clandestine lab explosions are responsible for killing and injuring not only meth producers and law enforcement investigators, but innocent bystanders as well. Just last year, a four-year-old child was killed in Arizona when the meth lab his parents had erected in their apartment caught on fire. As horrifying as this case is, it is not an isolated incident. Within the last couple of years, other innocent young children of meth-producing addicts as well as heroic law enforcement agents have been victimized by the highly dangerous enterprise of meth manufacturing.

As the epidemic of meth production has grown, so has its presence in public housing. When I asked local prosecutors if they knew of recent manufacturing activities in Missouri, it seemed everyone had a story or two to tell.

In Dekalb County, two men recently pled guilty to attempted manufacturing of meth in a public housing unit. Sadly, when police made the arrest, they found not only gas cans, paint thinner, butane fuel, and other meth paraphernalia, but an infant girl.

In Platte County, a man living in section 8 housing was recently convicted of meth production, possession, and endangering the welfare of a child.

And, in Grundy County, two recipients of federal housing assistance were found guilty recently of attempting to manufacture meth in their apartment.

Mr. President, these examples were obtained with just a few phone calls. I do not doubt that many of my colleagues have heard about similar crimes from police and prosecutors in their states.

We need to get serious again about fighting the use of meth and all illegal drugs in this country. I say ''again'' because for the past five and one-half years, the Clinton-Gore Administration has failed to provide leadership on this critical threat to our nation. Since President Clinton took office, use of marijuana by 8th graders has increased 176 percent. Cocaine and heroin use among 10th graders have more than doubled. And, as I mentioned before, use of meth ice has risen 60 percent on this Administration's watch.

Even if it is accepted, this amendment will not single-handedly reverse these frightening trends. It is, however, a step in the right direction. It sends the signal this Congress needs to send; namely, that the dangerous manufacture of illegal drugs in public housing is unacceptable.

I want to thank my colleague again for his leadership on this issue. He understands the destruction meth has caused in our state and around the country, and his amendment is an appropriate response. I am glad to join him in this effort.

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

The amendment (No. 3207) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3208

(Purpose: To state the sense of the Senate that it should be the goal of the Department of Veterans Affairs to serve all veterans at health care facilities within 250 miles of their homes, and for other purposes)

Mr. BOND. Mr. President, on behalf of Senators SNOWE and COLLINS, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Missouri [Mr. BOND] for Ms. SNOWE, for herself, and Ms. COLLINS, proposes an amendment numbered 3208.

Mr. BOND. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

SEC. 110. (a) It is the sense of the Senate that it should be the goal of the Department of Veterans Affairs to serve all veterans at health care facilities within 250 miles of their homes, and to minimize travel distances if specialized services are not available at a health care facility operated by the Veterans Health Administration within 250 miles of a veteran's home.

(b) Not later than 6 months after the date of enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a report on the estimated costs to and impact on the health care system administered by the Veterans Health Administration of making specialty care available to all veterans within 250 miles of their homes.

Ms. SNOWE. Mr. President, this amendment will help ensure that America's veterans get the health care and services they deserve as close to home as possible.

My amendment does two things: It expresses the sense of the Senate that it should be the goal of the VA to serve all veterans at health care facilities within 250 miles of their homes, and minimize travel distances if specialized services are not available at a health care facility operated by the VA within 250 miles of a veteran's home.

Second, it mandates that the VA submit a report to Congress on the estimated cost to and impact on the health care system administered by the VA of making specialty care available to all veterans within 250 miles of their homes.

Mr. President, I represent a rural state, Maine, which is served by one Department of Veterans Affairs facility, the Togus VA Medical Center outside the state's capital, Augusta. Many of Maine's veterans already must travel hundreds of miles just to reach Togus—and often, if specialized services are required, they must travel even further to facilities in Boston. This means long drives, frequently in terrible weather, and separation from the vital support that family and friends can provide.

This is not a problem limited to Maine—far from it. It is a problem that exists anywhere where there are vast distances between cities—out west, in the heartland, and down south.

The level of our commitment to this nation's veterans should not be contingent upon the whims of geography. I understand the financial constraints under which the VA must operate, however, the debt we owe our veterans will never be repaid until we do all we can to ensure that all our nation's veterans have appropriate access to services.

Mr. President, this amendment does not all any additional funding to the VA/HUD bill. All it does is to recognize that there is a serious disparity in terms of veterans' access to the services which they earned and to which they are entitled, encourage the VA to make a priority of serving all veterans equally, and require the VA to explore the situation further.

I think we can all agree that we owe our veterans that much. I know that the VA is facing challenging times, but my hope is that the VA will also recognize that our veterans are facing serious challenges in accessing the services they were promised. I urge my colleagues to join me in supporting this amendment.

Mr. BOND. The amendment has been cleared on both sides. It is a sense-of-the-Senate resolution that it should be the goal of the Veterans' Administration to serve all veterans at health care facilities within 250 miles of their home. It sounds like a very reasonable proposal. I urge its adoption.

Ms. MIKULSKI. I gladly accept the amendment offered by my colleague from Maine. Her commitment to health care and its accessibility is long standing. To ensure that veterans don't have to drive miles and miles and miles to get the health care that they need is a very modest amendment that we could agree to.

Mr. BOND. I thank my colleague from Maryland.

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

The amendment (No. 3208) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. CRAIG. Will the Senator from Missouri yield for purposes of a colloquy?

Mr. BOND. I am happy to enter into a colloquy with the Senator from Idaho.

Mr. CRAIG. As the Senator is aware, I have worked extensively on assuring the Waste Isolation Pilot Project, a site in New Mexico to store low-level, transuranic waste, is open to dispose of nuclear waste.

Mr. BOND. I am aware of the extensive support the Senator has given to WIPP.

Mr. CRAIG. Is the Senator aware that the New Mexico Environment Department is in the process of issuing a RCRA Part B Permit to have mixed waste shipped to and stored at the site?

Mr. BOND. The Senator from Idaho has made me aware that the RCRA Part B permit is to be issued soon.

Mr. CRAIG. Well, I would like to address that process and the actions of the New Mexico Environment Department for a moment. Mr. Chairman, it is my belief that the State of New Mexico is using an unprecedented process in issuing the RCRA Part B. If the current draft is finalized, the permit would require that each site which seeks to ship mixed waste to WIPP go through a modification of the Part B Permit. This could delay already stalled shipments from sites in New Mexico, Colorado and Idaho because of procedural impediments put in place by the State of New Mexico. This needless delay would likely cause the Department of Energy to violate their agreement regarding the disposal of nuclear waste from Idaho. Mr. Chairman, my point is this: The reason that the State of New Mexico is involved in this process is that the Environmental Protection Agency has delegated its authority over materials regulated by RCRA to the State of New Mexico. However, delegating authority does not, I believe, relieve EPA from its responsibility to ensure that the permitting of the WIPP facility is done within the intent of Congress in the WIPP Land Withdrawal Act and RCRA. As a matter of fact, it is tasked with ensuring that the State acts within the intent of federal law. Mr. Chairman, the Environmental Protection Agency has recently certified that WIPP can accept transuranic waste. However, it sits idly by as the State works to ensure that WIPP is not opened in a timely manner. The EPA should provide adequate oversight of the State of New Mexico to assure WIPP's timely opening.

Mr. BOND. I thank the Senator for bringing this to the attention of the Committee. I would hope EPA would carefully evaluate the situation and keep the Committee informed of its progress.

SENIOR CITIZENS HOUSING

Mr. D'AMATO. Mr. President, I would like to enter into a colloquy with my friend Senator KIT BOND, the distinguished Chairman of the Veterans Affairs and Department of Housing and Urban Development (HUD) Appropriations Subcommittee. I applaud the strong efforts of the Chairman in protecting funding for housing programs for senior citizens. I am pleased to support the funding provided by this bill for elderly housing.

I was pleased to cosponsor Senator BOND's amendment to the Senate Budget Resolution earlier this year, expressing the Sense of the Senate that funding for the HUD Section 202 Elderly Housing program should be protected. The amendment, which passed the Senate by a vote of 97–2 on April 2, 1998, expressed a policy that was not only met but exceeded by this bill. Specifically, I fully support this bill's inclusion of $676 million for the Section 202 program in Fiscal Year 1999—a $31 million increase from the Fiscal Year 1998 funding level.

The HUD Section 202 program is a critical component of our federal housing strategy. The program provides funding for the development of new affordable housing opportunities and services for seniors. This combination of affordable housing with services helps to promote and maintain the independence and dignity of our senior citizens. This critical program helps to protect seniors' quality of life by offering them an opportunity to remain active and respected members of the community.

I was dismayed earlier this year by the Administration's proposal to reduce funding for this important program by over 83 percent, to a level of $109 million. This proposal to cut housing for the elderly was unacceptable. The funding increase provided by this bill sends a strong signal to the Administration that future proposals to cut the program will be met by fierce opposition by the Senate.

Mr. President, I would also like to applaud Chairman BOND's inclusion of a requirement for HUD to conduct a formal study assessing the housing needs of elderly Americans. This much-needed study will examine the unmet housing needs of the elderly and assess the physical condition of the existing stock of affordable housing for the elderly.

In connection with this study, I would like to bring to the attention of the Senate an important resource for elderly housing in my home state of New York. The Council of Senior Centers and Services of New York City (Council) can provide invaluable input to HUD during the development of this study. The Council represents 265 senior service organizations—ranging from individual community centers to large, multiservice, city-wide organizations.

I would ask the distinguished Chairman of the Subcommittee if it is his intent that HUD should develop the required study with the input and assistance of local senior housing providers and nonprofit organizations such as the Council of Senior Centers and Services?

Mr. BOND. Mr. President, I agree with the comments of my friend, Senator D'AMATO, the Chairman of the Committee on Banking, Housing and Urban Affairs, which has jurisdiction over federal housing programs. In an effort to ensure that HUD's elderly housing programs are operating in an effective manner, the Subcommittee included a provision in the legislation to require a report on the unmet housing needs of the elderly and the condition of the existing elderly housing stock. In addition, HUD will report on new and innovative approaches to providing additional housing opportunities while reducing costs and increasing efficiency.

It is the intent of the authors of this legislation that HUD's report on elderly housing shall be developed with meaningful input from a wide variety of interested parties, including government entities and housing organizations. In particular, the authors fully intend HUD to develop this study in partnership with housing and service providers. Furthermore, the Subcommittee is fully cognizant of the invaluable work of the Council of Senior Centers and Services in meeting the housing and service needs of the elderly in New York City. The Subcommittee strongly encourages HUD to solicit the input and advice of the Council in the development of this study.

I thank Senator D'AMATO for his clarifying remarks and I look forward to receiving this much-anticipated HUD report on elderly housing.

TORNADO PREPAREDNESS PILOT PROGRAM IN SOUTH DAKOTA

Mr. JOHNSON. Mr. President, on the night of May 30 a powerful tornado devastated the small community of Spencer, South Dakota. The tornado destroyed ninety percent of the town, injured 150 people, and, most tragically, killed six South Dakotans. I am pleased to say the positive determination of the residents of Spencer to rebuild their lives has been inspirational and all of the surviving victims are making progress toward returning their lives to some semblance of normality.

Unfortunately tornadoes are all too common in my state, however one aspect of the Spencer tornado caught my attention right away—that is the fact the warning siren did not sound because the electricity had been blown out. I recognize that the tornado which hit Spencer was so powerful that sounding a warning siren may not have

spared the residents of Spencer the total destruction of their community. However, reports of the lack of a warning from the siren in Spencer prompted a statewide focus on the quality of the emergency alert capability around my state of South Dakota. Unfortunately, almost every county in my state has acknowledged that it urgently needs some sort of emergency alert upgrade.

Mr. President, my guess is that South Dakota is not unique in that the emergency alert system for tornadoes is inadequate in virtually every part of the state. I suspect many states have never systematically examined their emergency alert systems and how needs have changed since the civil defense sirens were initially erected and technology advanced.

I am hopeful that at least one positive development to come out of the devastation of the Spencer tornado can be legislative action to address the emergency alert needs across the state of South Dakota and this nation. Consequently, I have proposed the creation of Tornado Preparedness Pilot Program to be administered by Region VIII of the Federal Emergency Management Agency.

Mr. President, this pilot program would provide $1 million from the Emergency Planning and Assistance appropriation for grants directly to local and county emergency management officials in South Dakota to provide 75% of the cost of purchasing emergency alert equipment. Examples of emergency alert equipment eligible for purchase under this Tornado Preparedness Pilot Program includes: new sirens with back-up capability, siren upgrade equipment, weather radio transmitters, weather radios and other emergency alert equipment.

This pilot program would be an excellent first step in establishing a nationwide Tornado Preparedness Program much like the Hurricane Preparedness Grant Program and an Earthquake Hazards Reduction Grant Program which currently exist.

Further, I think South Dakota is the appropriate state to conduct this pilot program because in the wake of the tragic Spencer tornado, awareness has been elevated all over the state of South Dakota about the critical importance of high quality, effective emergency alert capability. Our state is now ready to aggressively deal with this problem. Additionally a large, rural state like South Dakota has unique needs. For example, many South Dakotans need a different kind of alert system than sirens because they live in a remote area. Most small communities lack the tax base to fully fund a siren upgrade or the purchase of additional sirens. Also, the terrain of the Black Hills of South Dakota presents challenges for transmitter coverage and also for adequate siren coverage.

Senator MIKULSKI, do you support my proposal to create a Tornado Preparedness Pilot Program in the State of South Dakota?

Ms. MIKULSKI. I appreciate your bringing the situation in South Dakota to the Senate's attention. I encourage the Federal Emergency Management Agency to fund this important initiative.

Mr. JOHNSON. I deeply appreciate the Senator's support. The number of tornados experienced each year throughout the '90s has remained consistently high. Data available from the National Climatic Data Center shows that in every year in the '90s our country has experienced close to or over 1,100 tornados each year. Mr. Chairman, do you agree that the pilot program I have proposed would be useful not only in terms of meeting the needs in South Dakota, but also in terms of providing this nation a model for the future to be used to increase emergency alert capabilities across the country?

Mr. BOND. I urge the Federal Emergency Management Agency to consider funding the pilot program so that we can assess its success prior to the Fiscal Year 2000 appropriations process.

Mr. JOHNSON. I thank the Chairman for this support, and I deeply appreciate your and the Senator from Maryland's willingness to work with me on this critically important issue.

Mr. FEINGOLD. Responding to several constituent inquiries on this matter, I wanted to clarify with the Subcommittee Chairman and the Ranking Member of the purposes for which the funds contained in FY 1999 Department of Veteran's Affairs and Housing and Urban Development Appropriations bill for Section 319 of the Clean Water Act can be used. Is this Senator correct in his understanding, Mr. Chairman, that Phase I, II, and III projects, and lake water quality assessments which were previously done under the Section 314 Clean Lakes Program may be funded with the funds provided for Section 319 grants?

Mr. BOND. Yes, the Senator is correct. With the resources provided in this bill, states may use Section 319 funding for eligible activities that might have been funded in previous years under Section 314 of the Clean Water Act. It is the Committee's hope that Section 314 program activities can be well supported with the funding provided to the 319 program.

Mr. KOHL. I appreciate the clarification by the Senator from Missouri. There has been considerable concern in our home state of Wisconsin that since EPA has combined its budget request for the 319 and 314 programs, Clean Lakes program grants to states have been reduced in the number of projects and dollars spent. I would ask the Senator from Maryland if she shares Senator from Missouri's understanding?

Ms. MIKULSKI. Again, to be clear, the funds in this legislation can be used to support Section 314 program priorities. EPA Regional Clean Lakes Coordinators and EPA Regional Nonpoint Source Coordinators and their counterparts at the state and local level will need to work together to assure that critical Clean Lakes program needs, such as water quality assessment and diagnostic studies, are accomplished with 319 dollars.

Mr. FEINGOLD. I thank the Chairman and Ranking Members for their explanations.

HOUSING ASSISTANCE

Mr. WELLSTONE. Mr. President, I understand that in conference the issue of FHA property disposition reform may be raised. Without going into the details of any possible changes to the program, I would like to receive some indication from the bill managers as to how the funds that would be saved by such reforms might be used. I hope such savings would be used for housing assistance. It seems to me that this would be a unique opportunity to further address the 5.3 million American households with worst case housing needs. I know that my colleagues on the VA/HUD appropriations subcommittee worked hard to put as much money into housing as possible given the constraints that they were working under. I know housing is a priority for them. So I would simply ask my colleague if he agrees with the logic of putting HUD program reform savings into housing assistance.

Mr. BOND. I appreciate the question from the Senator from Minnesota. I agree that there are greater housing needs in this country than can be met by this bill, though I believe the Committee has done a good job of trying to reconcile a lot of conflicting priorities. Naturally it would be the intent of this senator to maximize the number of Americans who are able to avail themselves of federal housing assistance.

Ms. MIKULSKI. I concur with the observations of the Senator from Minnesota. There is a disturbingly large gap between the number of units of affordable housing and the number of families in need. Savings from HUD property disposition reform should go to federal housing assistance in some form. As a clarification, would it be correct to say that my Colleague from Missouri agrees with the Senator from Minnesota and myself that if savings could be found within the HUD accounts, that housing programs would be a primary target for such funds?

Mr. BOND: That is correct. I also want to emphasize that the reform of FHA property disposition is critical, but needs to be designed to ensure that property disposition helps to protect distressed communities, where applicable.

Ms. MIKULSKI. I concur with Chairman BOND and will work with him to ensure that the reform of the FHA property disposition program protects local communities.

Mr. WELLSTONE. The Chairman and Ranking member's comments on property disposition reform are well taken. I thank my colleagues.

Mr. BINGAMAN. Mr. President, I want to commend Senators BOND and MIKULSKI for their hard work in bringing this appropriations bill to floor. I

realize it is a difficult task to accommodate so many members' requests, and I appreciate their efforts. I do want to bring to their attention, however, a project I believe is very worthy of funding. It is a multi-purpose in Shiprock, New Mexico, which is on the Navajo Indian Reservation. The center would primarily be for Navajo youth. I know the Senator from Maryland is well aware that juvenile crime, drug abuse, alcohol abuse and unemployment are very serious problems on the Navajo reservation. There is a desperate need to get these problems under control and give youth a meaningful alternative. This multi-purpose Center will do exactly that.

Ms. MIKULSKI. I thank the Senator from New Mexico for bringing this worthy project to my attention. I am aware of the serious problems on the Navajo reservation, and I agree that this is a worthy project. The Senator from New Mexico has my commitment to work in conference to support this project should funding become available.

Mr. BINGAMAN. I thank the Senator from Maryland for her commitment to help address the desperate situation facing many of these Navajo youth, and I look forward to working with her.

Mr. NICKLES. I thank my friend from Missouri for allowing me to ask him a question regarding the Supreme Court's June 25th ruling that the line-item veto is unconstitutional. As Chairman of the VA/HUD Appropriations Subcommittee, I believe his opinion on this matter is important. Especially, in light of the fact that his Subcommittee has approved $900,000 in its FY 1998 Conference Report for the final planning and design stages of a new national veterans cemetery in Oklahoma which was line-item vetoed by the president.

My question is this, now that the line-item veto has been declared unconstitutional, does the VA now have the authority to spend the $900,000 that was appropriated in the FY 1998 VA/HUD bill.

Mr. BOND. It is my understanding, now that the Line-item veto has been declared unconstitutional, that the VA can go ahead and spend the $900,000 that was appropriated in the FY 1998 VA/HUD Appropriations bill, and I strongly encourage the VA to do so, as expeditiously as is possible.

Mr. NICKLES. I thank the Chairman. I want to add that my staff asked the Congressional Research Service (CRS) this same question and in a memo to my staff CRS offered this opinion, ''The United States Supreme Court has held that a law that is repugnant to the Constitution is void and is as no law.'' Seeing as the line-item veto has been declared unconstitutional, it is void and is as no law. Therefore one can conclude that the $900,000 set aside for the cemetery in Oklahoma should be spent by the VA for that purpose.

Mr. BOND. Again, I agree with my friend from Oklahoma. I am of the opinion that the VA can and should spend the $900,000 for the national veterans cemetery in Oklahoma. I do want to say to my friend and colleague from Oklahoma, that it is my understanding that the Administration is still debating how to move forward on this issue—the line item veto being declared unconstitutional. If for some reason, the Administration determines that the money is not available to be spent in FY 1998, or does not reach a decision regarding the final disposition of these funds by the time this bill goes to Conference I, as Chairman of this subcommittee will do everything I can to make sure that the $900,000 for the final planning and design stage of the new national veterans cemetery is included in the FY 99 Conference Report so that this important project can move forward in FY 1999.

Mr. NICKLES. I thank the Chairman for his support of this project, and for the cooperative manner in which he has worked with me on this important matter for the veterans of Oklahoma.

Mr. LEVIN. Mr. President, I would like to engage the distinguished majority manager of the bill in a brief colloquy regarding the Great Waters program.

As the Senator from Missouri is aware, the Great Waters program is important to my state, the Great Lakes, the Chesapeake Bay, and Lake Champlain area and all states with coastal waters. The program is intended to monitor atmospheric deposition of toxic air pollutants, provide information on these pollutants sources and loadings in our surface waters, and recommend to Congress any necessary changes in the Clean Air Act to prevent serious adverse effects to public health and serious or widespread environmental effects. These are important multi-media tasks that should receive Congress's full support. This program will help us identify and reduce toxic air pollution in an efficient way.

The FY99 budget request for the Great Waters program, also known as section 112(m) of the Clean Air Act, is $1.484 million. In FY 98, the program received $2.612 million in appropriations. The House Appropriations Committee has included language in its report urging that the EPA ''—provide at least $3 million to carry out—the Great Waters program.'' I would hope that, at a minimum, the Senate would support this amount for this important program.

Could the Senator indicate what the Senate's position would be in the conference on this matter?

Mr. BOND. I thank the Senator from Michigan for his interest. As he knows, the Senate report and bill do not speak directly to the Great Waters program. But, barring action on any amendment specifically to reduce that program, I see no reason that the Senate conferees would not accept the House statement.

Mr. LEVIN. I appreciate the Senator's assistance and attention to this issue.

SWEETWATER BRANCH PROJECT, GAINESVILLE, FL

Mr. MACK. Mr. Chairman, I would like to engage in a colloquy with you concerning a very important project in the State of Florida, known as the Sweetwater Branch/Payne's Prairie Stormwater Protection Initiative.

Mr. BOND. I would be pleased to engage in a colloquy with the Senator from Florida on what I do understand is a project that will have a positive impact on the drinking water supply or the residents of Central Florida.

Mr. Mack. I thank the chairman. Through the Sweetwater Branch/Payne's Prairie Stormwater Protection Initiative, the City of Gainsville, Florida is attempting to tackle a very critical and complex problem that confronts not only Gainesville, but ultimately the drinking water supply of much of Central Florida.

The Sweetwater Basin, which emanates above and beyond Gainesville, runs through some of the oldest sections of the City. The Sweetwater Basin discharges into a very critical natural resource in Florida, known as Payne's Prairie, a natural reserve park owned by the State of Florida. It is home to a number of plants and animal species that are unique to Florida. As these discharges move further through the system, they discharge into what is called the Alachua Sink, a major natural sink hole that drains directly into the Florida Aquifer.

The City has taken the initiative to bring together the State, the County and a broad array of environmental resources and interests in order to tackle the problems that result from contaminated runoffs which seriously impact the health of Payne's Prairie and ultimately the Florida Aquifer. The City is trying to address the problem now, in order to prevent a more serious deterioration. Unfortunately, this is a problem and a project that is beyond the scope and reach of this one small city.

Mr. BOND. Has Gainesville been working with other jurisdictions concerning this initiative?

Mr. MACK. Yes, it has. The City has brought together and obtained the support of Alachua County, the St. Johns Water Management District, and the Florida Department of Environmental Protection for the purpose of providing a solution to this problem. The City of Gainesville is to be commended for bringing together so many various interests and impact parties to address this problem. This City needs help. They have devised a preliminary plan with a relatively low cost which could ameliorate and potentially resolve the situation, but because the project is beyond the scope of the City's jurisdiction, it seems to fall between the cracks of any one federal program at this time.

Mr. BOND. I understand your concerns, and the reasons for you support of this project. This project would appear to warrant support as a special demonstration project through the Environmental Protection Agency.

Do I understand that the City of Gainesville has been devoting its own resources towards the resolution of this problem and is fully committed to a financial partnership on this project?

Mr. MACK. The Chairman is correct. The City of Gainesville has a long history of taking care of its own problems with local resources. In this case the City has already committed resources to the development of this plan and remain commits to a financial partnership.

I am pleased, Mr. Chairman, that you agree with me on the importance of this project and are willing to work with Senator Graham and the City of Gainesville to explore a more specific source of funding for this project in the up coming Conference with the other body. It is my understanding that this is correct?

Mr. BOND. Yes, Senator you are correct in your understanding. Further, I appreciate the position of the Senator from Florida and do commend the City of Gainesville for its initiative. I would like to work with you to further explore ways to assist Gainesville in moving this partnership forward, an to address this further in final FY'99 legislation.

Mr. MACK. Thank you, Mr. Chairman for your consideration. I am confidant that we can work together to provide funding for this project through the Environmental Protection Agency.

DRINKING WATER STATE REVOLVING LOAN FUND MONEY

Mr. BROWNBACK. Mr. President, I ask Senator CHAFEE, as chairman of the committee with jurisdiction over the Safe Drinking Water Act if he could please explain the eligibility requirements to qualify for loans from the Drinking Water State Revolving Loan fund, or DWSRF as it is commonly known?

Mr. CHAFEE. Yes, I would be happy to. The DWSRF is to be used to assist pubiic water systems to finance infrastructure projects needed to comply with federal drinking water regulations. Public water systems that regularly serve at least 25 year-round residents or have a least 15 service connections qualify for assistance. The DWSRF may be used if it will significantly further the public health objectives of the Act. We recognize that there are a few communities that are currently serviced by wells that are contaminated, and the best way to solve the existing public health problems intended to be addressed by the Act may be to create a federally regulated public water system.

Mr. BROWNBACK. A community in Kansas called Colwich receives their drinking water from private wells. When the county tested a sampling of the wells in this community they discovered that 81 percent of the wells are poorly constructed, 75 percent are improperly located, 29 percent experience bacterial problems and 6 percent have levels of nitrates greater than the EPA recommended level. Senator CHAFEE, as a cosponsor to the Safe Drinking Water Act Amendments of 1996, is it your opinion that providing DWSRF money to the community of Colwich will enable the families of Colwich to have safe drinking water and will further the health objectives of this Act?

Mr. CHAFEE. Yes, it is my opinion that providing Drinking Water State Revolving Loan fund money to the community of Colwich to create a public water system will further the health objectives of the Safe Drinking Water Act Amendments of 1996. Therefore, the State of Kansas has the authority to allocate DWSRF money to the community of Colwich.

Mr. BOND. Although the Appropriations Subcommittee on VA, HUD, and Independent Agencies was able to increase the drinking water SRF for fiscal year 1999 to $800 million, it is impossible to expect the DWSRF to fund new projects where there is not a public health threat. The purpose of the DWSRF is to fund drinking water systems that are having difficulties complying with the Act, it is not intended to finance new drinking water systems for communities that are having difficulties distributing drinking water.

FORT HARRISON VAMC SEWER LINE

Mr. BURNS. Mr. President, I'd like to clarify the issue of funding for a new sewer line connecting Fort Harrison VA Medical Center to the City of Helena. The Senate Appropriations Committee Report directs the VA to work with interested parties on a cost-sharing plan for the sewer line. The Committee has received a commitment from the Department of Veterans Affairs to provide $1.4 million for the sewer line out of its minor construction account. This amount is slightly over half of the estimated total cost for the project. Does the Chairman concur that the Committee endorses this funding agreement and expects the VA to make the funds available in an expeditious manner?

Mr. BOND. I concur with the Senator from Montana. The Committee expects the VA to provide $1.4 million for the Fort Harrison sewer line in an expeditious manner. I thank the Senator from Montana for the clarification.

Mr. CRAIG. Mr. President, I rise to commend the Chairman on his leadership and hard work on his bill. He and the Subcommittee have had to make hard decisions about scarce resources and have labored to do so fairly. I also appreciate the Chairman's diligence in pursuing needed, aggressive oversight of some large agencies that, at times, have been sluggish in responding. He and the Subcommittee have made real efforts to make sure the taxpayer's hard-earned dollar is spent effectively and efficiently. I have seen first-hand, and appreciate, the Chairman's dedication to the integrity of this process.

I request that the distinguished Chairman and I be permitted to engage in a colloquy.

As the Chairman knows, the City of McCall, Idaho, is faced with the absolutely critical need to make significant improvements to its water system. McCall faces a potential cost of $6 million because of federal mandates for water purification.

However, as much of 85 to 90 percent of these capital costs might be saved by installing a new, prototype, filtration technology. The City only recently received a proposal for a prototype filtration system. In what ought to be a prototype for voluntary private-public partnerships, the cost of research and development of the system would be borne by the contractor.

That leaves the City with the need for $253,000 toward installation, start-up, and initial testing of the system. Through no fault on anyone's part, the proposal was not ready for the City to review, and could not be submitted to the Subcommittee, in time for consideration during the markup of this bill.

I would ask the Chairman if he could work with us in conference to evaluate this request, with an eye toward inclusion in the conference report.

This investment of $253,000 would not only save the community of McCall possibly more than $5 million, it would be a demonstration project that could help countless other communities, as well as the federal government, save millions of the taxpayers dollars in the future. I believe such a project would be consistent with the missions of either the EPA Science and Technology program or EPA State and Tribal Grants.

Mr. BOND. I appreciate Senator CRAIG's concern for the City of McCall, its environment, the burdens imposed by federal requirements, and the very real need that this and other communities have to comply with federal mandates as economically as possible.

I will be happy to work with the Senator to examine this proposal more thoroughy. If we can determine that this project does, indeed, qualify for existing EPA programs, we will see what can be done to address this need.

EPA GRANT PROGRAMS FOR PLANNING FUTURE GROWTH

Mr. BENNETT. Mr. President, I take the Senate floor to enter a colloquy with the distinguished Chairman of the VA, HUD and Independent Agencies Subcommittee, Senator BOND. The topic of which I speak is the tremendous growth that continues to take place in my home state of Utah. Presently, Utah is ranked by the U.S. Bureau of the Census as the third fastest growing state in the Union. While Utah is often thought of as a rural state, roughly 80 percent of our population resides in the narrow mountain valleys along 100 miles of the Wasatch Front. In reality, Utah is one of the most urban states in the country.

With this in mind, I would like to thank the Chairman of the VA, HUD Committee for his assistance in including report language in the Fiscal Year 1999 bill, which encourages the Environmental Protection Agency (EPA) to work with Envision Utah, a private/

public organization tasked with planning for Utah's future. I would also like to ask Chairman BOND whether or not additional EPA programs might be of assistance to Envision Utah in fulfilling its mission?

Mr. BOND. I am happy to respond to my colleague from Utah that EPA has a number of programs that can assist organizations like Envision Utah in preparing for future growth demands. Clearly, EPA's mission of protecting the environment includes management of resources such as open space by encouraging sound urban planning. I encourage the EPA to look at any grant program that might help Envision Utah meet its goal of preparing Utah for future growth.

Mr. BENNETT. I thank my friend from Missouri for his assistance and support in addressing growth in Utah.

BUDGET COMMITTEE SCORING OF S. 2168

Mr. DOMENICI. Mr. President, I rise in support of S. 2168, the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Bill for 1999.

This bill provides new budget authority of $93.9 billion and new outlays of $54.5 billion to finance the programs of the Departments of Veterans Affairs and Housing and Urban Development, the Environmental Protection Agency, NASA, and other independent agencies.

I congratulate the Chairman and Ranking Member for producing a bill that complies with the Subcommittee's 302(b) allocation. This is a one of the most difficult bills to manage with its varied programs and challenging allocation, but I think the bill meets most of the demands made of it while not exceeding its budget and is a strong candidate for enactment. So I commend my friend the chairman for his efforts and leadership.

When outlays from prior-year BA and other adjustments are taken into account, the bill totals $91.9 billion in BA and $102.4 billion in outlays. The total bill is at the Senate subcommittee's 302(b) allocation for budget authority and outlays, for both defense and nondefense.

I ask members of the Senate to refrain from offering amendments which would cause the subcommittee to exceed its budget allocation and urge the speedy adoption of this bill.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of the bill printed in the RECORD.

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

S. 2168, VA–HUD APPROPRIATIONS, 1999 SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 1999, in millions of dollars]

	Defense	Nondefense	Crime	Mandatory	Total
Seante-reported bill:					
Budget authority	131	69,855		21,885	91,871
Outlays	127	80,653		21,570	102,350
Senate 302(b) allocation:					
Budget authority	131	69,855		21,885	91,871
Outlays	127	80,653		21,570	102,350
1998 Enacted:					
Budget authority	131	69,286		21,332	90,749
Outlays	139	80,250		20,061	100,450
President's request:					
Budget authority	131	70,607		21,885	92,623
Outlays	127	81,163		21,570	102,860
House-passed bill:					
Budget authority					
Outlays					
Senate-reported bill compared to:					
Senate 302(b) allocation:					
Budget authority					
Outlays					
1998 Enacted:					
Budget authority		569		553	1,122
Outlays	(12)	403		1,509	1,900
President's request:					
Budget authority		(752)			(752)
Outlays		(510)			(510)
House-passed bill:					
Budget authority	131	69,855		21,885	91,871
Outlays	127	80,653		21,570	102,350

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

AMENDMENT NO. 3209

Mr. BOND. I have a managers' amendment to offer, and I offer it en bloc. It has been cleared on both sides.

First, there are a number of technical amendments.

Second, for Senators CAMPBELL, STEVENS, and MACK, there are several amendments to ensure Native American groups are eligible for HUD drug elimination grants and the HUD rural housing and economic development.

Third, for Senator D'AMATO, we are continuing the authority for the HUD G–4 auction program.

Fourth, we are allowing HUD to use data on multifamily housing developed by the Multifamily Housing Institute.

Fifth, this amendment would require all agencies under the bill to provide detailed salaries and expenses information.

In addition, we are including Senator FRIST's amendment which authorizes OSTP, the Office of Science and Technology Policy, to conduct a study on methods for evaluating federally funded research and development.

We have also included an amendment for Senator WELLSTONE providing for a 12-month notice to tenants before prepaying the mortgage of a preservation project. Owners who have already filed notice would not be impacted. We appreciate Senator WELLSTONE's providing this amendment. We had been hoping we could have adopted this one a number of weeks ago.

Finally, we included a number of reforms of the FHA which we believe are very sound and responsible provisions. They are from Senator NICKLES, Senator MACK, and Senator FAIRCLOTH to direct HUD to improve the management of FHA.

I send this amendment to the desk and ask for its consideration en bloc.

The PRESIDING OFFICER. If there is no objection, the amendments will be considered en bloc.

The clerk will report.

The bill clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself and Ms. MIKULSKI, proposes an amendment numbered 3209.

Mr. BOND. I ask unanimous consent reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

NOTICE REQUIREMENTS FOR PREPAYMENT OF FEDERALLY SUBSIDIZED MORTGAGES

Mr. WELLSTONE. Mr. President, I rise today to thank the Chairman and Ranking Member for including in the manager's amendment, my amendment to the VA/HUD appropriations bill. This amendment addresses the loss of Section 236 and Section 221 housing across the country. Prepayment of federally assisted mortgages is exacerbating an already static housing market and is wrenching for the tenants, who often barely receive adequate warning that their homes may soon become too expensive for them to afford. My amendment provides tenants and local officials with fair notice that a Section 236 or 221 building is leaving the federal subsidy program. This allows tenants the ability to try and find alternate housing, and non-profits and local governments the opportunity to preserve the housing by buying out the owner's interest.

Section 236 and Section 221(d)(3) of the National Housing Act provided for the creation of federally assisted, privately owned affordable housing. Under the Section 221 program, the federal government insured the mortgages on certain rental housing, under the Section 236 program, the federally government subsidized the interest payments that owners of rental housing made on the mortgages. Both of the programs offered the security of a federal subsidy for building owners in return for their maintaining these buildings as affordable housing—the regulatory agreement signed between HUD and the building owner restricted the rents which could be charged on the units within the building so long as the mortgage was insured or subsidized by HUD. To be eligible for the program, an owner signed a 40 year mortgage, however, the deeds of trust for such properties that the owner could prepay the mortgage or terminate the insurance contract after 20 years and potentially remove that building from the pool of affordable housing.

By the late 1980's, Congress realized that the loss of Section 236 and Section 211 properties could be devastating to the supply of affordable housing. In many communities across the country, housing and real estate markets were tight enough that owners of such properties had a strong incentive to leave the programs and convert their units to market rate, or to find alternate uses for the property. In 1987, Congress enacted the Emergency Low Income Preservation Act, which created a two year moratorium on prepayment of Section 221 or Section 236 mortgages. This was done to allow Congress some time to formulate a comprehensive solution to the prepayment problem. In 1990 as part of the National Affordable Housing Act, Congress enacted the Low Income Housing Preservation and Resident Homeownership Act of LIHPRHA (LIPRA). This law was intended to manage the prepayment process, to provide incentives for owners with critical properties to stay in the system and to create a mechanism for transfer of properties to nonprofit or resident ownership.

Today this system is in tatters. Congress has not appropriated funds for the incentive program since fiscal year 1997 and it appears that HUD is no longer enforcing the provisions of LIHPRHA which call for fair notice to tenants and a plan of action to be submitted by owners.

Mr. President, the loss of Section 236 and 221 properties has become a crisis in my state. The Minnesota Housing Finance Agency believes that 10% of Minnesota's Section 236 and 221 housing is at risk—Housing advocates believe that the long term losses will be far greater. But the loss of these apartment buildings does not occur in a vacuum, the Twin Cities metropolitan area has a vacancy rate of 1.9 percent—five percent vacancy is usually regarded as full. The loss of these buildings as affordable housing is absolutely devastating to these communities.

Mr. President, I'd like to share some examples from my own state of illustrate the problem facing these tenants. These Minnesotans have had their lives completely disrupted by the prepayment of a Section 236 mortgage and if you listen to their stories over and over again you hear the same thing: with more notice they could have organized an equitable buy out of the current owner's mortgage or have made a dignified search for other housing.

Terry Truja moved into Oak Grove Towers in Minneapolis, MN, ten years ago when she became disabled; she now uses a wheel chair. She lived in the neighborhood around Oak Grove Towers for seven years prior to her disability and worked as a nurse. Her building's Section 236 mortgage was prepaid in July of 1997. Prior to the prepayment, Terry paid $250 a month for her apartment. After prepayment, her apartment now rents for $615. She has been able to stay in her apartment for one year thanks to en Enhanced Section 8 Voucher, but she will not be eligible for ordinary Section 8 after that period. Terry and the other tenants of Oak Grove Towers received 60 days notice that the mortgage was being prepaid. They are trying to work with a local non-profit who wishes to buy the building and keep it as low income housing, but now they are fighting against time. Extra notice could have made all the difference.

Elza Glikina is a Russian immigrant who lives with her husband in Oak Grove Towers. She speaks fluent English and serves as a contact with the outside world for the many elderly Russian immigrants who live in the building, many of whom do not speak English. She says that these people ''lived through so much grief in their lives'' back in their home countries and that they ''thought they had found peace'' here in Oak Grove Towers where they have formed closed bonds with others of the same nationality. For them, Elza said, the prepayment was terrifying. It reminded them of arbitrariness and soullessness of life in the Soviet Union. 60 days was not enough time for these immigrants to get their affairs in order, to apply for supplemental assistance. Though Elza is more capable then most, she says that she ''feels sick at the thought of moving.''

Jennifer Nguyen is a severely disabled Vietnamese immigrant who lives next to her brother and mother in Oak Grove Towers. She suffers from multiple medical problems, including tuberculosis and has only a portion of one lung remaining. Her doctor is located in the neighborhood, and her health might be seriously jeopardized if she is forced to move. She likes living at Oak Grove Towers, but if the building is not sold to a non-profit, she will likely have to relocate to the suburbs—away from her friends and her doctor.

Ann Peterson is a mother with a nine year old son who lives in Boulevard Villa in Coon Rapids, MN. She works, but medical problems make employment difficult. The mortgage on their building was prepaid in April of this year. Tenants and local housing officials received three weeks notice of prepayment. Ann and others tried to find a non-profit to take over the mortgage but three weeks was just not enough time—in fact it took 6 weeks after prepayment for the paperwork to provide Enhanced Vouchers to be approved. She has lived there 8 years and says that she still ''has faith that they will be able to stay.'' She continues to try and find a buyer for the building.

Mr. President, these are a few stories from two buildings where the Section 236 mortgages have been repaid. Together they represent the potential loss of 281 units of affordable housing—in a market that already has a 1.9 percent vacancy. Again, I think there stories show why notice is important for two reasons: as a buffer to the tenant and to allow local governments and non-profits time to react to keep the housing affordable.

Mr. President, I believe my amendment is a step in the right direction. It:

1. Requires an owner of eligable low income housing, such as a Section 236 or Section 221(d)(3) building, who intends to prepay a federally subsidized mortgage or terminate the federal insurance contract to give a one year notice of such intent to the tenants of the affected property and to the appropriate state and local authorities.

2. Waives this requirement in the event that the owner wishes to transfer the property to a non-profit or Residents Council which intends to maintain the units as affordable housing.

3. This amendment does not apply to owners who have already given notice of prepayment or termination, as of July 7, 1998, in accordance with current law and regulation.

Under current federal law, tenants of federally assisted rental housing receive only 30 or 60 days notice of an owner's attempt to pre-pay an insured mortgage. This short time period makes it impossible for the tenants, their advocates, local or state government to devise any alternatives to prevent the permanent loss of affordable housing. Minnesota has enacted a one year prepayment notice requirement, but this been pre-empted by LIHPRHA, LIHPRHA specifically struck down state laws which put more restrictive requirements for Section 236 and 221 than is provided for in federal law. This was justified by the funding mechanism also included in LIHPRHA, which was designed to preserve the housing should the owner decide to prepay. Now that this federal funding is gone, I believe Congress should act to require a firm, one year notice period. Again, however, my amendment is not intended to cover owners who have given legal notice of prepayment or termination under the prepayment process currently being implemented by HUD.

Mr. President, the Congressional budget office has determined that my amendment would not add to the cost of this bill. I don't believe it will be a burden to owners either. It simply provides warning to tenants, warning that I believe out of simple dignity they should be provided, and gives local and state governments the tools they need to preserve the housing—after buying out the owner at a fair price—in the affordable housing pool.

Mr. President, other speakers have talked about the crisis in affordable housing. We are at a point in our history where we are simultaneously experiencing some of the most tremendous economic growth while enduring an all time high of renters with worst case housing needs—5.3 million people across the country. My amendment is a small change, but if it is a change which provides low income tenants with increased security and allows for ample warning so that housing can be preserved then, I believe it will have a big impact.

Mr. BOND. I ask unanimous consent that it be designated as a Bond and Mikulski amendment.

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

The question is on agreeing to the amendment.

The amendment (No. 3209) was agreed to en bloc.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Again, my sincere thanks particularly to my colleague from Maryland for her fine staff. My thanks to our staff for staying with us. I think we have set a record for debate, for expeditious handling of VA/HUD bill. We are grateful, No. 1, to the leadership, Senator DASCHLE and Senator LOTT, for giving us such a propitious time to expedite the consideration of this measure.

Let me extend my special thanks to the occupant of the Chair and all of the floor personnel, including the pages, of the Senate for staying with us to quarter to 12, and perhaps a little later. We appreciate your willingness. This has helped us move forward.

Ms. MIKULSKI. Mr. President, as we close the debate on the fiscal year 1999 VA/HUD bill, I thank Chairman BOND, first, for all the courtesies that he has extended both to myself and to my staff during the entire year that we have considered this legislation—many hearings, many discussions, many issues that we ironed out so we could come to the floor with the bill that really met compelling human need and investment in the future.

And at the same time, avoid a lot of the wrangling that sometimes can surround appropriations bills. I also think he handled the bill tonight with great deftness. We want to thank him. I want to thank his staff, Carolyn Apostolou and Jon Kamarck for the outstanding job they did. Of course, I could not stand here and be able to articulate the position of both my party and my own beliefs without my very able staff. I thank Andy Givens, David Bowers and Bertha Lopez, who were with me throughout the entire year as we moved this bill.

So I look forward to voting for the bill tomorrow and in conference. And really, for all of the pages who have worked so late, they should know that this bill has really helped. We have housing for the poor and have saved the environment, invested in the future. I could go on, but I am going to now yield the floor.

Mr. BOND. Mr. President, I ask unanimous consent that the votes ordered with respect to the amendments offered to the VA–HUD appropriations bill occur in the order they were offered, beginning at 9 a.m. tomorrow morning as under the previous order. I further ask that no second-degree amendments be in order to the amendments.

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

Mr. BOND. For the information of all Senators, the voting schedule for Friday morning is as follows:

The Wellstone amendment regarding veterans compensation. I understand that the chairman of the budget committee will raise a point of order with respect to this amendment so the vote will be on a motion to waive the budget act with respect to the Wellstone amendment.

Following the Wellstone vote the Senate will vote on or in relation to the Murkowski amendment regarding Alaska veterans, followed by a vote on or in relation to the Nickles FHA amendment, followed by a vote on or in relation to the Burns amendment regarding NASA indemnification, followed by a vote on or in relation to the Sessions amendment regarding NASA funding.

It is hoped that following the preceding amendment votes the Senate will immediately move to final passage of the VA-HUD Appropriations Bill.

UNANIMOUS CONSENT AGREEMENT

Mr. President, I ask unanimous consent that when the Senate completes all action on S. 2168, that it not be engrossed and be held at the desk. I further ask that when the House of Representatives companion measure is received in the Senate, the Senate immediately proceed its consideration; that all after the enacting clause of the House bill be stricken and the text of S. 2168, as passed, be inserted in lieu thereof; that the House bill, as amended, be read for a third time and passed; that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses thereon, and the Chair be authorized to appoint the following conferees on the part of the Senate: Senators BOND, BURNS, STEVENS, SHELBY, CAMPBELL, CRAIG, MIKULSKI, LEAHY, LAUTENBERG, HARKIN, and BYRD; and that the foregoing occur without any intervening action or debate.

I further ask unanimous consent that upon passage by the Senate of the House companion measure, as amended, the passage of S. 2168 be vitiated and the bill be indefinitely postponed.

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

MORNING BUSINESS

Mr. BOND. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

REMARKS OF THE HONORABLE HOWARD H. BAKER, JR.—LEADER'S LECTURE SERIES

Mr. LOTT. Mr. President, this was old home week in the Senate. Former Senator Howard Baker of Tennessee, who served almost two decades in this body, returned to give us a piece of his mind—in the best sense of the phrase.

To be precise, he delivered, in the august Old Senate Chamber, the second presentation in our Leader's Lecture Series. The first address earlier this year, by former Senator Mike Mansfield, was both moving and memorable. Senator Baker's remarks were no less so.

He entitled his remarks ''On Herding Cats,'' a reference to the nature of the work of a Senator Majority Leader—or, for that matter, a Minority Leader. Suffice it to say that, as the current holder of the leadership office which Senator Baker gave up when he left the Senate, I fully understand what he means.

To advance the public's understanding of the Senate, and to further appreciation of its unique traditions and procedures, I ask unanimous consent that the text of Senator Baker's Lecture be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE HONORABLE HOWARD H. BAKER, JR., LEADER'S LECTURE SERIES, JULY 14, 1998

ON HERDING CATS

I first walked into the gallery of the United States Senate nearly sixty years ago. My great-aunt Mattie Keene was secretary to Senator K.D. McKeller of Tennessee, and I came here to visit her in July 1939 as a 13-year-old-boy, and she procured gallery passes for the House and the Senate.

The Senate had only the most primitive air conditioning in those days. It was principally cooled by a system of louvers and vents and sky lights that dated from 1859, when the Senate vacated this chamber and moved down the hall to its present home.

The system did not work very well against Washington's summertime plague of heat and humidity, and as a consequence, Congress was not a year-round institution in those days.

Anyone who knows me understands how tempting it is to devote the remainder of these remarks to my perennial thesis—that this was precisely the way the national legislature was designed to operate: as a citizen legislature that did its work and went home, rather than a perpetual Congress hermetically sealed in the capitol city. In the summer of 1939, in any event, nature and technology offered little choice.

On that same trip in 1939, I traveled even further north—to New York, in the company of the same Aunt Mattie—to see the New York World's Fair. There I had my first encounter with a novel technology that would have even more profound consequences than air conditioning. It was called ''television.''

And it was the same K.D. McKeller, my Aunt Mattie's boss, who only three years later would help President Roosevelt launch the Manhattan Project that would shortly usher in the nuclear age.

(Senator McKeller, by the way, was chairman of the Senate Appropriations Committee at the time, and when President Roosevelt asked him if he could hide a billion dollars to finance this top-secret project, Senator McKeller replied, ''Of course I can, Mr. President—and where in Tennessee are we going to build this plant?'')

I recite all this personal history not to remind you how old I am but to remark on how young our country is, how true it is in America that, as William Faulkner wrote, ''the past isn't dead. It isn't even the past.''

The same ventilation system that Senator Jefferson Davis of Mississippi had installed in the new Senate chamber in 1859—just before leaving Washington to become President of the Confederacy—was still in use when I first came here as a boy, when television and nuclear power were in their infancy.

We enter rooms that Clay and Webster and Calhoun seem only recently to have departed. We can almost smell the smoke of the fire the British kindled in what is now Senator Lott's office to burn down Washington in August of 1814.

(By the way, you can thank me for whatever smoke you now smell. My late father-in-law, Everett Dirksen, has told me that the fireplaces in the Republican Leader's offices didn't work since they were sealed when they air conditioned the Capitol. So when I was elected Republican Leader, I asked the Architect of the Capitol what it would take to make these fireplaces work, and he replied, ''A match, I suppose.'')

My dear friend, Jennings Randolph of West Virginia, with whom I helped write much of the environmental and public work legislation of the 1970s and who passed away recently, came to Washington with Franklin Roosevelt in 1932 and was still here when Ronald Reagan arrived in 1981. He was a walking history lesson who embodied—and gladly imparted—a half century of American history.

You may be wondering by now what all these ruminations have to do with the subject of Senate leadership. The answer is this: what makes the Senate work today is the same thing that made it work in the days of Clay, Webster and Calhoun, in whose temple we gather this evening.

It isn't just the principled courage, creative compromise and persuasive eloquence that these men brought to the leadership of the Senate—important as these qualities were in restoring political prestige and Constitutional importance to the Senate in the first half of the 19th century.

(Heretical as it may sound, before these gentlemen arrived, an alarming number of men left the Senate to pursue more influential political careers in the House of Representatives.)

It isn't simply an understanding of the unique role and rules of the Senate, important as that understanding is.

It isn't even the devotion of the good of the country, which has inspired every Senator since 1789.

What really makes the Senate work—as our heroes knew profoundly—is an understanding of human nature, an appreciation of the hearts, as well as the minds, the frailties as well as the strengths, of one's colleagues and one's constituents.

Listen to Calhoun himself, speaking of his great rival Clay: ''I don't like Henry Clay. He is a bad man, an imposter, a creator of wicked schemes. I wouldn't speak to him. But by God, I love him.''

It is almost impossible to explain that statement to most people, but most Senators understand it instinctively and perfectly.

Here, in those twenty-eight words, is the secret to leading the United States Senate. Here, in a jangle of insults redeemed at the end by the most profound appreciation and respect, is the genius and the glory of this institution.

Very often in the course of my eighteen years in the Senate, and especially in the last eight years as Republican Leader and then Majority Leader, I found myself engaged in fire-breathing, passionate debate with my fellow Senators over the great issues of the times: civil rights, Vietnam, environmental protection, Watergate, the Panama Canal, tax cuts, defense spending, the Middle East, relations with the Soviet Union, and dozens more.

But no sooner had the final word been spoken and the last vote taken than I would walk to the desk of my recent antagonist, extend the hand of friendship, and solicit his support on the next day's issue.

People must think we're crazy when we do that. Or perhaps they think our debates are fraudulent to begin with, if we can put our passion aside so quickly and embrace our adversaries so readily.

But we aren't crazy, and we aren't frauds. This ritual is as natural as breathing herd in the Senate, and it is as important as anything that appends in Washington or in the country we serve.

It signifies that, as Lincoln said, ''We are not enemies but friends. We must not be enemies.'' It pulls us back from the brink of rhetorical, intellectual, even physical violence that, thank God, has only rarely disturbed the peace of the Senate.

It's what makes us America and not Bosnia. It's what makes us the most stable government on Earth, not a civil war waiting to happen.

We're doing the business of the American people. We have to do it every day. We have to do it with the same people every day. And if we cannot be civil with one another—if we stop dealing with those who disagree with us or those we do not like—we would soon stop functioning altogether.

Sometimes we have stopped functioning. Once we had a civil war. Once Representative Preston Brooks of South Carolina (who, by the way, was born in Senator Thurman's hometown of Edgefield) came into this chamber and attacked Senator Charles Summer of Massachusetts with a cane, nearly killing him. And it is at those times we have learned the hard way how important it is to work together, to see beyond the human frailties, the petty jealousies, even the occasionally craven motive, the fall from grace that every mortal experiences in life.

Calhoun didn't like Clay, didn't share his politics, didn't approve of his methods. But he loved Clay because Clay was, like him, an accomplished politician, a man in the arena, a master of his trade, serving his convictions and his constituency just as Calhoun was doing.

Calhoun and Clay worked together because they knew they had to. The business of their young nation was too important—and their roles in that business too central—to allow them the luxury of petulance.

I read recently that our late friend and colleague Barry Goldwater had proposed to his good friend, then Senator John Kennedy, that the two of them make joint campaign appearances in the 1964 presidential campaign, debating the issues one-on-one, without intervention from the press, their handlers, or anyone else.

Barry Goldwater and John Kennedy would have had trouble agreeing on the weather, but they did agree that presidential campaigns were important, that the issues were important, and that the public's understanding of their respective positions on those issues was important.

That common commitment to the importance of public life was enough to bridge an ideological and partisan chasm that was both deep and wide. And that friendship, born here in the Senate where they were both freshmen together in 1953, would have served the nation well whoever might have won that election in 1964.

Barry Goldwater and I were also personal friends, as well as professional colleagues and members of the same political team. Even so, I could not automatically count on his support for anything. Once, when I really needed his vote and leaned on him perhaps a little too hard, he said to his Majority Leader, ''Howard, you have one vote, and I have one vote, and we'll just see how this thing comes out.''

It was at that moment that I formulated my theory that being leader of the Senate was like herding cats. It is trying to make ninety-nine independent souls act in concert under rules that encourage polite anarchy and embolden people who find majority rule a dubious proposition at best.

Perhaps this is why there was no such thing as a Majority Leader in the Senate's first century and a quarter—and why it's only a traditional, rather than statutory or constitutional, office still today.

Indeed, the only Senator with constitutional office is the President Pro Tempore, who stands third in line of succession to the Presidency of the United States. Strom Thurmond has served ably in that constitutional role for most of the last 17 years, and I have no doubt he has at least another 17 to go.

In Strom's case I am reminded of an invitation that I recently received to attend the dedication of a time capsule in Rugby, Tennessee to be opened in a 100 years. Unfortunately, I could not attend because of a schedule conflict so I wrote that I was sorry that I couldn't be there for the burying of the time capsule, but I assured them that I would try to be there when they dig it up.

There was a time when even the Vice Presidency was a powerful office. When John Calhoun served as Andrew Jackson's vice president, he had the power not only to cast tie-breaking votes but also to appoint whole congressional committees.

There was also a time when Majority and Minority Leaders could keep their members in line by granting or withholding campaign funds from the national parties—the only major source of funds, besides personal wealth, that most Senators could call upon.

Even Lyndon Johnson, in the late 1950s, could wield this power and enforce his party's discipline with cash and committee assignments, as well as the famous ''Johnson treatment.''

Today, every Senator is an independent contractor, beholden to no one for fund-raising, for media coverage, for policy analysis, for political standing, or anything else. I herded cats. Trent Lott and Tom Daschle have to tame tigers, and the wonder is not

that the Senate, so configured, does so little but that it accomplishes so much.

That it does is a tribute to their talented leadership. They can herd cats. They can tame tigers. They can demonstrate the patience of Job, the wisdom of Solomon, the poise of Cary Grant and the sincerity of Jimmy Stewart—all of which are essential to success in the difficult roles they play.

For whatever help it may be to these and future leaders, let me offer now a few rules of Senate leadership. As it happens, they are an even Baker's Dozen.

1. Understand its limits. The leader of the Senate relies on two prerogatives, neither of which is constitutionally or statutorily guaranteed. They are the right of prior recognition under the precedent of the Senate and the conceded right to schedule the Senate's business. These, together with the reliability of his commitment and whatever power of personal persuasion one brings to the job, are all the tools a Senate leader has.

2. Have a genuine and decent respect for differing points of view. Remember that every Senator is an individual, with individual needs, ambitions and political conditions. None was sent here to march in lockstep with his or her colleagues and none will. But also remember that even members of the opposition party are susceptible to persuasion and redemption on a surprising number of issues. Understanding these shifting sands is the beginning of wisdom for a Senate leader.

3. Consult as often as possible, with as many Senators as possible, on as many issues as possible. This consultation should encompass not only committee chairmen but as many members of one's party conference as possible in matters of legislative scheduling.

4. Remember that Senators are people with families. Schedule the Senate as humanely as possible, with as few all-night sessions and as much accommodation as you can manage.

5. Choose a good staff. In the complexity of today's world, it is impossible for a Member to gather and digest all the information that is necessary for the Member to make an informed and prudent decision on major issues. Listen to your staff, but don't let them fall into the habit of forgetting of who works for whom.

6. Listen more often than you speak. As my father-in-law Everett Dirksen once admonished me in my first year in this body, ''occasionally allow yourself the luxury of an unexpressed thought.''

7. Count carefully, and often. The essential training of a Senate Majority Leader perhaps ends in the third grade, when he learns to count reliably. But 51 today may be 49 tomorrow, so keep on counting.

8. Work with the President, whoever he is, whenever possible. When I became Majority Leader after the elections of 1980, I had to decide whether I would try to set a separate agenda for the Senate or try to see how our new President, with a Republican Senate, could work together as a team to enact his programs. I chose the latter course, and history proved me right. Would I have done the same with a President of the opposition party? Lyndon Johnson did with President Eisenhower, and history proved him right, as well.

9. Work with the House. It is a co-equal branch of government, and nothing the Senate does—except in the ratification of treaties and the confirmation of federal officers—is final unless the House concurs. My father and step-mother both served in the House, and I appreciate its special role as the sounding board of American politics. John Rhodes and I established a Joint Leadership Office in 1977, and it worked very well. I commend that arrangement to this generation of Senate leaders and to every succeeding generation.

10. No surprises. Bob Byrd and I decided more than twenty years ago that while we were bound to disagree on many things, one thing we would always agree on was the need to keep each other fully informed. It was an agreement we never broke—not once—in the eight years we served together as Republican and Democratic Leaders of the Senate.

11. Tell the truth, whether you have to or not. Rather that your word is your only currency you have to do business with in the Senate. Devalue it, and your effectiveness as a Senate leader is over. And always get the bad news out first.

12. Be patient. The Senate was conceived by America's founders as ''the saucer into which the nation's passions are poured to cool.'' Let Senators have their say. Bide your time—I worked for 18 years to get television in the Senate and the first camera was not turned on until after I left. But, patience and persistence have their shining reward. It is better to let a few important things be your legacy than to boast of a thousand bills that have no lasting significance.

13. Be civil, and encourage others to do likewise. Many of you have heard me speak of the need for greater civility in our political discourse. I have been making that speech since the late 1960s, when America turned into an armed battleground over the issues of civil rights and Vietnam. Having seen political passion erupt into physical violence, I do not share the view of those who say that politics today are meaner or more debased than ever. But in this season of prosperity and peace—so rare in our national experience—it ill behooves America's leaders to invent disputes for the sake of political advantage, or to inveigh carelessly against the motives and morals of one's political adversaries. America expects better of its leaders than this, and deserves better.

I continue in my long-held faith that politics is an honorable profession. I continue to believe that only through the political process can we deal effectively with the full range of the demands and dissents of the American people. I continue to believe that here in the United States Senate, especially, our country can expect to see the rule of the majority co-exist peacefully and constructively with the rights of the minority, which is an interesting statement.

It doesn't take Clays and Websters and Calhouns to make the Senate work. Doles and Mitchells did it. Mansfields and Scotts did it. Johnsons and Dirksens did it. Byrds and Bakers did it. Lotts and Daschles do it now, and do it well. The founders didn't require a nation of supermen to make this government and this country work, but only honorable men and women laboring honestly and diligently and creatively in their public and private capacities.

It was the greatest honor of my life to serve here and lead here. I learned much about this institution, about this country, about human nature, about myself in the eighteen years I served here at the pleasure of the people of Tennessee.

I enjoyed some days more than others. I succeeded some days more than others. I was more civil some days than others. But the Senate, for all its frustration and foibles and failings, is indeed the world's greatest deliberative body. And by God, I love it.

BASEBALL CHOOSES WELL—BUD SELIG

Mr. LOTT. Mr. President, today I wish to congratulate Bud Selig on his unanimous election as the ninth Commissioner of major league baseball.

Baseball is enjoying a renaissance of popularity at all levels of play. Participation and interest in youth baseball is at an all-time high. Minor league baseball sets new attendance records each year while bringing the joy of the sport to smaller communities across our Nation. Major league baseball is enjoying unprecedented interest as its great players and teams continue their assault on the all-time records.

As a lifelong fan of baseball, I know Mr. Selig will continue to make baseball even more popular for its millions of fans and players from youth league through the major leagues. He will also bring considerable experience and background to his new post all of which will add to the glory of our national pastime. I wish him well. Baseball has chosen well.

ENCRYPTION LEGISLATION

Mr. DASCHLE. Late yesterday several of my colleagues took to the floor to discuss their views on the need for congressional action on encryption legislation. I would like to take this opportunity to briefly provide my thoughts on this important issue.

As everyone who follows encryption policy knows, despite years of discussion and debate, we still have not found a solution that is acceptable to industry, consumers, law enforcement and national security agencies. In this Congress alone, we have seen 7 competing bills introduced—3 in the House and 4 in the Senate.

The country is paying a price for this inability to produce a consensus solution. That price is evident not only in loss of market share and constraint on internet commerce, but also in the steady erosion of the ability of law enforcement's and national security agencies' to monitor criminal activity or activities that threaten our national interest.

We simply must find a comprehensive national policy that protects both U.S. national security and U.S. international market share—sooner rather than later. And I believe we can.

After many months of participating in discussions on encryption policy and hearing from all sides of this complex issue, I have reached two conclusions. First, the Administration has and is continuing to make good-faith efforts to reach agreement on the numerous complex issues that underlie our encryption policy. And second, there is already considerable agreement on a series of key issues. The challenge is to pull together to forge a consensus encryption policy for the 21st Century.

Earlier this year, I sent a letter to Vice President GORE asking for the Administration's goals and plans for encryption policy. In his response to me, the Vice President indicated that he supports ''energizing an intensive discussion that will apply the unparalleled expertise of U.S. industry leaders in developing innovative solutions that support our national goals.'' Subsequent actions demonstrate that the

Vice President and this Administration have been true to their word.

In the last several months, the Administration has engaged in intensive discussions with the Americans for Computer Privacy, an important business-oriented interest group. These discussions have focused on technical, policy, legal, and business issues associated with encryption, and the impact of strong encryption on law enforcement and national security. The Administration is also reviewing ACP's proposals for export relaxation. I have been assured by senior Administration officials that, in making decisions on our encryption policy, the Administration recognizes it must carefully consider commercial needs as well as law enforcement and national security interests.

As a result of the Administration's statements and actions, I am more convinced than ever that there is already agreement on a significant number of issues and that a consensus on encryption policy is possible in the not-to-distant future. First, all parties accept the need for and reality of strong encryption products. Second, all parties agree that strong encryption products are essential to the growth of electronic commerce and the internet. Third, all parties agree that 40-bit keys are inadequate to ensure privacy and security. Fourth, all parties agree that doing nothing has a real and significant downside. According to a recent study, maintaining existing encryption policies will cost the U.S. economy as much as $96 billion over the next 5 years in lost sales and slower growth in encryption-dependent industries. Finally, all parties agree that doing nothing is unsustainable because the relaxed restrictions the Administration placed on 56-bit encryption products expire at the end of the year and must be addressed within the next month or two.

So where does this leave us? Unfortunately, while recent discussions between industry and the Administration have been fruitful, they have not gone far enough or proceeded fast enough to produce the kind of agreement I believe the majority of the Congress would all like to see. The time has come for the Administration to announce exactly where it stands on several key issues—including how it intends to proceed when the current relaxed restrictions on 56-bit encryption expire.

Having urged the Administration to greater efforts, I must also ask if it would not be constructive for those who are most frustrated with the pace of change in this area to take a step back and closely examine their own positions. For example, several of the bills introduced in the Congress this session call for the Secretary of Commerce to have exclusive jurisdiction over the export of encryption products. Despite the widespread agreement that the sale of encryption products has important ramifications for our national security and law enforcement, these bills would give no role to officials from the Justice Department, the FBI, or the intelligence community in the decision process regarding which encryption products can be legally sold.

This fact would be noteworthy even in isolation. It is even more remarkable when one combines it with the observation that many of the adherents to this laissez-faire approach to export controls for encryption products are the most vocal critics of the Administration's export policies for commercial satellites.

The incongruity of these two positions is stunning. Trying to reconcile them is impossible. There are only two conclusions to be drawn from this inconsistency. Either the right hand does not know what the left is doing, or at least part of the criticism directed at the Administration is politically motivated.

I will be working with the Administration and my colleagues in the days ahead in the hope of reaching some consensus on national encryption policy. I am hopeful that over the next few weeks we can begin to resolve the numerous difficult issues that remain. Neither industry nor government is likely to get 100 percent of what it wants. However, if both sides are flexible and cognizant of the stakes involved, I am hopeful we can reach an agreement that's good for consumers, good for business, and good for law enforcement and national security.

OMNIBUS PATENT ACT OF 1997

Mr. LEAHY. Mr. President, I am here once again to talk about S. 507, the Omnibus Patent Act of 1997. On this date back in 1878, a gentleman named Thaddeus Hyatt was granted a patent for reinforced concrete. Now, 120 years later, the Senate is refusing to reinforce American innovation by failing to take concrete action to reform our nation's patent laws.

We are presented with an opportunity that will not soon repeat itself—an opportunity to pass S. 507 and give U.S. inventors longer patent terms, put more royalties in their pockets, save them money in costly patent litigation, and avoid wasting their development resources on duplicative research. At the same time, we can get our new technology more rapidly into the marketplace and make U.S. companies more competitive globally.

Remaining globally competitive is not an idle concern. The failure of this body to enact the reforms of our patent system contained in S. 507 has given foreign entities applying for and receiving patents in the U.S. unfair advantages over U.S. firms—advantages that U.S. persons filing and doing business abroad do not have. This ability to keep U.S. inventors in the dark about the latest technological developments does not work to our economic advantage. Why are we turning our backs on our businesses, small and large, by not voting on this bill?

I have made recent speeches citing the strong support this legislation has around the country. This legislation has more than just Vermont or any state in mind. It has the entire country in its best interest. Our 200 year old patent system has provided protections to many of our inventions that have led to our global economic leadership position in the world marketplace. However, that leadership position is being threatened. Litigation has increased. Small inventors have been taken advantage of. Inventors and businesses are asking for our help and requesting that we pass S. 507.

The Senate Judiciary Committee reported this bill out over a year ago by an overwhelmingly bipartisan vote of 17–1, and this bill has yet to see the light of day on the floor. No longer can we turn the other cheek when American business lets out such a cry for help. We need to bring this bill to the floor now and to pass it. We must not squander this opportunity to not only update our patent system but to come to America's defense.

I inserted into the CONGRESSIONAL RECORD on June 23, letters of support from the White House Conference on Small Businesses, the National Association of Women Business Owners, the Small Business Technology Coalition, National Small Business United, the National Venture Capital Association, and the 21st Century Patent Coalition.

On July 10, I inserted into the CONGRESSIONAL RECORD additional letters of support from The Chamber of Commerce of the United States of America; the Pharmaceutical Research and Manufactures of America, PhRMA; the American Automobile Manufacturers Association; the Software Publishers Association; the Semiconductor Industry Association; the Business Software Alliance; the American Electronics Association; and the Institute of Electrical and Electronics Engineers, Inc.

I now ask that additional letters of support for S. 507 be printed in the RECORD. These letters are from IBM; the Biotechnology Industry Organization; the International Trademark Association; 3M; Intel Corporation; Caterpillar; AMP Incorporated; and Hewlett-Packard Company.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

IBM INTERNET MEDIA GROUP,
Essex Junction, VT, June 6, 1998.

Hon. PATRICK LEAHY,
U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: As an inventor I rely on the strength of the U.S. patent system to legally protect my invention(s). I am also the chairman of an ANSI standardization committee (NCITS L3.1) which represents the United States in an International Standardization Forum (ISO/IEC JTC 1/SC 29/WG 11). Our committee has developed the Emmy Award winning standard called MPEG–2, a standard which may have never come to pass had it not been for strong International parent protection. We are currently working on the future of International

Multimedia (MPEG–4), a standard which promises to be as popular and widely used as MPEG–2 will be. The strength of the patent laws is essential to promoting participation and the development of International Standards. However, the system which for years has effectively encouraged innovation and protected inventors, is no longer effective. A significant number of ways have been found to abuse it, such as people and/or companies obtaining inappropriate patents and in some cases pilfering others' hard-earned invention. This threatens to undermine America's position as the global leader in technology innovation. I am proud that my work as an inventor has contributed to IBM's patent portfolio.

There is no legislation pending before you that will help restore leadership and integrity to the U.S. patent system. It is responsive to today's fast paced, highly competitive environment, and it will protect inventors like me. I am writing to ask you to urge Majority Leader Lott (R–MS) to bring S. 507, the Omnibus Patent Act of 1997, to the Senate floor as soon as possible and for you to support its final passage.

The bipartisan Omnibus Patent Act of 1997, S. 507, was passed out of the Senate Judiciary Committee 17–1 and has not yet been brought up for a floor vote. The House of Representatives also passed a similar bill in May 1997. Five former Commissioners of the Patent and Trademark Office (PTO) support this bill. A Senate floor vote is the only way to continue the process to enact this legislation that would help protect inventors and companies from patent system abuse.

Please help protect America's intellectual property and urge Majority Leader Lott (R–MS) to bring this bill to the floor for a vote. Thank you for your attention to this matter, and as a concerned constituent, I request your support of this legislation.

Sincerely,

PETER P. SCHIRLING,
IBM Senior Engineer.

JUNE 18, 1998.

Re Scheduling Debate on Patent Reform Legislation, S. 507 (Hatch/Leahy).

United States Senator,
Washington, DC.

DEAR SENATOR: We are writing to urge you to support scheduling of the patent reform legislation, S. 507, on the Senate floor before the August recess. This legislation is supported by an overwhelming majority of the Senators and the few Senators who have amendments to offer can easily be accommodated in a time agreement.

BIO has been working on this critical legislation for four years, the House passed the bill by a lopsided and bipartisan margin, and it emerged from the Senate Judiciary Committee on a near-unanimous vote. There are very few issues for the Senate debate or conference with the House. It should be easy to complete action on this bill and enact it into law this session. Doing so will be a major victory for biomedical and other research.

This bill answers the concerns raised by the biotechnology industry and other high technology industries regarding the erosion of patents caused by the adoption of the GATT 20 year-from-filing regime. We need to enact this bill to provide vital protection to biotechnology firms conducting research on cures and therapies for cancer, AIDS, Alzheimer's, and other deadly and disabling diseases.

The Biotechnology Industry Organization (BIO) represents almost 800 companies and organizations that use or support biotechnology research. Our companies are finding the next generation of medicines and cures for endemic diseases that diminish the quality of life for all Americans. On a per capita basis, our companies invest more in research and development than any other industry—almost ten times the national average—or about $100,000 per employee per year. This industries investment (almost 10 billion dollars in 1998) is protected primarily through the patent system.

Patents as an incentive for this critical research. Without patents this research would stop because no investor will fund this research without patents. This is why the patent term protections in this bill are so important. The Hatch-Leahy patent term bill provides complete and unequivocal protections to ensure that diligent patent applicants will not lose patent term under the new GATT 20 year patent law.

There is no industry which has lost more in patent protection under the new GATT 20 year patent term than the biotechnology industry. Our industry has been working for three years to secure protections so that diligent patent applicants cannot, and will not, lose patent protection under this new law. It is imperative that the GATT law be amended to protect diligent patent applicants this year.

Diligent patent applicants cannot lose patent term under the patent provisions of Hatch-Leahy bill. If there are any delays in the grant of a patent by the Patent and Trademark Office (PTO) which are beyond the applicant's control, the applicant is given extra patent term—day-for-day compensation. This is a similar system which now applies when a patent holder loses patent term due to delays in the approval of a product by the Food and Drug Administration. So, the solution provided by the Hatch-Leahy bill is tried and tested and it works.

In addition to these patent term provisions, the Hatch-Leahy bill also provides for publication of internationally filed patent applications 18 months after filing and BIO supports this provision as well. Our companies file for patents in Europe and Japan where all applications are published after 18 months. Therefore 18 month publication in the United States will place U.S. companies on equal footing to their European and Asian competitors.

We enthusiastically support the patent term and publication provisions of the Hatch-Leahy bill, know that it solves the patent term problem, urge you to support scheduling of this bill and support final passage. The current GATT/TRIPS law is very problematic for the biotechnology industry and enactment of S. 507 is needed to eliminate the disincentive for biomedical research,

Please contact us with any questions about this critical issue; we would be pleased to meet with you to discuss them.

Sincerely,

CHARLES E. LUDLAM,
Vice President for Government Relations.
DAVE SCHMICKEL,
Patent and Legal Counsel.

INTERNATIONAL TRADEMARK ASSOCIATION,
Washington, DC, May 8, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: You already know of our association's strong support for S. 507, the Omnibus Patent Reform Act. Our members are trademark owners located in every state of the union. This bipartisan bill makes important changes to the U.S. Patent and Trademark Office (USPTO) that are necessary to enable the USPTO to respond efficiently and effectively to the tremendous growth in trademark applications generated by our robust economy.

With next week designated as ''High Tech Week'' in the Senate, where legislation dealing with new technology will be considered, there is no bill that is more deserving of attention and support at this time than S. 507. By converting the USPTO into a government corporation that is 100% user-fee funded, S. 507 will free the agency from constraints which have long hampered efficient operations. Passage of this important legislation will ensure that new products and inventions receive the protection they need both here at home and in global markets.

S. 507 provides great value to intellectual property owners and should be allowed to proceed to the Senate floor. We ask for your help in gaining passage of S. 507.

Sincerely,

DAVID STIMSON,
President.

3M, OFFICE OF INTELLECTUAL PROPERTY COUNSEL,
St. Paul, MN, June 9, 1998.

Hon. PATRICK LEAHY,
United States Senate,
Washington, DC.

DEAR SENATOR LEAHY: I am writing to express the strong support of the 3M Company for the reforms contained in S. 507, the Hatch/Leahy Omnibus Patent Reform Act, and to request that you ask Senator Lott to schedule it for a Senate vote as soon as possible. S. 507 is critically important to U.S. industry. Its reforms will strengthen and improve the United States patent system, allowing American industry to compete more effectively with its foreign competition.

S. 507 will give the U.S. Patent and Trademark Office the administrative flexibility to operate at peak efficiency, save inventors money, and accelerate patent processing. It will allow American inventors and companies to see foreign technology contained in U.S. patent applications more than a year earlier than today, while ensuring that domestic inventors who choose not to take advantage of publication before patent grant may continue to do so if they do not file outside of the U.S. The legislation will guarantee diligent applications a patent term of at least 17 years from grant and most will receive an even longer term of exclusivity. S. 507 would also make existing reexamination procedures more effective by allowing greater third party participation, while adding numerous safeguards to protect against abuse.

One specific reform of S. 507 which 3M most strongly supports is that of creating a prior domestic commercial use defense. This long overdue reform will protect manufacturing jobs in American companies like 3M by ensuring that a late filed patent—nearly one-half of U.S. patents are foreign owned—will not disrupt domestic manufacturing operations. Important technology underlying our successful Post-it® Notes such as those attached to this letter—and the jobs of the American workers who produce them—will be made safer against foreign attack by the passage of S. 507.

The reforms in S. 507 are designed to improve the functioning of the patent system for all users, large and small. In fact, Senators Hatch and Leahy have recently agreed to amend their bill on the Senate floor in response to requests from small businesses. With these changes, key small business constituencies such as the Technology Chairs of the White House Conference on Small Business, the National Association of Women Business Owners, and the Small Business Technology Coalition have expressed their enthusiastic support for S. 507.

U.S. industry needs these patent reforms now. Support S. 507 and urge Senator Lott to bring it to a vote promptly.

Sincerely,

GARY L. GRISWOLD,
Staff Vice President and Chief Intellectual Property Counsel.

INTEL CORPORATION
Santa Clara, CA, June 12, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate,
433 Russell Senate Office Building.

DEAR SENATOR LEAHY: For the past four years, Intel has been an active participant in the 21st Century Patent Coalition, which supports the enactment of patent reform legislation (S. 507). S. 507 would accomplish three broad goals of vital importance to our industry: modernizing patent administration, improving and simplifying dispute resolution procedures in the Patent and Trademark Office, and strengthening inventors' rights in a number of ways, most importantly by protecting them from loss of term due to Patent Office delays. Our coalition has the support of over 80 major American industrial companies and 22 industry associations that are composed, primarily, of small businesses.

Now, S. 507—which passed the House on a voice vote last year, and was approved in the Senate Judiciary by a vote of 17–1—is ready for floor action in the Senate. Our coalition has worked hard to address any and all legitimate concerns about the text of the bill and its impact upon small business entities and independent inventors, and we believe that it would, if enacted, create the most pro-inventor patent system in the world. It has recently received the enthusiastic support of the White House Conference on Small Business Technology Chairs, the National Association of Women Business Owners, and the Small Business Technology Coalition.

The patent system we have today will be ill equipped to serve the needs of inventors in the next century if the improvements provided for in S. 507 are not made. We ask for your help in scheduling S. 507 for a floor vote, and for your support for the Committee bill on final passage.

Your support will help preserve America's role as the world's technology leader.

Sincerely,

CARL SILVERMAN,
Director of Intellectual Property.

CATERPILLAR INC.,
Peoria, IL, June 3, 1998.

Hon. PATRICK J. LEAHY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR LEAHY: I am writing to express Caterpillar's strong support for S. 507 (Hatch/Leahy), The Omnibus Patent Act of 1997. As you know, S. 507 was reported from the Senate Judiciary Committee on a vote of 17–1 and is awaiting Senate floor action. A companion bill passed the House last year.

S. 507 would modernize the U.S. patent system through major improvements in our patent laws that will greatly benefit America's large and small businesses, inventors and entrepreneurs. For Caterpillar, this legislation will mean reduced costs, reduced risk, reduced bureaucracy, fewer lawsuits, more certainty regarding property rights, and generally a faster, more responsive patent system.

Equally significant, key small business groups now agree that S. 507 will streamline the patent process and help America's inventors who currently suffer from delays in the patent office that are not their fault.

It's time for the Senate to vote on this bill to help strengthen the U.S. economy and keep jobs in America.

I urge you to contact Majority Leader Lott in support of early scheduling of S. 507 for floor debate, and support the efforts of its sponsors to adopt a bill without weakening amendments.

Sincerely,

WILLIAM B. HEMING,
General Patent Counsel.

AMP INCORPORATED,
Washington, DC, June 3, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR LEAHY: Please ask Senator Lott to bring S. 507, the Hatch-Leahy Omnibus Patent Act, to the floor as soon as possible. This patent reform is important to AMP, our employees, and the hundreds of inventors in our company who think up new ideas to produce better products, to keep our company competitive, and to create new jobs.

It's time to bring this bill up for a vote. The technology chairs of the White House Conference on Small Business have approved S. 507 because, ''(it) will lower the litigation costs for small business, make it easier to know what areas of technology are open for innovation, and will go a long way towards giving us a more level playing field vis-a-vis our foreign competitors.'' AMP and the dozens of other companies and associations in the 21st Century Patent Coalition agree.

This bill has undergone months and months of scrutiny and compromise and is now ready for a vote. I hope you'll encourage the Majority Leader to schedule floor time for this reasonable reform measure.

If you need any more information about S. 507, please let me know.

Sincerely,

JOHN PALAFOUTAS,
Director, Federal Relations.

HEWLETT-PACKARD COMPANY,
Palo Alto, CA, June 22, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR LEAHY: S. 507, the Omnibus Patent Act, has been reported out of the Judiciary Committee, but is appears that Majority Leader Lott needs some encouragement to schedule the bill for floor action. Hewlett-Packard Company strongly supports enactment of S. 507 and would appreciate your support in urging Senator Lott to put the bill on the calendar.

Enactment of S. 507 would assure that inventors can receive a full 17 years—or more—of patent protection if they pursue their patent claims in a timely manner. It would also streamline patent operations to expedite processing and accelerate the dissemination of new technologies for continuing advancement in products and services.

Significantly, S. 507 achieves these important goals without threatening a return to the ''submarine patent'' system that existed before the 1995 reform. Under the old policy, an inventor could manipulate the patent system to stretch the term even while withholding the new knowledge from society. Prior to 1995, inventors could wait until the technology had ripened, and then essentially extort license fees form another inventor who had independently, in good faith, created the same or a similar invention.

While ''submarine patents'' are infrequent, when they strike, they are egregious. In an HP cases, for example, the company has paid millions of dollars in royatlieis to a Swedish inventor whose patent has expired in every other country except the United States. This inventor contributed nothing to the technology that is in use, in fact, he did not offer to work with the consortium that was developing the technology in an open-systems environment. A more thorough explanation of that case is attached for your review.

Senator Hatch and other supporters of S. 507 have worked diligently with small business and independent inventors to resolve concerns about the bill. It is a good compromise for a more effective patent system as we head into the 21st century. HP urges your support for S. 507 without weakening amendments that would revive the submarine patent system.

Sincerely,

LEW PLATT,
Chairman, President and Chief Executive Officer.

U.S. FOREIGN OIL CONSUMPTION FOR WEEK ENDING JULY 10TH

Mr. HELMS. Mr. President, the American Petroleum Institute has reported that for the week ending July 10 that the U.S. imported 9,323,000 barrels of oil each day, 1,645,000 barrels a day more than the 7,678,000 imported during the same week a year ago.

Americans relied on foreign oil for 59.6 percent of their needs last week. There are no signs that the upward spiral will abate. Before the Persian Gulf War, the United States imported about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970s, foreign oil accounted for only 35 percent of America's oil supply.

All Americans should ponder the economic calamity certain to occur in the U.S. if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the U.S.: now 9,323,000 barrels a day at a cost of approximately $104,137,910 a day.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, July 15, 1998, the federal debt stood at $5,529,722,681,857.67 (Five trillion, five hundred twenty-nine billion, seven hundred twenty-two million, six hundred eighty-one thousand, eight hundred fifty-seven dollars and sixty-seven cents).

One year ago, July 15, 1997, the federal debt stood at $5,357,143,000,000 (Five trillion, three hundred fifty-seven billion, one hundred forty-three million).

Five years ago, July 15, 1993, the federal debt stood at $4,333,088,000,000 (Four trillion, three hundred thirty-three billion, eighty-eight million).

Ten years ago, July 15, 1988, the federal debt stood at $2,553,732,000,000 (Two trillion, five hundred fifty-three billion, seven hundred thirty-two million).

Fifteen years ago, July 15, 1983, the federal debt stood at $1,329,911,000,000 (One trillion, three hundred twenty-nine billion, nine hundred eleven million) which reflects a debt increase of more than $4 trillion—$4,199,811,681,857.67 (Four trillion, one hundred ninety-nine billion, eight hundred eleven million, six hundred eighty-one thousand, eight hundred

fifty-seven dollars and sixty-seven cents) during the past 15 years.

ADDITIONAL COSPONSOR—S. 2022

Mrs. MURRAY. Mr. President, I ask unanimous consent that my name be added as a cosponsor of S. 2022, the Crime Identification Technology Act of 1998. Mr. President, inadvertently my name was left out and I was not included as a cosponsor on July 13, 1998, the day I spoke on the Senate floor urging the passage of this bill.

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

30TH ANNIVERSARY OF UMAS OF COLORADO

Mr. CAMPBELL. Mr President, today I take this opportunity to recognize the 30th anniversary and reunion of the United Mexican-American Students of Colorado.

In July 1968, Mexican-American students at the University of Colorado at Boulder came together to discuss the formation of an organization committed to initiating change within the educational system to serve the needs of the Mexican-American community and to recruit minority students to the institution. The outcome of that meeting was the formation of the United Mexican-American Students (UMAS).

Later that same summer, fifty minority students were admitted into a tutorial program initiated by university professors and students to make higher education accessible to African American and Chicano students. UMAS students worked for the program. The Migrant Action Program also brought migrant workers into the university and they also became UMAS members.

A student referendum initiated and supported by UMAS was passed in March 1969 which dedicated five dollars from registration fees each semester to create scholarships for minority students. These funds and federal matching funds allowed UMAS to implement tutorial counseling, recruitment and financial aid programs. On-campus accredited summer remedial programs followed. Students who successfully completed those classes gained admission and earned financial aid.

UMAS has thrived on the Boulder Campus of the University of Colorado for three decades. This summer marks the thirtieth anniversary of the organization. To mark this important anniversary, UMAS alumni and supporters will come together to renew their commitment and unity.

Mr. President, I commend the work of UMAS students and alumni associations for their commitment and continuing efforts to serve deserving students on the Boulder campus of the University of Colorado. As someone who has experienced hardship, I sincerely appreciate the empowerment UMAS has offered to thousands of deserving students.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, 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–6048. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Pipeline Safety: Incorporation by Reference of Industry Standard on Leak Detection'' (RIN21137–AD06) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6049. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; General Electric Company GE90 Series Turbofan Engines'' (Docket 98–ANE–17–AD) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6050. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Pratt and Whitney JT9D Series Turbofan Engines'' (Docket 97–ANE–04) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6051. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Rolls-Royce Limited, Aero Division-Bristol, S.N.E.C.M.A., Olympus 593 Series Turbojet Engines'' (Docket 98–ANE-–13–AD) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6052. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A300 Series Airplanes'' (Docket 98-NM–31–AD) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6053. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regulated Navigation Area: Copper Canyon, Lake Havasu, Colorado'' (Docket 11–97–010) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6054. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Special Local Regulations; World Series of Power Boat Racing on Mission Bay (formerly known as Thunderboat Regatta)'' (Docket 11–98–009) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6055. A communication from the Aberdeen Area Director, Bureau of Indian Affairs, Department of the Interior, transmitting a report on the Aberdeen Area Management, Accounting and Distribution Pilot Project; to the Committee on Indian Affairs.

EC–6056. A communication from the Director of the Office of Rulemaking Coordination, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Worker Protection Management for DOE Federal and Contractor Employees'' (DOE O 440.1A) received on July 8, 1998; to the Committee on Energy and Natural Resources.

EC–6057. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Food Labeling: Warning and Notice Statement; Labeling of Juice Products'' (RIN0910–AA43) received on July 14, 1998; to the Committee on Labor and Human Resources.

EC–6058. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals for fiscal year 1998 dated July 13, 1998; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Agriculture, Nutrition, and Forestry, to the Committee on Energy and Natural Resources, to the Committee on Finance, to the Committee on Foreign Relations, and to the Committee on Indian Affairs.

EC–6059. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; State of Missouri'' (FRL6124–7) received on July 14, 1998; to the Committee on Environment and Public Works.

EC–6060. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule entitled ''Pseudomonas Fluorescens Strain PRA–25; Temporary Exemption From the Requirement of a Tolerance'' (FRL6016–7) received on July 14, 1998; to the Committee on Environment and Public Works.

EC–6061. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule entitled ''Myclobutanil; Extension of Tolerance for Emergency Exemptions'' (FRL6016–8) received on July 14, 1998; to the Committee on Environment and Public Works.

EC–6062. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule entitled ''Fipronil; Pesticide Tolerance'' (FRL5768–3) received on July 14, 1998; to the Committee on Environment and Public Works.

EC–6063. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule regarding the delegation of emission standard enforcement authority to the Arizona Department of Environmental Quality (FRL6123–4) received on July 14, 1998; to the Committee on Environment and Public Works.

EC–6064. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule regarding perch fishery in the Eastern Aleutian Islands (Docket 971208298–8055–02) received on July 14, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6065. A communication from the Associate Managing Director for Performance

Evaluation and Records Management, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Commercial Availability of Navigation Devices'' (Docket 97–80) received on July 15, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6066. A communication from the Associate Managing Director for Performance Evaluation and Records Management, Federal Communications Commission, transmitting, pursuant to law, the report of a rule regarding the streamlining of radio technical rules (Docket 98–93) received on July 15, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6067. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of the Orphan Products Board for calendar year 1997; to the Committee on Labor and Human Resources.

EC–6068. A communication from the Acting Assistant General Counsel for Regulations, Department of Education, transmitting, pursuant to law, the report of a rule entitled ''William D. Ford Federal Direct Loan Program'' received on July 14, 1998; to the Committee on Labor and Human Resources.

EC–6069. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adhesives and Components of Coatings'' (Docket 90–F–0142) received on July 14, 1998; to the Committee on Labor and Human Resources.

EC–6070. A communication from the Acting Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers (pigments)'' (Docket 97F–0305) received on July 8, 1998; to the Committee on Labor and Human Resources.

EC–6071. A communication from the Acting Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers (stabilizers)'' (Docket 97F–0469) received on July 8, 1998; to the Committee on Labor and Human Resources.

EC–6072. A communication from the Acting Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Polymers'' (Docket 90F–0435) received on July 8, 1998; to the Committee on Labor and Human Resources.

EC–6073. A communication from the Acting Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers (polyethylene films)'' (Docket 97F–04689) received on July 8, 1998; to the Committee on Labor and Human Resources.

EC–6074. A communication from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Disclosure for Adjustable-Rate Mortgage Loans'' (RIN1550–AB12) received on July 14, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6075. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule entitled ''Revisions to the Freedom of Information Act Regulation'' (RIN3069–AA71) received on July 14, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6076. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed transfer of missiles from Belgium to the Government of Turkey (RSAT–3–98); to the Committee on Foreign Relations.

EC–6077. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, the texts of international agreements other than treaties entered into by the United States (98–90 to 98–100); to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

H.R. 1085. A bill to revise, codify, and enact without substantive change certain general and permanent laws, related to patriotic and national observances, ceremonies, and organizations, as title 36, United States Code, ''Patriotic and National Observances, Ceremonies, and Organizations''.

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 207. A resolution commemorating the 20th anniversary of the founding of the Vietnam Veterans of America.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 1134. A bill granting the consent and approval of Congress to an interstate forest fire protection compact.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1645. A bill to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 2192. A bill to make certain technical corrections to the Trademark Act of 1946.

S. 2193. A bill to implement the provisions of the Trademark Law Treaty.

S.J. Res. 35. A joint resolution granting the consent of Congress to the Pacific Northwest Emergency Management Arrangement.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committee were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Kim McLean Wardlaw, of California, to be United States Circuit Judge for the Ninth Circuit.

Jose de Jesus Rivera, of Arizona, to be United States Attorney for the District of Arizona for the term of four years.

(The above nominations were reported with the recommendation that they be confirmed.)

By Mr. HELMS, from the Committee on Foreign Relations:

Treaty Doc. 105–43 Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Exec. Rept. 105–19)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, adopted at Paris on November 21, 1997, by a conference held under the auspices of the Organization for Economic Co-operation and Development (OECD), signed in Paris on December 17, 1997, by the United States and 32 other nations (Treaty Doc. 105–43), subject to the understanding of subsection (a), the declaration of subsection (b), and the provisos of subsection (c).

(a) UNDERSTANDING.—The advice and consent of the Senate is subject to the following understanding, which shall be included in the instrument of ratification and shall be binding on the President:

EXTRADITION.—The United States shall not consider this Convention as the legal basis for extradition to any country with which the United States has no bilateral extradition treaty in force. In such cases where the United States does have a bilateral extradition treaty in force, that treaty shall serve as the legal basis for extradition for offenses covered under this Convention.

(b) DECLARATION.—The advice and consent of the Senate is subject to the following declaration:

TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1998, and Condition (8) of the resolution of ratification of the Document Agreed Among States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) PROVISOS.—The advice and consent of the Senate is subject to the following provisos:

(1) ENFORCEMENT AND MONITORING.—On July 1, 1999, and annually thereafter for five years, unless extended by an Act of Congress, the President shall submit to the Committee on Foreign Relations of the Senate, and the Speaker of the House of Representatives, a report that sets out:

(A) RATIFICATION.—A list of the countries that have ratified the Convention, the dates of ratification and entry into force for each country, and a detailed account of U.S. efforts to encourage other nations that are signatories to the Convention to ratify and implement it.

(B) DOMESTIC LEGISLATION IMPLEMENTING THE CONVENTION.—A description of the domestic laws enacted by each Party to the Convention that implement commitments under the Convention, and an assessment of the compatibility of the laws of each country with the requirements of the Convention.

(C) ENFORCEMENT.—An assessment of the measures taken by each Party to fulfill its obligations under this Convention, and to advance its object and purpose, during the previous year. This shall include:

(1) an assessment of the enforcement by each Party of its domestic laws implementing the obligations of the Convention, including its efforts to:

(i) investigate and prosecute cases of bribery of foreign public officials, including cases involving its own citizens;

(ii) provide sufficient resources to enforce its obligations under the Convention;

(iii) share information among the Parties to the Convention relating to natural and legal persons prosecuted or subjected to civil or administrative proceedings pursuant to enforcement of the Convention; and

(iv) respond to requests for mutual legal assistance or extradition relating to bribery of foreign public officials.

(2) an assessment of the efforts of each Party to:

(i) extradite its own nationals for bribery of foreign public officials;

(ii) make public the names of natural and legal persons that have been found to violate its domestic laws implementing this Convention; and

(iii) make public pronouncements, particularly to affected businesses, in support of obligations under this Convention.

(3) an assessment of the effectiveness, transparency, and viability of the OECD monitoring process, including its inclusion of input from the private sector and non-governmental organizations.

(D) LAWS PROHIBITING TAX DEDUCTION OF BRIBES.—An explanation of the domestic laws enacted by each signatory to the Convention that would prohibit the deduction of bribes in the computation of domestic taxes. This shall include:

(i) the jurisdictional reach of the country's judicial system;

(ii) the definition of ''bribery'' in the tax code;

(iii) the definition of ''foreign public official'' in the tax code; and

(iv) the legal standard used to disallow such a deduction.

(E) FUTURE NEGOTIATIONS.—A description of the future work of the Parties to the Convention to expand the definition of ''foreign public official'' and to assess other areas where the Convention could be amended to decrease bribery and other corrupt activities. This shall include:

(1) a description of efforts by the United States to amend the Convention to require countries to expand the definition of ''foreign public official,'' so as to make illegal the bribery of:

(i) foreign political parties or party officials,

(ii) candidates for foreign political office, and

(iii) immediate family members of foreign public officials.

(2) an assessment of the likelihood of successfully negotiating the amendments set out in paragraph (1), including progress made by the Parties during the most recent annual meeting of the OECD Ministers; and

(3) an assessment of the potential for expanding the Convention in the following areas:

(i) bribery of foreign public officials as a predicate offense for money laundering legislation;

(ii) the role of foreign subsidiaries and offshore centers in bribery transactions; and

(iii) private sector corruption and corruption of officials for purposes other than to obtain or retain business.

(F) EXPANDED MEMBERSHIP.—A description of U.S. efforts to encourage other non-OECD member to sign, ratify, implement, and enforce the Convention.

(G) CLASSIFIED ANNEX.—A classified annex to the report, listing those foreign corporations or entities the President has credible national security information indicating they are engaging in activities prohibited by the Convention.

(2) MUTUAL LEGAL ASSISTANCE.—When the United States receives a request for assistance under Article 9 from a country with which it has in force a bilateral treaty for mutual legal assistance in criminal matters, the bilateral treaty will provide the legal basis for responding to that request. In any case of assistance sought from the United States under Article 9, the United States shall, consistent with U.S. laws, relevant treaties and arrangements, deny assistance where granting the assistance sought would prejudice its essential public policy interests, including cases where the Responsible Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Convention is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.

(3) SUPREMACY OF THE CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CHAFEE (by request):

S. 2317. A bill to improve the National Wildlife Refuge System, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CAMPBELL:

S. 2318. A bill to amend the Internal Revenue Code of 1986 to phaseout the estate and gift taxes over a 10-year period; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. BREAUX, and Mr. COCHRAN):

S. 2319. A bill to authorize the use of receipts from the sale of migratory bird hunting and conservation stamps to promote additional stamp purchases; to the Committee on Environment and Public Works.

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2320. A bill to amend the Employee Retirement Income Security Act of 1974 to clarify that an individual account plan shall not be treated as requiring investment in employer securities if an employee can withdraw an equivalent amount from the plan; to the Committee on Finance.

By Mr. REID:

S. 2321. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Truckee Watershed Reclamation Project for the reclamation and reuse of water; to the Committee on Energy and Natural Resources.

By Mr. BREAUX (for himself, Mr. NICKLES, and Mr. HELMS):

S. 2322. A bill to amend the Internal Revenue Code of 1986 to change the determination of the 50,000-barrel refinery limitation on oil depletion deduction from a daily basis to an annual average daily basis; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. BAUCUS, Mr. BREAUX, Mr. ROCKEFELLER, Mr. JEFFORDS, Mr. MACK, Mr. KERREY, Mr. MURKOWSKI, Ms. LANDRIEU, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. BURNS, Mr. HAGEL, Mrs. HUTCHISON, Mr. LEAHY, Mr. HATCH, Mr. GRAHAM, Mr. BINGAMAN, Mr. DOMENICI, Mr. ROBB, and Mr. SANTORUM):

S. 2323. A bill to amend title XVIII of the Social Security Act to preserve access to home health services under the medicare program; to the Committee on Finance.

By Mr. DURBIN (for himself, Mr. CHAFEE, Mr. LAUTENBERG, Mr. TORRICELLI, Mr. REED, and Mrs. BOXER):

S. 2324. A bill to amend section 922(t) of title 18, United States Code, to require the reporting of information to the chief law enforcement officer of the buyer's residence and to require a minimum 72-hour waiting period before the purchase of a handgun, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CAMPBELL:

S. 2318. A bill to amend the Internal Revenue Code of 1986 to phaseout the estate and gift taxes over a 10-year period; to the Committee on Finance.

ESTATE AND GIFT TAX RATE REDUCTION ACT OF 1998

Mr. CAMPBELL. Mr. President. It seems that in every Congress the issue of ''death taxes'' comes before this body at some time. Each year we tinker around the edges of the issue, making adjustments here and exemptions there. But the fact is, estate and gift taxes still remain a burden on American families, particularly those who own their own businesses.

Family-owned businesses are hit with the highest tax rate when they are handed down to descendants. In fact, the highest estate and gift tax rate is fifty-five percent—that's far higher than even the highest income tax rate bracket of thirty-nine percent. Estate and gift taxes right now are one of the leading reasons why family farms and small businesses are declining; the burden of the inheritance tax is just too crushing. That hardly seems fair to me. It also seems to suggest that families should spend as much money as they can while they are still alive, since whatever they have managed to save will create a huge tax burden when passed on to their descendants.

That is why today I am introducing the Estate and Gift Tax Rate Reduction Act of 1998, which will gradually eliminate this tax burden. That's right, I said eliminate, not reduce. This bill will phase-out the estate and gift tax by gradually reducing the amount of the tax by five percent each year until the highest rate—55%—reaches zero. Several states have already taken the initiative and phased out this type of tax on their own. I think it's time we follow the example they have set, and eliminate them across the board. At the same time, we will be encouraging better investment, savings and retirement planning by relieving the threat of an impending tax crisis.

This legislation is a companion bill to H.R. 3879, introduced by our colleague in the House, Congresswoman JENNIFER DUNN. I hope my colleagues will support passage of this bill, and will join me in putting a real end to this oppressive and unfair tax.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 2318

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 ''Estate and Gift Tax Rate Reduction Act of 1998''.

SEC. 2. FINDINGS.

The Congress finds and declares that—

(1) estate and gift tax rates, which reach as high as 55 percent of a decedent's taxable estate, are in most cases substantially in excess of the tax rates imposed on the same amount of regular income and capital gains income; and

(2) a reduction in estate and gift tax rates to a level more comparable with the rates of tax imposed on regular income and capital gains income will make the estate and gift tax less confiscatory and mitigate its negative impacts on American families and businesses.

SEC. 3. PHASEOUT OF ESTATE AND GIFT TAXES.

(a) REPEAL OF ESTATE AND GIFT TAXES.—Subtitle B of the Internal Revenue Code of 1986 (relating to estate and gift taxes) is repealed effective with respect to estates of decedents dying, and gifts made, after December 31, 2008.

(b) PHASEOUT OF TAX.—Subsection (c) of section 2001 of such Code (relating to imposition and rate of tax) is amended by adding at the end the following new paragraph:

''(3) PHASEOUT OF TAX.—In the case of estates of decedents dying, and gifts made, during any calendar year after 1998 and before 2009—

''(A) IN GENERAL.—The tentative tax under this subsection shall be determined by using a table prescribed by the Secretary (in lieu of using the table contained in paragraph (1)) which is the same as such table; except that—

''(i) each of the rates of tax shall be reduced (but not below zero) by the number of percentage points determined under subparagraph (B), and

''(ii) the amounts setting forth the tax shall be adjusted to the extent necessary to reflect the adjustments under clause (i).

''(B) PERCENTAGE POINTS OF REDUCTION.—

''For calendar year:	The number of percentage points is:
1999	5
2000	10
2001	15
2002	20
2003	25
2004	30
2005	35
2006	40
2007	45
2008	50.

''(C) COORDINATION WITH PARAGRAPH (2).—Paragraph (2) shall be applied by reducing the 55 percent percentage contained therein by the number of percentage points determined for such calendar year under subparagraph (B).

''(D) COORDINATION WITH CREDIT FOR STATE DEATH TAXES.—Rules similar to the rules of subparagraph (A) shall apply to the table contained in section 2011(b) except that the number of percentage points referred to in subparagraph (A)(i) shall be determined under the following table:

''For calendar year:	The number of percentage points is:
1999	1½
2000	3
2001	4½
2002	6
2003	7½
2004	9
2005	10½
2006	12
2007	13½
2008	15.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 1998.

By Mr. REID:

S. 2321. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Truckee Watershed Reclamation Project for the reclamation and reuse of water; to the Committee on Energy and Natural Resources.

TRUCKEE RIVER WATERSHED RECLAMATION PROJECT LEGISLATION

Mr. REID. Mr. President, I introduce today a bill to authorize the Truckee River Watershed Reclamation Project. The water in Nevada is a precious resource that should not be wasted and we need to reuse what we can of this commodity. The Title XVI program in the Bureau of Reclamation is aimed at reclaiming the water for use within the community. The projects that are within this watershed project will in fact be utilized in multiple municipal functions throughout the Truckee River Basin communities.

Specifically, the North Valleys Reuse Project would be to reclaim the wastewater from Reno and Sparks and convey that water to subdivisions extending to the north of Reno for irrigation purposes so that the groundwater can be preserved for domestic and other potable uses. Once the new effluent reuse system is operational, groundwater currently used for irrigation can then be a reliable source in a region with limited resources. Additionally, the Spanish Springs Valley Reuse Project would use treated wastewater with excessive total dissolved solids to be channeled for irrigation and environmental watering. The treated wastewater would be returned to the valley where numerous parks, golf courses, pastures could be irrigated with effluent reducing the quantity of groundwater pumped and improving the quality of the aquifer. Another aspect of this reclamation effort is the protection of the scarce resource during emergency conditions, increases the reliability of domestic water supply in the event of a toxic spill into the Truckee River through a series of optional programs in cooperation with the regional and community resource planners. When this project is authorized and appropriated for the counties can begin their feasibility studies of their projects and programs within its Regional Water Management Plan.

Mr. President, as the ranking member on the Energy and Water Development Appropriations, I have the opportunity to examine closely the Bureau of Reclamation's programs and I appreciate the assistance the Bureau gives to communities throughout the arid west. The first project initiated by the Bureau of Reclamation was in Nevada called the Newlands Project and Nevada communities have benefited from the Federal assistance in water management. Now, the Bureau of Reclamation Title XVI program can be of immeasurable value to the communities in the Truckee River Watershed to preserve and reclaim some of this precious resource.

By Mr. GRASSLEY (for himself, Mr. BAUCUS, Mr. BREAUX, Mr. ROCKEFELLER, Mr. JEFFORDS, Mr. MACK, Mr. KERREY, Mr. MURKOWSKI, Ms. LANDRIEU, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. BURNS, Mr. HAGEL, Mrs. HUTCHISON, Mr. LEAHY, Mr. HATCH, Mr. GRAHAM, Mr. BINGAMAN, Mr. DOMENICI, Mr. ROBB, and Mr. SANTORUM):

S. 2323. A bill to amend title XVIII of the Social Security Act to preserve access to home health services under the Medicare Program; to the Committee on Finance.

HOME HEALTH ACCESS PRESERVATION ACT OF 1998

Mr. GRASSLEY. Mr. President, I rise today in support of the Home Health Access Preservation Act of 1998, which I am introducing today. I have been deeply involved in home care issues throughout my career, and that involvement has deepened in the past year. It was 1 year ago that the Special Committee on Aging, which I chair held a hearing on fraud and abuse of the Medicare home health benefit. That led to a roundtable, where we brainstormed on solutions to that problem. That discussion led to turn to a bill, the Home Health Integrity Preservation Act of 1998, which I was proud to cosponsor with Senator BREAUX.

In March of this year, the Aging Committee held another hearing on home health. This hearing focused on the Balanced Budget Act provisions affecting seniors' access to home care. At this hearing, we learned of the serious problems being caused by the Health Care Financing Administration's surety bond regulations, as well as by the Interim Payment System for home health. Like the earlier hearing, this hearing led to two pieces of legislation. The first was Senate Joint Resolution 50, which would have vetoed the surety bond regulation. I was pleased that this effort brought the administration to the bargaining table, and I believe that the surety bond problem will be solved as we work together.

The second piece of legislation to come out of that hearing is the bill I am introducing today. It addresses a major piece of unfinished business in the home health area, and that is the Interim Payment System. What's wrong with that system? In short, it bases payment on an individual home health agency's historical costs from Fiscal Year 1994. That means that if the agency had high cost per patient in that year, it can receive relatively high payment this year. However, if the agency had low costs in that year, its payments this year is severely limited.

This approach would be fine if the Health Care Financing Administration knew that the higher-cost agency had sicker patients this year, but the sad truth is that HCFA has no idea. So the interim system has been a windfall for

some agencies, but crushing for agencies with low historical costs. In Iowa, we are blessed with many efficient providers, but this system seems to prove the old adage that ''No good deed goes unpunished.'' In many cases, the providers who are suffering—and more importantly, whose patients are suffering—are those who most want to keep in the Medicare program.

Another feature of the system is that it treats older and newer home health providers in completely different ways. In some areas of the country, new agencies simply cannot compete with older agencies, while in other areas (such as Iowa), it is the older agencies that are at the disadvantage. This kind of arbitrary distinction just doesn't make sense.

For months, I have worked with a bipartisan group of Finance Committee members on fixing the Interim Payment System. This bill is the product of those efforts. Believe me, if this were an easy issue to tackle, I would have introduced this bill months ago. Instead, we have gone to great lengths to get input from home health providers, as well as from a broad range of Senate colleagues. Those efforts have paid off, and I am gratified to be introducing the bill with seventeen original cosponsors, and maybe more by the end of the day.

The bill has a number of features, but its basic approach is to abandon our reliance on individual agencies' historical costs. Instead, it would pay all agencies—old or new—based on a 50/50 blend of national and regional average rates from the 1994 base year. This 50/50 blend is the only approach that can win support from all parts of the country. In addition, the bill seeks to provide supplemental payments for patients with long stays as home care recipients. We think it is essential that agencies be compensated for taking these neediest patients.

The bill is budget-neutral, which in my opinion it has to be in order to have a chance of passage. There is a great deal of concern, which I share, about the automatic 15 percent cut in all home health payment that will occur in October 1999. We did consider an attempt to address that cut in this bill, but the cosponsors have learned from the Congressional Budget Office that, under its methodology, such language would send the bill's costs skyrocketing. We think that this would doom the bill's chances of enactment this year. We do believe that there is a crisis that needs to be addressed this year, and thus we have not included the 15 percent provision in the bill. I will urge the Senate to revisit that issue next year, when we'll have more information on home health cost growth or decline, but for now it cannot be addressed.

If there was any doubt about the need for action to rectify the Interim Payment System, I believe that it has vanished with the administration's recent indications that prospective payment will not be ready in October 1999, as mandated by Congress. Just this morning, at a hearing of the House Ways and Means Subcommittee on Health, the administrator of HCFA confirmed that the Year 2000 computer problem has made meeting the deadline totally impossible. In fact, at HCFA's suggestion, we have written the per-beneficiary limit numbers into the bill itself, so that HCFA will not need to issue a regulation in order to implement the bill. HCFA just doesn't think it could issue a regulation doing so, in light of its Year 2000 problems. The fact is that we do not know when prospective payment will be ready. We had better do what we can now, to make sure our agencies can hang on until that day.

Let me make a comment about political realities. Our focus was on creating something that could actually pass this year, and so the bill is a product of compromise. In talking with home health providers, I find that many of them understand the need to be realists. I wish that the big national associations were equally reasonable. It is already the middle of July. This bill's moderate approach is the only one that has any chance of moving this year. If there really is an emergency in home health, which I believe, then everyone needs to get serious right now. Let me be more explicit: I call on the home health industry to recognize that this approach is as good as it's gong to get, and to support it. I call on HCFA to make fixing this system a top, near-term priority. And I call on my colleagues here in Congress to unite around a moderate, feasible formula. Our Nation's seniors and disabled are waiting for us.

Mr. BAUCUS. Mr. President, today I am introducing a bill, along with Senator GRASSLEY, Senator ROCKEFELLER and Senator BREAUX, the Home Health Access Preservation Act of 1998. Essentially, our legislation is geared at reforming the home health interim payment system.

Several years ago, because home health care costs were rising at such a rapid, alarming rate, Congress, in the Balanced Budget Act of 1997, decided to do something about it. What did we do? We passed a provision called the interim payment system as a transition interim system for home health care agencies to live under until we move to a prospective payment system.

What does all that mean? It is this: In the first 15 years of Medicare, home health care constituted about 2 percent of the total Medicare budget. Medicare, as we know, is the program that is financed almost entirely out of payroll taxes. Those dollars go to Uncle Sam, and Uncle Sam then pays hospitals and doctors for health care for senior citizens. Part A is hospital care; Part B is doctor's care for senior citizens. Again, only 2 percent of Part A of Medicare—that is the hospital part—was for home health care.

In 1997, however, the total amount of Medicare Part A dollars—that is, the hospital dollars that go out to senior citizens—was about 15 percent. That is a rise from 2 percent up to 15 percent, a staggering increase in home health care.

Why did that happen? Basically, because hospitals were moving patients out of hospitals. They were moving some of the patients into home health care settings. In addition to that, it was a lot cheaper to provide some services out of the hospitals. And, on top of that, seniors prefer to have care at home rather than sometimes in the hospital or perhaps in a nursing home. Home health care has risen dramatically.

Well, as a consequence, there has been extra pressure on the Medicare trust fund. And that is why Congress, in 1997, decided to pass this provision, changing the way we reimburse home health care and moving to a system to try to get a handle on all this rising cost.

The old way that Medicare paid home health care was called cost-based reimbursement. Essentially, a home health care agency would get reimbursed, get paid, for the costs that that home health care agency incurred in treating patients—basically cost-plus; that is, the agency would get whatever it cost and was able to add on just a little bit to stay in business.

As a consequence, several phenomena developed.

In some States, there was a proliferation of home health care agencies. They just sprung up all over because they are cost based. In addition to getting more patients to get reimbursed more, they provide more services to the public.

In some other States, home health care agencies were very efficient; that is, they did their work, and they did not try to provide extra services, nor did they get extra reimbursement.

We are in a position now where the interim system that Congress passed in 1997 is causing problems, and significant problems, for all home health care agencies, in particularly those rural areas. Why is that? It is because the provision we passed, the interim payment system, provided that home health care agencies would be paid on whatever their costs were in 1994.

Well, that means that those home health care agencies that were very efficient in 1994, compared with those who were very inefficient in 1994, are adversely affected. Why is that? That is because, if the payment is based upon 1994 levels, and it is locked in at 1994 levels, and you are a very efficient home health care agency—you are cutting costs—then you are paid less.

On the other hand, if you were a very inefficient home health care agency in 1994, and you are locked into whatever Uncle Sam was paying you in 1994, you can continue to be inefficient. Well, that is obviously not fair. It is not fair to those home health care agencies who were doing a pretty good job.

In addition, there is another problem. The movement from cost-based reimbursement over to what is called a prospective payment reimbursement—that is, paying home health care agencies a certain payment for a given procedure regardless of what else is going on with the agency—is based on the assumption that the efficient home health care agencies, the efficient providers—hospitals are also paid on a prospective payment system—that is, the efficient ones will survive, they will do well; the inefficient, those that are getting the same dollars but are inefficiently run, poorly run, will fail, they will not be able to make it.

That is good—the theory is—because the efficient survive and the inefficient don't. The theory goes on to hold that, well, that is OK for patients, for people, because when the inefficient fails, there is a nearby efficient hospital, or nearby efficient home health care agency in this case. So patients are still well served. They just go to the other, nearby, efficient home health care agency.

That is a false assumption, Mr. President, for rural areas, because in rural areas of America, when an inefficient fails—or for some other reason that home health care agency cannot make ends meet—when it fails, there is no other nearby home health care agency, there is no nearby alternative provider because they are just too many miles apart.

We, Mr. President, are introducing legislation designed to fix this problem until we finally move to a more permanent compensation system for rural health care agencies. Essentially, what it does is, we say to a State, we are going to have a single rate per State, not differential among States, but per State. We also get rid of the cap on agency-specific costs, because we move to a 50–50 blend of regional as well as national averages.

That is, I think, a fair compromise between those who want fixed costs based on a national rate and those who want the rate to be based upon the particular characteristics of the region.

I think this helps. I think it goes a long way to solving the problem that many home health care agencies have. This, by the way, is in addition to the surety bond problem facing home health care agencies, another matter which we are addressing separately.

But I hope this interim measure that we are now reforming will be reformed along the way to provide for, in the bill, making sure that a lot of people get health care who otherwise would not have it available.

Mr. ROCKEFELLER. Mr. President, I rise today to join a number of my colleagues, and most especially Senators GRASSLEY, BAUCUS, and BREAUX, in introducing the ''Home Health Care Access Preservation Act of 1998.'' This legislation seeks to prevent many reputable home health agencies from going out of business and it will ensure that patients continue to have access to quality home care in the future.

I would like to talk about the importance of health care in the lives of our Nation's seniors and why we must take action to protect their access to home care. Some people question why we need to make these changes. I think they ask because when we talk about providing care, sometimes we forget that it is about taking care of someone. Home care is not just about giving people their pills and checking their blood pressure. It's about giving people who need a little help the ability to stay at home, surrounded by their family and friends. It's about preserving the dignity of people who've worked hard their entire lives to provide for their families and serve the community they live in.

Mr. President, our seniors should not lose their right to live life in the way they want because of their age. They want to stay at home. They can get the care they need at home. We can provide it for them. And if we can do it, I think we should.

There are also financial reasons to provide home health care. When managed properly, home health care can save the health system money. Homes care can often be substituted for more expensive care provided in hospitals and nursing homes.

Last year, the Congress made needed reforms to the Medicare Program through the Balanced Budget Act, including moving to a prospective payment system (PPS) for home care. Everyone, including the home health industry, agrees that the Medicare Program should move away from a retrospective payment system and PPS to encourage all providers to be more cost-effective.

The move toward PPS was included among many other reforms to Medicare. We, however, knew that we couldn't move directly into PPS—we needed time and more information to create a workable system. Therefore, the Interim Payment System (IPS) was also established in the BBA to transition home care from fee-for-service to prospective payment. But, in making these changes, the future viability of home health care has been threatened.

Already, at least four home health agencies have gone out of business in my home State of West Virginia. In rural states like West Virginia, sometimes there is only one agency to provide these services in the area. We cannot afford to lose providers without endangering the well-being of our citizens.

Therefore, it is imperative that we again take action to make sure that the home health care problems we're facing today do not become a crisis that we'll have to face in the near future. This legislation will help do just that.

This bill attempts to accomplish three critical goals:

1. Keep agencies viable by providing a badly needed bridge between the old home health payment system and the new system due to be implemented in the next several years.

2. Level the playing field in the home care industry, ensuring that efficient, low cost providers are able to continue providing services as Medicare transitions to a new payment system.

3. Make certain that patients with chronic health needs have continued access to quality care.

Many members of the home health industry are particularly concerned about this issue of providing quality health care to patients with chronic conditions. Under current law, caring for the chronically ill pushes home health agencies closer to the brink of bankruptcy. We share that concern and realize that IPS does not address this issue. As a result, our bill creates supplemental payments to compensate home health agencies for the added costs they incur caring for the chronically ill.

While this bill would address the immediate concerns faced by the home health care industry, and is an important step toward protecting access—there is still more that needs to be done. While the BBA intended for IPS to be a temporary system, it now looks like it may be in place longer than we expected. I have recently learned that HCFA may have to postpone the implementation of the prospective payment system. They will have their hands full restructuring their computer systems to prepare for the year 2000. I remain concerned that if we do not move to PPS quickly, all agencies will face an additional 15 percent across the board cut. Certainly, this will place an undue financial burden on the agencies and force many to close their doors.

Mr. President, I am not advocating going back in time and undo the BBA. However, we must address the inequities that resulted from its enactment, particularly when it comes to making certain our seniors get the care they need. To do this, we must level the playing field so that all reputable home health care agencies can remain competitive. Our legislation will accomplish this by providing a bridge between the old Medicare payment system and the new one.

We have to remain watchful of the situation to make sure that home health care continues to be a viable option for so many in need. We have a commitment to those who came before us and sacrificed so much to make this Nation what it is today. I believe that we have to honor that commitment, and I urge my colleagues to do so by supporting the Home Health Care Access Preservation Act.

Mr. JEFFORDS. Mr. President, I rise to once again express my concern over the plight of Medicare beneficiaries who are in need of home health care services. I am pleased to cosponsor the Home Health Access Preservation Act of 1998, with my colleagues on the Senate Finance Committee, as an attempt to address these concerns. The Interim Payment System which was enacted by this Congress for the reimbursement of home health care services is not

achieving the policy goals that Congress wants nor is it not serving the best interest of American citizens.

The act is appropriately titled because, without a correction, access to home health services for Medicare's most vulnerable beneficiaries will be seriously damaged. Since the new reimbursement system has been implemented, no fewer than 1,200 agencies have left Medicare program and most of these 1,200 have been forced to cease operations. Although many of our health policy actions are based upon allowing the market to determine the optimum efficiency of our health care system, we must recognize that not all areas and all sectors are prepared for a rapid change in how these forces operate. The problem of access to home care is particularly troublesome in rural areas and inner cities where these services are sorely needed.

My home State of Vermont is a case in point. Home health agencies and their patients are facing a true crisis. There are only 13 agencies in the State, all not-for-profit, each serving a distinct and separate area. The system was developed to meet the needs of our largely rural State, and all of these agencies have a long tradition of providing quality care to our citizens. We cannot accept the loss of a single agency without serious consequences for patients and other sectors of care.

I want to emphasize that today we are proposing a revision to the home health reimbursement system because of our deep concern for the welfare of those frail elders and disabled individuals who have come to depend upon home care for their very existence. Yes, we are concerned about fiscal responsibility. We remain determined to eliminate fraud and abuse within the Medicare program. Of course, we must find a way to preserve the Medicare Trust Fund for future generations. But it is not acceptable to seek these goals by any mechanism that will impose an even greater burden on those who are most in need of our help.

The Home Health Access Preservation Act of 1998 is budget neutral. It does not change the fact that home health agencies will have to work hard to remain financially viable and allocate their resources carefully. The Act does, however, level the playing field for home health agencies. Under the present IPS system, agencies in close proximity to one another are expected to operate competitively under highly divergent payment limits. Furthermore, under the current IPS system, the most efficient agencies and those that care for the most difficult cases, are hit hardest by the reduction in reimbursement. Thus the Act does provide some relief for agencies in the worst predicament.

Finally, it is important to recognize that the Home Health Access Preservation Act represents an interim resolution to our most pressing concerns. The implementation of a prospective payment system as directed by Congress represents the preferred solution. Thus, the bill requires the Secretary to provide regular quarterly updates to Congress on progress toward the development of the prospective payment system for home health care. But for now, Congress must pass legislation to ensure that home care remains an option for Medicare beneficiaries. We also must pledge to work with the Health Care Financing Administration and the home health industry to replace the interim payment system with a permanent system which better meets the needs of patients and is fair to health care providers.

This Congress struggles with many challenges, but I doubt that there are many that are of greater significance than home health care. Access to home care affects a significant number of persons, has a serious influence on their mental and physical health, and its financial impact is measured in billions of dollars. We must act. We must act quickly to curtail the negative consequences of the payment system as it exists today.

By Mr. DURBIN (for himself, Mr. CHAFEE, Mr. LAUTENBERG, Mr. TORRICELLI, Mr. REED, and Mrs. BOXER):

S. 2324. A bill to amend section 922(t) of title 18, United States Code, to require the reporting of information to the chief law enforcement officer of the buyer's residence and to require a minimum 72-hour waiting period before the purchase of a handgun, and for other purposes; to the Committee on the Judiciary.

THE BRADY WAITING PERIOD EXTENSION ACT OF 1998

• Mr. DURBIN. Mr. President, today I with my colleagues Senators CHAFEE, LAUTENBERG, TORRICELLI, REED, DODD, and BOXER introduce the ''Brady Waiting Period Extension Act of 1998.'' It is vital that we enact this measure this year if we are to ensure Americans that the popular Brady Bill will continue to be one hundred percent effective.

Almost 5 years ago, Congress passed the Brady Bill. That law contained a provision that required a 5 day waiting period before a person can buy a gun. Unfortunately, on November 30 of this year, the waiting period will be eliminated when we begin using the national instant check system for gun purchasers.

I fully support the use of an instant check system to determine if a putative firearm purchaser is legally barred from owning a gun because of a criminal record. But I believe that it must be coupled with a cooling off period.

Let me briefly explain what his legislation would to. It would require that anyone who wishes to buy a handgun must wait three days. There are two exceptions to this requirement. First, if a prospective purchaser presents a written statement from his of her local chief law enforcement officer stating that the handgun is needed immediately because of a threat to that person's life or that of his family, then the cooling off period will not apply. Second, if a prospective purchaser lives in a state that has a licensing requirement—and there are 27 such states—then the federal cooling off period will not apply.

I think that both of these are common sense exceptions. Obviously people who have a legitimate and immediate need of a handgun for self-defense should be able to buy one. And in the states that have licensing or permit systems, the process of getting a permit acts as a state cooling off period.

This measure also requires that when a person applies to buy a gun that the gun shop owner send a copy of the application to the local chief law enforcement officer. In addition, it alters the amount of time that the state or federal government has to investigate a potential purchaser who has an arrest record. Under the law that will go into effect on the first of December this year, if a person with an arrest record applies for a gun, law enforcement will have three days to determine if that arrest resulted in a conviction. The measure we introduce today would give law enforcement five days.

Mr. President, let me walk you through the process of buying a gun if this law were in place.

If you are in a state that does not have a permit system in place, then you go into a store and fill out a purchase form. A copy of that form will be sent to the Insta-Check point of contact for your state and a copy will also be sent to the chief law enforcement officer for where you live. You will then need to wait three days whereupon, assuming that you do not have a criminal record or any of the other disqualifying characteristics, you will be able to pick up your gun.

If on the other hand, when the Insta-Check is run, the FBI learns that you were arrested, then you will have to wait at least 5 days. That five days will be used to determine if the arrest resulted in a conviction. If it did not, then after 5 days you can get your gun. It you were arrested and convicted then you cannot get your gun and may be prosecuted.

Enacting this law is only sensible. A cooling off period may be the only barrier between a woman and her abusive husband whose local restraining order doesn't show up on a computer check or the only obstacle in the way of a troubled person planning to commit suicide and take others with them. A cooling off period will prevent crimes of passion and spontaneous suicides. The list of people who have bought guns and used them within a few hours or a day to kill themselves or others is far too long.

A recent study by the Center to Prevent Handgun Violence demonstrates a disturbing trend that reinforces the need for a cooling off period. Normally, 4 to 5% of all crime guns traced by the police were used in murders. But the

study found that 20% of all guns traced within 7 days of purchase were used in murders. That is a startlingly high incidence of guns being bought and used very soon thereafter to commit a murder.

But this measure has a second, equally important justification.

That the Insta-Check system is in very good shape, but it will never be perfect. For example, it will not have a lot of mental health records. And it is unlikely to have information like restraining orders entered in domestic violence cases. Letting local law enforcement know about a potential gun purchase is a good idea—the local sheriff may know that a person trying to buy a gun has a restraining order while the FBI's Insta-check computer might not. In short, then, this bill will help serve as a fail safe mechanism for the Insta-Check system. I for one do not want to learn a year from now that someone got a gun and used it to harm someone else when a simple check of local records in addition to the Insta-Check would have revealed that the purchaser had a history of mental instability.

Making the Brady waiting period permanent is not about more government. It's about fewer gun crime victims. I hope that we can all agree on this goal.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2324

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 referred to as the ''Brady Waiting Period Extension Act of 1998''.

SEC. 2. ESTABLISHMENT OF MINIMUM 72-HOUR HANDGUN PURCHASE WAITING PERIOD.

Section 922(t) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking ''before the completion of the transfer, the licensee'' and inserting ''after the most recent proposal of the transfer by the transferee, the licensee, as expeditiously as is feasible''; and

(ii) by inserting ''and the chief law enforcement officer of the place of residence of the transferee'' after ''Act'';

(B) in subparagraph (B)(ii)—

(i) by striking ''3'' and inserting ''5''; and

(ii) by striking ''and'' at the end;

(C) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(D) if the firearm is a handgun—

''(i) not less than 72 hours have elapsed since the licensee contacted the system;

''(ii) the transferee has presented to the transferor a written statement, issued by the chief law enforcement officer of the place of residence of the transferee during the 10-day period ending on the date of the most recent proposal of such transfer by the transferee, stating that the transferee requires access to a handgun because of a threat to the life of the transferee or of a member of the household of the transferee; or

''(iii) the law of the State in which the proposed transfer will occur requires, before any licensed importer, licensed manufacturer, or licensed dealer completes the transfer of a handgun to an individual who is not licensed under section 923, that an authorized State or local official verify that the information available to the official does not indicate that possession of a handgun by the transferee would be in violation of the law, and the authorized State or local official has provided such verification in accordance with that law.''; and

(2) by adding at the end the following:

''(7) In this subsection, the term 'chief law enforcement officer' means the chief of police, the sheriff, or an equivalent officer of a law enforcement agency, or the designee of any such officer.

''(8) A chief law enforcement officer who is contacted under paragraph (1)(A) with respect to the proposed transfer of a firearm shall, not later than 20 business days after the date on which the contact occurs, destroy any statement or other record containing information derived from the contact, unless the chief law enforcement officer determines that the transfer would violate Federal, State, or local law.

''(9) The Secretary of the Treasury shall promulgate regulations regarding the manner in which information shall be transmitted by licensees to the national instant criminal background check system under paragraph (1)(A).''.

● Mr. LAUTENBERG. Mr. President, I am pleased to join with Senator DURBIN in introducing the Brady Waiting Period Extension Act of 1998.

This legislation will build on the incredible success of the original Brady Act, which I cosponsored. Since that law went into effect in February 1994, our hard-working law enforcement officers have prevented more than 240,000 felons, domestic abusers, and mentally ill people from buying guns. In 1997 alone, 69,000 prohibited purchases were stopped. Because of the Brady Act, and the Domestic Violence Gun Ban which I authored, over 6,000 criminals convicted of domestic violence offenses were prevented from buying a gun last year.

These laws are working. They are saving countless lives, helping to protect women and children, and making our streets safer. Just imagine how much more gun violence there would have been, if these gun purchases had not been stopped.

And the Brady Act does more than just stop handgun purchases—it helps the police put violent criminals behind bars. Consider just a few examples:

The Brady Law stopped a handgun sale in Colorado to a man who was wanted for armed robbery in the State of Washington. As a result of the Brady check, he was arrested in Colorado and extradited back to Washington.

In Utah, an individual trying to purchase a handgun from a pawn dealer was arrested by the Salt Lake City Police Department on a felony warrant held by the State of Colorado for aggravated sexual abuse of a child.

Incredibly, criminals continue to try to buy guns at gun stores. But thanks to the Brady Law, they do not get the deadly tools of their trade, and lives are saved.

The legislation I am introducing today will build upon this success. As my colleagues know, the five-day waiting period for handgun purchases will expire in November of this year, and be replaced with a computerized background check system. While we all hope that this computerized system will work well, there are some potential problems. The Department of Justice and the FBI have done a good job centralizing most crime record, but some information, like restraining orders and mental health records, will not be available through the system.

Our bill will ensure that no criminals slip through the system, by requiring that the Brady forms be sent to the chief law enforcement officer where the buyer resides. This requirement will give local police the opportunity to look through local records and determine whether the buyer is a prohibited purchaser.

This legislation will also provide a 72-hour waiting period for handgun purchases. By maintaining a brief ''cooling off'' period, we can help prevent crimes of passion and suicides. When you consider that 20 percent of funds used in murders are purchased in the week before the crime, this provision will help save lives.

Mr. President, these are sensible provisions that will help reduce gun violence in our nation. And make no mistake about it, there is much work to be done.

In the United States, firearm violence is currently the second leading cause of injury-related death, behind automobile-related fatalities. This violence is increasing at an alarming rate. By the year 2003, firearm fatalities are projected to become the United States leading cause of injury-related death.

Violence is taking a terrible toll on our children. Homicide is the third leading cause of death for youths 5 to 14 years old and the vast majority of these homicides were committed by firearms.

Mr. President, our nation can do better. We can and we must stop the gun violence on our street. The Brady Waiting Period Extension Act will help us toward that goal, and I urge my colleagues to support it.●

ADDITIONAL COSPONSORS

S. 358

At the request of Mr. DEWINE, the names of the Senator from Oklahoma (Mr. INHOFE), the Senator from Missouri (Mr. BOND), and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 358, a bill to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products, and for other purposes.

S. 389

At the request of Mr. ABRAHAM, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 389, a bill to improve congressional deliberation on proposed Federal

private sector mandates, and for other purposes.

S. 474

At the request of Mr. KYL, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 474, a bill to amend sections 1081 and 1084 of title 18, United States Code.

S. 852

At the request of Mr. LOTT, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 1413

At the request of Mr. LUGAR, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1413, a bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 1427

At the request of Mr. FORD, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1427, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve lowpower television stations that provide community broadcasting, and for other purposes.

S. 1890

At the request of Mr. DASCHLE, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1890, a bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

S. 1891

At the request of Mr. DASCHLE, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1891, a bill to amend the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

S. 1968

At the request of Mr. FORD, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. 1968, a bill to amend title 49, United States Code, to authorize the Secretary of Transportation to implement a pilot program to improve access to the national transportation system for small communities, and for other purposes.

S. 2022

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 2022, a bill to provide for the improvement of interstate criminal justice identification, information, communications, and forensics.

S. 2145

At the request of Mr. SHELBY, the names of the Senator from Alabama (Mr. SESSIONS), the Senator from Arkansas (Mr. HUTCHINSON), and the Senator from Idaho (Mr. CRAIG) were added as cosponsors of S. 2145, a bill to modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

S. 2190

At the request of Mr. KENNEDY, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2190, a bill to authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, and for other purposes.

S. 2220

At the request of Mr. JOHNSON, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 2220, a bill to provide the President with expedited Congressional consideration of line item vetoes of appropriations and targeted tax benefits.

S. 2222

At the request of Mr. GRASSLEY, the name of the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 2222, a bill to amend title XVIII of the Social Security Act to repeal the financial limitation on rehabilitation services under part B of the Medicare Program.

S. 2295

At the request of Mr. MCCAIN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2295, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes.

S. 2316

At the request of Mr. MCCONNELL, the name of the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 2316, a bill to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride.

SENATE JOINT RESOLUTION 50

At the request of Mr. BOND, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of Senate Joint Resolution 50, a joint resolution to disapprove the rule submitted by the Health Care Financing Administration, Department of Health and Human Services on June 1, 1998, relating to surety bond requirements for home health agencies under the medicare and medicaid programs.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. D'AMATO, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from New Mexico (Mr. DOMENICI), the Senator from New York (Mr. MOYNIHAN), the Senator from Iowa (Mr. GRASSLEY), the Senator from North Carolina (Mr. HELMS), the Senator from Illinois (Ms. MOSELEY-BRAUN), the Senator from Michigan (Mr. ABRAHAM), the Senator from Maine (Ms. SNOWE), the Senator from Virginia (Mr. WARNER), the Senator from California (Mrs. FEINSTEIN), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Maine (Ms. COLLINS), and the Senator from Oregon (Mr. SMITH) were added as cosponsors of Senate Concurrent Resolution 105, a concurrent resolution expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes.

SENATE RESOLUTION 189

At the request of Mr. TORRICELLI, the names of the Senator from Colorado (Mr. CAMPBELL), the Senator from Georgia (Mr. CLELAND), the Senator from Nevada (Mr. BRYAN), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. INOUYE), the Senator from Maryland (Mr. SARBANES), the Senator from Massachusetts (Mr. KERRY), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Oregon (Mr. SMITH), and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of Senate Resolution 189, a resolution honoring the 150th anniversary of the United States Women's Rights Movement that was initiated by the 1848 Women's Rights Convention held in Seneca Falls, New York, and calling for a national celebration of women's rights in 1998.

SENATE RESOLUTION 193

At the request of Mr. REID, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Oregon (Mr. SMITH), the Senator from New Hampshire (Mr. SMITH), the Senator from Indiana (Mr. COATS), the Senator from Wyoming (Mr. ENZI), the Senator from Nebraska (Mr. HAGEL), the Senator from Colorado (Mr. CAMPBELL), and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of Senate Resolution 193, a resolution designating December 13, 1998, as ''National Children's Memorial Day.''

AMENDMENTS SUBMITTED

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

GRASSLEY (AND OTHERS) AMENDMENT NO. 3172

Mr. GRASSLEY (for himself, Mr. ROBERTS, Mr. LUGAR, Mr. HAGEL, Mr. BROWNBACK, and Mr. BOND) proposed an amendment to the bill (S. 2159) making

appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 19999, and for other purposes; as follows:

On page 67, after line 23, add the following:

SEC. 7___. SENSE OF THE SENATE CONCERNING APPROPRIATE ACTIONS TO BE TAKEN TO ALLEVIATE THE ECONOMIC EFFECT OF LOW COMMODITY PRICES.

It is the sense of the Senate that—

(1) Congress should pass and the President should sign S. 1269, which would reauthorize fast-track trading authority for the President;

(2) Congress should pass and the President should sign S. 2078, the Farm and Ranch Risk Management Act, which would allow farmers and ranchers to better prepare for fluctuations in the agricultural economy;

(3) the House of Representatives should follow the Senate and provide full funding for the International Monetary Fund;

(4) Congress should pass and the President should sign sanctions reform legislation so that the agricultural economy of the United States is not harmed by sanctions on foreign trade;

(5) Congress should uphold the presidential waiver of the Jackson-Vanik amendment to the 1974 Trade Act providing normal trade relations status for China and continue to pursue normal trade relations with China;

(6) the House and Senate should continue to pursue a package of capital gains and estate tax reforms;

(7) the President should pursue stronger oversight on all international trade agreements affecting agriculture and commerce dispute settlement procedures when countries are found to be violating such trade agreements;

(8) the President should sign legislation providing full deductibility of health care insurance for self-employed individuals; and

(9) the Congress and the administration should pursue efforts to reduce regulations on farmers. The President should use the administrative tools available to him to use Commodity Credit Corporation and Unused Export Enhancement Program funds for humanitarian assistance.

CONRAD (AND OTHERS) AMENDMENT NO. 3173

Mr. CONRAD (for himself, Mr. DORGAN, Mr. CLELAND, Mr. CRAIG, Mr. DASCHLE, Mr. HARKIN, Mr. BAUCUS, Mr. HOLLINGS, Mr. WELLSTONE, Mr. BURNS, Mr. JOHNSON, and Mr. KERREY) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 29, after line 21, add the following:

RESERVE INVENTORIES

For the reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $500,000,000: *Provided,* That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further,* That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

On page 67, after line 23, add the following:

SEC. 7___. RESERVE INVENTORIES.

Section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) is amended—

(1) in the first sentence of subsection (a), by inserting ''of agricultural producers'' after ''distress'';

(2) in subsection (c), by inserting ''the Secretary or'' after ''President or''; and

(3) in subsection (h)—

(A) by striking ''(h) There is hereby'' and inserting the following:

''(h) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are''; and

(B) by adding at the end the following:

''(2) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments that don't go for crop disasters, but for income loss to carry out the purposes of this section.''.

UNITED STATES PATENT AND TRADEMARK ORGINIZATION ACT OF 1998

LEAHY AMENDMENT NO. 3174

(Ordered to lie on the table.)

Mr. LEAHY submitted an amendment intended to be proposed by him to the bill (S. 507), to establish the United States Patent and Trademark Organization as a Government corporation, to amend the provisions of title 35, United States code, relating to procedures for patent appliations, commerical use of patents, reexamination reform, and for other purposes; as follows:

On page 106, line 1, strike all through line 6 on page 176 and insert the following:

TITLE I—UNITED STATES PATENT AND TRADEMARK ORGANIZATION

SEC. 101. SHORT TITLE.

This title may be cited as the ''United States Patent and Trademark Organization Act of 1998''.

Subtitle A—Establishment of the United States Patent and Trademark Organization

SEC. 111. ESTABLISHMENT OF THE UNITED STATES PATENT AND TRADEMARK ORGANIZATION AS A GOVERNMENT CORPORATION.

(a) ESTABLISHMENT.—The United States Patent and Trademark Organization is established as a wholly owned Government corporation subject to chapter 91 of title 31, separate from any department, and shall be an agency of the United States under the policy direction of the Secretary of Commerce.

(b) OFFICES.—The United States Patent and Trademark Organization shall maintain its principal office in the District of Columbia, or the metropolitan area thereof, for the service of process and papers and for the purpose of carrying out its powers, duties, and obligations under this title. The United States Patent and Trademark Organization shall be deemed, for purposes of venue in civil actions, to be a resident of the district in which its principal office is located except where jurisdiction is otherwise provided by law. The United States Patent and Trademark Organization may establish satellite offices in such places within the United States as it considers necessary and appropriate in the conduct of its business.

(c) REFERENCE.—For purposes of this title, a reference to the ''Organization'' shall be a reference to the United States Patent and Trademark Organization, unless the context provides otherwise.

SEC. 112. POWERS AND DUTIES.

(a) IN GENERAL.—The United States Patent and Trademark Organization, under the policy direction of the Secretary of Commerce, shall be responsible for—

(1) the examination of patents and the trademark applications;

(2) in support of the Under Secretary for Intellectual Property Policy, assisting with studies, programs, or exchanges of items or services regarding domestic and international patent and trademark law, the administration of the Organization, or any other function vested in the Organization by law, including programs to recognize, identify, assess, and forecast the technology of patented inventions and their utility to industry;

(3)(A) in support of the Under Secretary for Intellectual Property Policy, assisting with studies and programs cooperatively with foreign patent and trademark offices and international organizations, in connection with the granting and issuing of patents and the registration of trademarks; and

(B) with the concurrence of the Secretary of State, authorizing the transfer of not to exceed $100,000 in any year to the Department of State for the purpose of making special payments to international intergovernmental organizations for studies and programs for advancing international cooperation concerning patents, trademarks, and related matters; and

(4) disseminating to the public information with respect to patents and trademarks.

(b) SPECIAL PAYMENTS.—The special payments under subsection (a)(3)(B) may be in addition to any other payments or contributions to international organizations and shall not be subject to any limitations imposed by law on the amounts of such other payments or contributions by the United States Government.

(c) SPECIFIC POWERS.—The Organization—

(1) shall have perpetual succession;

(2) may indemnify the Director of the United States Patent and Trademark Organization, the Commissioner of Patents, the Commissioner of Trademarks, and other officers, attorneys, agents, and employees (including members of the Management Advisory Boards of the Patent Office and the Trademark Office) of the Organization for liabilities and expenses incurred within the scope of their employment;

(3) may adopt, amend, and repeal bylaws, rules, regulations, and determinations, which—

(A) shall govern the manner in which its business will be conducted and the powers granted to it by law will be exercised; and

(B) shall be made after notice and opportunity for full participation by interested public and private parties;

(4)(A) may acquire, construct, purchase, lease, hold, manage, operate, improve, alter, and renovate any real, personal, or mixed property, or any interest therein, as it considers necessary to carry out its functions; and

(B) sell, lease, grant, and dispose of such property as it considers necessary to effectuate the purposes of this Act;

(5)(A) may make such purchases, contracts for the construction, maintenance, or management and operation of facilities, and contracts for supplies or services, without regard to the provisions of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Public Buildings Act (40 U.S.C. 601 et seq.), and the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.); and

(B) may enter into and perform such purchases and contracts for printing services,

including the process of composition, platemaking, presswork, silk screen processes, binding, microform, and the products of such processes, as it considers necessary to carry out the functions of the Organization, without regard to sections 501 through 517 and 1101 through 1123 of title 44, United States Code;

(6) may use, with their consent, services, equipment, personnel, and facilities of other departments, agencies, and instrumentalities of the Federal Government, on a reimbursable basis, and cooperate with such other departments, agencies, and instrumentalities in the establishment and use of services, equipment, and facilities of the Organization;

(7) may obtain from the Administrator of General Services such services as the Administrator is authorized to provide to other agencies of the United States, on the same basis as those services are provided to other agencies of the United States;

(8) may use, with the consent of the United States and the agency, government, or international organization concerned, the services, records, facilities, or personnel of any State or local government agency or instrumentality or foreign government or international organization to perform functions on its behalf;

(9) may retain and use all of its revenues and receipts, including revenues from the sale, lease, or disposal of any real, personal, or mixed property, or any interest therein, of the Organization, including for research and development and capital investment, subject to the provisions of section 10101 of the Omnibus Budget Reconciliation Act of 1990 (35 U.S.C. 41 note);

(10) shall have the priority of the United States with respect to the payment of debts from bankrupt, insolvent, and decedents' estates;

(11) may accept monetary gifts or donations of services, or of real, personal, intellectual, or mixed property, in order to enhance libraries and museums operated by the Organization, support the educational programs of the Organization, or otherwise carry out the functions of the Organization;

(12) may execute, in accordance with its bylaws, rules, and regulations, all instruments necessary and appropriate in the exercise of any of its powers; and

(13) may provide for liability insurance and insurance against any loss in connection with its property, other assets, or operations either by contract or by self-insurance.

(d) RESTRICTIONS ON GIFTS.—Any acceptance of a gift or donation under subsection (c)(14) shall be subject to section 201 of title 18, United States Code. The Director shall establish regulations for the acceptance of such gifts and donations including regulations prohibiting gifts or donations to the Organization by foreign entities.

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to nullify, void, cancel, or interrupt any pending request-for-proposal let or contract issued by the General Services Administration for the specific purpose of relocating or leasing space to the United States Patent and Trademark Organization.

SEC. 113. ORGANIZATION AND MANAGEMENT.

(a) OFFICES.—The United States Patent and Trademark Organization shall consist of—

(1) the Office of the Director;

(2) the United States Patent Office; and

(3) the United States Trademark Office.

(b) DIRECTOR.—

(1) IN GENERAL.—The management of the United States Patent and Trademark Organization shall be vested in a Director of the United States Patent and Trademark Organization (hereafter in this title referred to as the ''Director'', unless the context provides otherwise), who shall be a citizen of the United States and who shall be appointed by the Secretary of Commerce to a 5-year term and compensated without regard to chapters 33, 51, and 53 of title 5, United States Code. The Secretary shall make the appointment on the basis of demonstrated ability in management and professional experience regarding patents or trademarks, and without regard to political affiliation or activity. The Secretary may reappoint the Director to subsequent terms so long as performance, as set forth in the annual performance agreement, is satisfactory or better.

(2) DUTIES.—(A) The Director shall—

(i) be responsible for the management and direction of the Organization and shall perform this duty in a fair, impartial, and equitable manner; and

(ii) strive to meet the goals set forth in the performance agreement described under paragraph (4); and

(iii) provide such advice to the Under Secretary for Intellectual Property Policy as the Director deems appropriate to assist the Under Secretary in carrying out the Under Secretary's responsibilities.

(B) The Director, in consultation with the Director of the Office of Personnel Management, shall maintain a program for identifying national security positions and providing for appropriate security clearances.

(C) The Director may perform such personnel, procurement, and other functions, with respect to the United States Patent Office and the United States Trademark Office, where a centralized administration of such functions would improve the efficiency of the Offices, by continuous unanimous agreement of the Director, the Commissioner of Patents, and the Commissioner of Trademarks. The agreement shall be in writing and shall indicate the allocation of costs among the Office of the Director, the United States Patent Office, and the United States Trademark Office.

(D) Except as otherwise provided in this title, the Director shall ensure that—

(i) the United States Patent Office and the United States Trademark Office, respectively, shall—

(I) prepare all appropriation requests under section 1108 of title 31, United States Code, for each office for submission by the Director;

(II) adjust fees to provide sufficient revenues to cover the expenses of such office; and

(III) expend funds derived from such fees for only the functions of such office; and

(ii) each such office is not involved in the management of any other office.

(E) The Director shall submit to Congress annually such information as is required under chapter 91 of title 31, United States Code, including—

(i) the total monies received and expended by the Organization;

(ii) the purpose for which the monies were spent;

(iii) the amount of any surplus revenues retained by the Organization;

(iv) the quality and quantity of the work of the Organization; and

(v) other information relating to the Organization.

(3) OATH.—The Director shall, before taking office, take an oath to discharge faithfully the duties of the Organization.

(4) COMPENSATION.—The Director shall be paid an annual rate of basic pay not to exceed the maximum rate of basic pay for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality based comparability payment that may be authorized under section 5304(h)(2) of such title. In addition, the Director may receive a bonus in an amount up to, but not in excess of, 50 percent of such annual rate of basic pay, based on the Secretary of Commerce's evaluation of the Director's performance in relation to the performance goals set forth in an annual performance agreement. Payment of a bonus under this paragraph may be made to the Director to the extent that such payment does not cause the Director's total aggregate compensation in a calendar year to equal or exceed the amount of the President's salary under section 102 of title 3, United States Code.

(5) REMOVAL.—The Director shall be removable by the Secretary of Commerce for misconduct or failure to meet performance goals set forth in the annual performance agreement.

(6) DESIGNEE OF DIRECTOR.—The Director shall designate an officer of the Organization who shall be vested with the authority to act in the capacity of the Director in the event of the absence or incapacity of the Director.

(c) OFFICERS AND EMPLOYEES OF THE ORGANIZATION.—

(1) COMMISSIONERS OF PATENTS AND TRADEMARKS.—The Secretary of Commerce shall appoint a Commissioner of Patents and a Commissioner of Trademarks under section 3 of title 35, United States Code and section 53 of the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946), respectively, as amended by this Act.

(2) OTHER OFFICERS AND EMPLOYEES.—The Director shall—

(A) appoint officers, employees (including attorneys), and agents of the Organization, who shall be citizens of the United States, as the Director considers necessary to carry out its functions;

(B) fix the compensation of such officers and employees, except as provided in subsection (e); and

(C) define the authority and duties of such officers and employees and delegate to them such of the powers vested in the Organization as the Director may determine.

(3) PERSONNEL LIMITATIONS.—The Organization shall not be subject to any administratively or statutorily imposed limitation on positions or personnel, and no positions or personnel of the Organization shall be taken into account for purposes of applying any such limitation.

(d) LIMITS ON COMPENSATION.—Except as otherwise provided by law, the annual rate of basic pay of an officer or employee of the Organization may not be fixed at a rate that exceeds, and total compensation payable to any such officer or employee for any year may not exceed, the annual rate of basic pay in effect for level II of the Executive Schedule under section 5313 of title 5, United States Code. The Director shall prescribe such regulations as may be necessary to carry out this subsection.

(e) INAPPLICABILITY OF TITLE 5, UNITED STATES CODE, GENERALLY.—Except as otherwise provided in this section, officers and employees of the Organization shall not be subject to the provisions of title 5, United States Code, relating to Federal employees.

(f) CONTINUED APPLICABILITY OF CERTAIN PROVISIONS OF TITLE 5, UNITED STATES CODE.—

(1) IN GENERAL.—The following provisions of title 5, United States Code, shall apply to the Organization and its officers and employees:

(A) Section 3110 (relating to employment of relatives; restrictions).

(B) Subchapter II of chapter 55 (relating to withholding pay).

(C) Subchapters II and III of chapter 73 (relating to employment limitations and political activities, respectively).

(D) Chapter 71 (relating to labor-management relations), subject to paragraph (2) and subsection (g).

(E) Section 3303 (relating to political recommendations).

(F) Subchapter II of chapter 61 (relating to flexible and compressed work schedules).

(G) Section 2302(b)(8) (relating to whistleblower protection) and whistleblower related provisions of chapter 12 (covering the role of the Office of Special Counsel).

(2) COMPENSATION SUBJECT TO COLLECTIVE BARGAINING.—

(A) IN GENERAL.—Notwithstanding any other provision of law, for purposes of applying chapter 71 of title 5, United States Code, pursuant to paragraph (1)(D), basic pay and other forms of compensation shall be considered to be among the matters as to which the duty to bargain in good faith extends under such chapter.

(B) EXCEPTIONS.—The duty to bargain in good faith shall not, by reason of subparagraph (A), be considered to extend to any benefit under title 5, United States Code, which is afforded by paragraph (1), (2), (3), or (4) of subsection (g).

(C) LIMITATIONS APPLY.—Nothing in this subsection shall be considered to allow any limitation under subsection (d) to be exceeded.

(g) PROVISIONS OF TITLE 5, UNITED STATES CODE, THAT CONTINUE TO APPLY, SUBJECT TO CERTAIN REQUIREMENTS.—

(1) RETIREMENT.—(A) The provisions of subchapter III of chapter 83 and chapter 84 of title 5, United States Code, shall apply to the Organization and its officers and employees, subject to subparagraph (B).

(B)(i) The amount required of the Organization under the second sentence of section 8334(a)(1) of title 5, United States Code, with respect to any particular individual shall, instead of the amount which would otherwise apply, be equal to the normal-cost percentage (determined with respect to officers and employees of the Organization using dynamic assumptions, as defined by section 8401(9) of such title) of the individual's basic pay, minus the amount required to be withheld from such pay under such section 8334(a)(1).

(ii) The amount required of the Organization under section 8334(k)(1)(B) of title 5, United States Code, with respect to any particular individual shall be equal to an amount computed in a manner similar to that specified in clause (i), as determined in accordance with clause (iii).

(iii) Any regulations necessary to carry out this subparagraph shall be prescribed by the Office of Personnel Management.

(C) The United States Patent and Trademark Organization may supplement the benefits provided under the preceding provisions of this paragraph.

(2) HEALTH BENEFITS.—(A) The provisions of chapter 89 of title 5, United States Code, shall apply to the Organization and its officers and employees, subject to subparagraph (B).

(B)(i) With respect to any individual who becomes an officer or employee of the Organization pursuant to subsection (i), the eligibility of such individual to participate in such program as an annuitant (or of any other person to participate in such program as an annuitant based on the death of such individual) shall be determined disregarding the requirements of section 8905(b) of title 5, United States Code. The preceding sentence shall not apply if the individual ceases to be an officer or employee of the Organization for any period of time after becoming an officer or employee of the Organization pursuant to subsection (i) and before separation.

(ii) The Government contributions authorized by section 8906 of title 5, United States Code, for health benefits for anyone participating in the health benefits program pursuant to this subparagraph shall be made by the Organization in the same manner as provided under section 8906(g)(2) of such title with respect to the United States Postal Service for individuals associated therewith.

(iii) For purposes of this subparagraph, the term ''annuitant'' has the meaning given such term by section 8901(3) of title 5, United States Code.

(C) The Organization may supplement the benefits provided under the preceding provisions of this paragraph.

(3) LIFE INSURANCE.—(A) The provisions of chapter 87 of title 5, United States Code, shall apply to the Organization and its officers and employees, subject to subparagraph (B).

(B)(i) Eligibility for life insurance coverage after retirement or while in receipt of compensation under subchapter I of chapter 81 of title 5, United States Code, shall be determined, in the case of any individual who becomes an officer or employee of the Organization pursuant to subsection (i), without regard to the requirements of section 8706(b)(1) or (2) of such title, but subject to the condition specified in the last sentence of paragraph (2)(B)(i) of this subsection.

(ii) Government contributions under section 8708(d) of such title on behalf of any such individual shall be made by the Organization in the same manner as provided under paragraph (3) thereof with respect to the United States Postal Service for individuals associated therewith.

(C) The Organization may supplement the benefits provided under the preceding provisions of this paragraph.

(4) EMPLOYEES' COMPENSATION FUND.—(A) Officers and employees of the Organization shall not become ineligible to participate in the program under chapter 81 of title 5, United States Code, relating to compensation for work injuries, by reason of subsection (e).

(B) The Organization shall remain responsible for reimbursing the Employees' Compensation Fund, pursuant to section 8147 of title 5, United States Code, for compensation paid or payable after the effective date of this title in accordance with chapter 81 of title 5, United States Code, with regard to any injury, disability, or death due to events arising before such date, whether or not a claim has been filed or is final on such date.

(h) LABOR-MANAGEMENT RELATIONS.—

(1) LABOR RELATIONS AND EMPLOYEE RELATIONS PROGRAMS.—The Organization shall develop hiring practices, labor relations and employee relations programs with the objective of improving productivity and efficiency, incorporating the following principles:

(A) Such programs shall be consistent with the merit principles in section 2301(b) of title 5, United States Code.

(B) Such programs shall provide veterans preference protections equivalent to those established by sections 2108, 3308 through 3318, 3320, 3502, and 3504 of title 5, United States Code.

(C)(i) The right to work shall not be subject to undue restraint or coercion. The right to work shall not be infringed or restricted in any way based on membership in, affiliation with, or financial support of a labor organization.

(ii) No person shall be required, as a condition of employment or continuation of employment—

(I) to resign or refrain from voluntary membership in, voluntary affiliation with, or voluntary financial support of a labor organization;

(II) to become or remain a member of a labor organization;

(III) to pay any dues, fees, assessments, or other charges of any kind or amount to a labor organization;

(IV) to pay to any charity or other third party, in lieu of such payments, any amount equivalent to or a pro rata portion of dues, fees, assessments, or other charges regularly required of members of a labor organization; or

(V) to be recommended, approved, referred, or cleared by or through a labor organization.

(iii) This subparagraph shall not apply to a person described in section 7103(a)(2)(v) of title 5, United States Code, or a ''supervisor'', ''management official'', or ''confidential employee'' as those terms are defined in 7103(a) (10), (11), and (13) of such title.

(iv) Any labor organization recognized by the Organization as the exclusive representative of a unit of employees of the Organization shall represent the interests of all employees in that unit without discrimination and without regard to labor organization membership.

(2) ADOPTION OF EXISTING LABOR AGREEMENTS.—The Organization shall adopt all labor agreements which are in effect, as of the day before the effective date of this title, with respect to such Organization (as then in effect).

(i) CARRYOVER OF PERSONNEL.—

(1) FROM PTO.—Effective as of the effective date of this title, all officers and employees of the Patent and Trademark Office on the day before such effective date shall become officers and employees of the Organization, without a break in service.

(2) OTHER PERSONNEL.—(A) Any individual who, on the day before the effective date of this title, is an officer or employee of the Department of Commerce (other than an officer or employee under paragraph (1)) shall be transferred to the Organization if—

(i) such individual serves in a position for which a major function is the performance of work reimbursed by the Patent and Trademark Office, as determined by the Secretary of Commerce;

(ii) such individual serves in a position that performed work in support of the Patent and Trademark Office during at least half of the incumbent's work time, as determined by the Secretary of Commerce; or

(iii) such transfer would be in the interest of the Organization, as determined by the Secretary of Commerce in consultation with the Director.

(B) Any transfer under this paragraph shall be effective as of the same effective date as referred to in paragraph (1), and shall be made without a break in service.

(3) ACCUMULATED LEAVE.—The amount of sick and annual leave and compensatory time accumulated under title 5, United States Code, before the effective date described in paragraph (1), by any individual who becomes an officer or employee of the Organization under this subsection, are obligations of the Organization.

(4) TERMINATION RIGHTS.—Any employee referred to in paragraph (1) or (2) of this subsection whose employment with the Organization is terminated during the 1-year period beginning on the effective date of this title shall be entitled to rights and benefits, to be afforded by the Organization, similar to those such employee would have had under Federal law if termination had occurred immediately before such date. An employee who would have been entitled to appeal any such termination to the Merit Systems Protection Board, if such termination had occurred immediately before such effective date, may appeal any such termination occurring within such 1-year period to the Board under such procedures as it may prescribe.

(5) TRANSITION PROVISIONS.—(A)(i) On or after the effective date of this title, the President shall appoint a Director of the United States Patent and Trademark Organization who shall serve until the earlier of—

(I) the date on which a Director qualifies under subsection (b); or

(II) the date occurring 1 year after the effective date of this title.

(ii) The President shall not make more than 1 appointment under this subparagraph.

(B) The individual serving as the Assistant Commissioner of Patents on the day before the effective date of this title shall serve as the Commissioner of Patents until the date on which a Commissioner of Patents is appointed under section 3 of title 35, United States Code, as amended by this Act.

(C) The individual serving as the Assistant Commissioner of Trademarks on the day before the effective date of this title shall serve as the Commissioner of Trademarks until the date on which a Commissioner of Trademarks is appointed under section 53 of the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946), as amended by this Act.

(j) COMPETITIVE STATUS.—For purposes of appointment to a position in the competitive service for which an officer or employee of the Organization is qualified, such officer or employee shall not forfeit any competitive status, acquired by such officer or employee before the effective date of this title, by reason of becoming an officer or employee of the Organization under subsection (i).

(k) SAVINGS PROVISIONS.—Compensation, benefits, and other terms and conditions of employment in effect immediately before the effective date of this title, whether provided by statute or by rules and regulations of the former Patent and Trademark Office or the executive branch of the Government of the United States, shall continue to apply to officers and employees of the Organization, until changed in accordance with this section (whether by action of the Director or otherwise).

(l) REMOVAL OF QUASI-JUDICIAL EXAMINERS.—The Organization may remove a patent examiner or administrative patent judge, or a trademark examiner or an administrative trademark judge only for such cause as will promote the efficiency of the Organization.

SEC. 114. UNITED STATES PATENT OFFICE.

(a) ESTABLISHMENT OF THE PATENT OFFICE AS A SEPARATE ADMINISTRATIVE UNIT.—Section 1 of title 35, United States Code, is amended to read as follows:

"§ 1. Establishment

''(a) ESTABLISHMENT.—The United States Patent Office is established as a separate administrative unit of the United States Patent and Trademark Organization, where records, books, drawings, specifications, and other papers and things pertaining to patents shall be kept and preserved, except as otherwise provided by law.

''(b) REFERENCE.—For purposes of this title, the United States Patent Office shall also be referred to as the 'Office' and the 'Patent Office'.''.

(b) POWERS AND DUTIES.—Section 2 of title 35, United States Code, is amended to read as follows:

"§ 2. Powers and duties

''The United States Patent Office, under the policy direction of the Secretary of Commerce through the Director of the United States Patent and Trademark Organization, shall be responsible for—

''(1) examination of patent applications;

''(2) in support of the Secretary of Commerce and Under Secretary for Intellectual Property Policy, assisting with studies, programs, or exchanges of items or services regarding domestic and international patent law, the administration of the Office, or any other function vested in the Office by law, including programs to recognize, identify, assess, and forecast the technology of patented inventions and their utility to industry;

''(3) in support of the Secretary of Commerce and Under Secretary for Intellectual Property Policy, assisting with studies and programs cooperatively with foreign patent offices and international organizations, in connection with the granting and issuing of patents; and

''(4) disseminating to the public information with respect to patents.''.

(c) ORGANIZATION AND MANAGEMENT.—Section 3 of title 35, United States Code, is amended to read as follows:

"§ 3. Officers and employees

''(a) COMMISSIONER.—

''(1) IN GENERAL.—The management of the United States Patent Office shall be vested in a Commissioner of Patents, who shall be a citizen of the United States and who shall be appointed by the Secretary of Commerce and shall serve at the pleasure of the Secretary of Commerce. The Commissioner of Patents shall be a person who, by reason of professional background and experience in patent law, is especially qualified to manage the Office.

''(2) DUTIES.—

''(A) IN GENERAL.—The Commissioner shall be responsible for all aspects of the management, administration, and operation of the Office, and shall perform these duties in a fair, impartial, and equitable manner.

''(B) ADVISING THE DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK ORGANIZATION.—The Commissioner of Patents shall advise the Director of the United States Patent and Trademark Organization of all activities of the Office undertaken in response to obligations of the United States under treaties and executive agreements, or which relate to cooperative programs with those authorities of foreign governments that are responsible for granting patents. The Commissioner of Patents shall advise the Director of the United States Patent and Trademark Organization on matters of patent law and shall recommend to the Director of the United States Patent and Trademark Organization changes in law or policy which may improve the ability of United States citizens to secure and enforce patent rights in the United States or in foreign countries.

''(C) REGULATIONS.—The Commissioner may establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent Office. The Director of the United States Patent and Trademark Organization shall determine whether such regulations are consistent with the policy direction of the Secretary of Commerce.

''(D) CONSULTATION WITH THE MANAGEMENT ADVISORY BOARD.—(i) The Commissioner shall consult with the Management Advisory Board established in section 5—

''(I) on a regular basis on matters relating to the operation of the Office; and

''(II) before submitting budgetary proposals to the Director of the United States Patent and Trademark Organization for submission to the Office of Management and Budget or changing or proposing to change patent user fees or patent regulations.

''(ii) The Director of the United States Patent and Trademark Organization shall determine whether such fees or regulations are consistent with the policy direction of the Secretary of Commerce.

''(3) OATH.—The Commissioner shall, before taking office, take an oath to discharge faithfully the duties of the Office.

''(4) COMPENSATION.—

''(A) IN GENERAL.—The Commissioner shall receive compensation at the rate of pay in effect for level IV of the Executive Schedule under section 5315 of title 5.

''(B) BONUS.—In addition to compensation under subparagraph (A), the Commissioner may, at the discretion of the Director of the United States Patent and Trademark Organization, receive as a bonus, an amount which would raise total compensation to the equivalent of the rate of pay in effect for level III of the Executive Schedule under section 5314 of title 5.

''(b) OFFICERS AND EMPLOYEES.—

''(1) DEPUTY COMMISSIONER OF PATENTS.—The Commissioner shall appoint a Deputy Commissioner of Patents who shall be vested with the authority to act in the capacity of the Commissioner in the event of the absence or incapacity of the Commissioner. In the event of a vacancy in the office of Commissioner, the Deputy Commissioner shall fill the office of Commissioner until a new Commissioner is appointed and takes office.

''(2) OMBUDSMAN.—The Commissioner shall appoint an ombudsman to advise the Commissioner on the concerns of independent inventors, nonprofit organizations, and small business concerns.

''(3) OTHER OFFICERS AND EMPLOYEES.—Other officers, attorneys, employees, and agents shall be selected and appointed by the Commissioner, and shall be vested with such powers and duties as the Commissioner may determine.''.

(d) MANAGEMENT ADVISORY BOARD.—Chapter 1 of part I of title 35, United States Code, is amended by inserting after section 4 the following:

"§ 5. Patent Office Management Advisory Board

''(a) ESTABLISHMENT OF MANAGEMENT ADVISORY BOARD.—

''(1) APPOINTMENT.—The United States Patent Office shall have a Management Advisory Board (hereafter in this title referred to as the 'Advisory Board') of 5 members, who shall be appointed by the President and shall serve at the pleasure of the President. Not more than 3 of the 5 members shall be members of the same political party. At least 1 member shall be an independent inventor, as defined in regulations issued by the Commissioner.

''(2) CHAIR.—The President shall designate a Chair of the Advisory Board, whose term as chair shall be for 3 years.

''(3) TIMING OF APPOINTMENTS.—Initial appointments to the Advisory Board shall be made within 3 months after the effective date of the United States Patent and Trademark Organization Act of 1998. Vacancies shall be filled in the manner in which the original appointment was made under this subsection within 3 months after they occur.

''(b) BASIS FOR APPOINTMENTS.—Members of the Advisory Board shall be citizens of the United States who shall be chosen so as to represent the interests of diverse users of the United States Patent Office, and shall include individuals with substantial background and achievement in corporate finance and management.

''(c) MEETINGS.—The Advisory Board shall meet at the call of the Chair to consider an agenda set by the Chair.

''(d) DUTIES.—The Advisory Board shall—

''(1) review the policies, goals, performance, budget, and user fees of the United States Patent Office, and advise the Commissioner on these matters;

''(2) within 60 days after the end of each fiscal year—

''(A) prepare an annual report on the matters referred to in paragraph (1);

''(B) transmit the report to the Director of the United States Patent and Trademark Organization, the President, and the Committees on the Judiciary of the Senate and the House of Representatives; and

''(C) publish the report in the Patent Office Official Gazette.

''(e) COMPENSATION.—Each member of the Advisory Board shall be compensated for each day (including travel time) during which such member is attending meetings or conferences of the Advisory Board or otherwise engaged in the business of the Advisory Board, at the rate which is the daily equivalent of the annual rate of basic pay in effect for level III of the Executive Schedule under section 5314 of title 5, and while away from such member's home or regular place of business such member may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5.

''(f) ACCESS TO INFORMATION.—Members of the Advisory Board shall be provided access to records and information in the United States Patent Office, except for personnel or other privileged information and information concerning patent applications required to be kept in confidence by section 122.

''(g) APPLICABILITY OF CERTAIN ETHICS LAWS.—Members of the Advisory Board shall be special Government employees within the meaning of section 202 of title 18.''.

(e) CONFORMING AMENDMENTS.—Section 6 of title 35, United States Code, and the item relating to such section in the table of contents for chapter 1 of title 35, United States Code, are repealed.

(f) BOARD OF PATENT APPEALS AND INTERFERENCES.—Section 7 of title 35, United States Code, is amended to read as follows:

''§ 7. Board of Patent Appeals and Interferences

''(a) ESTABLISHMENT AND COMPOSITION.—There shall be in the United States Patent Office a Board of Patent Appeals and Interferences. The Commissioner, the Deputy Commissioner, and the administrative patent judges shall constitute the Board. The administrative patent judges shall be persons of competent legal knowledge and scientific ability.

''(b) DUTIES.—

''(1) IN GENERAL.—The Board of Patent Appeals and Interferences shall, on written appeal of an applicant, a patent owner, or a third-party requester in a reexamination proceeding—

''(A) review adverse decisions of examiners—

''(i) upon applications for patents; and

''(ii) in reexamination proceedings; and

''(B) determine priority and patentability of invention in interferences declared under section 135(a).

''(2) HEARINGS.—Each appeal and interference shall be heard by at least 3 members of the Board, who shall be designated by the Commissioner. Only the Board of Patent Appeals and Interferences may grant rehearings.''.

(g) ANNUAL REPORT OF COMMISSIONER.—Section 14 of title 35, United States Code, is amended to read as follows:

''§ 14. Annual report to Congress

''The Commissioner shall report to the Director of the United States Patent and Trademark Organization such information as the Director is required to submit to Congress annually under section 157(d) of this title, and under chapter 91 of title 31, including—

''(1) the total of the moneys received and expended by the Office;

''(2) the purposes for which the moneys were spent;

''(3) the quality and quantity of the work of the Office; and

''(4) other information relating to the Office.''.

(h) PRACTICE BEFORE PATENT OFFICE.—

(1) IN GENERAL.—Section 31 of title 35, United States Code, is amended to read as follows:

''§ 31. Regulations for agents and attorneys

''The Commissioner may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Office. The regulations may require such persons, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.''.

(2) DESIGNATION OF ATTORNEY TO CONDUCT HEARING.—Section 32 of title 35, United States Code, is amended in the first sentence by striking ''Patent and Trademark Office'' and inserting ''Patent Office'' and by inserting before the last sentence the following: ''The Commissioner shall have the discretion to designate any attorney who is an officer or employee of the United States Patent Office to conduct the hearing required by this section.''.

(i) FUNDING.—

(1) ADJUSTMENT OF FEES.—Section 41(f) of title 35, United States Code, is amended to read as follows:

''(f) The Commissioner, after consulting with the Patent Office Management Advisory Board pursuant to section 3(a)(2)(C) of this title and after notice and opportunity for full participation by interested public and private parties, may, by regulation, adjust the fees established in this section. The Director of the United States Patent and Trademark Organization shall determine whether such fees are consistent with the policy direction of the Secretary of Commerce.''.

(2) PATENT OFFICE FUNDING.—Section 42 of title 35, United States Code, is amended to read as follows:

''§ 42. Patent Office funding

''(a) FEES PAYABLE TO THE OFFICE.—All fees for services performed by or materials furnished by the United States Patent Office shall be payable to the Office.

''(b) USE OF MONEYS.—Moneys from fees shall be available to the United States Patent Office to carry out, to the extent provided in appropriations Acts, the functions of the Office. Moneys of the Office not otherwise used to carry out the functions of the Office shall be kept in cash on hand or on deposit, or invested in obligations of the United States or guaranteed by the United States, or in obligations or other instruments which are lawful investments for fiduciary, trust, or public funds. Fees available to the Commissioner under this title shall be used only for the processing of patent applications and for other services and materials relating to patents, including the agreed upon share of any centralized function, as set forth in section 113(b)(2)(E) of the United States Patent and Trademark Organization Act of 1998.

''(c) CONTRIBUTION TO THE OFFICE OF THE DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK ORGANIZATION.—The Patent Office shall contribute 50 percent of the annual budget of the Office of the Director of the United States Patent and Trademark Organization.''.

SEC. 115. UNITED STATES TRADEMARK OFFICE.

(a) ESTABLISHMENT OF THE UNITED STATES TRADEMARK OFFICE AS A SEPARATE ADMINISTRATIVE UNIT.—The Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946) is amended—

(1) by redesignating titles X and XI as titles XI and XII, respectively;

(2) by redesignating sections 45, 46, 47, 48, 49, 50, and 51 as sections 61, 71, 72, 73, 74, 75, and 76, respectively; and

(3) by inserting after title IX the following new title:

''TITLE X—UNITED STATES TRADEMARK OFFICE

''SEC. 51. ESTABLISHMENT.

''(a) ESTABLISHMENT.—The United States Trademark Office is established as a separate administrative unit of the United States Patent and Trademark Organization.

''(b) REFERENCE.—For purposes of this chapter, the United States Trademark Office shall also be referred to as the 'Office' and the 'Trademark Office'.

''SEC. 52. POWERS AND DUTIES.

''The United States Trademark Office, under the policy direction of the Secretary of Commerce through the Director of the United States Patent and Trademark Organization, shall be responsible for—

''(1) the examination of trademark applications;

''(2) in support of the Secretary of Commerce and the Under Secretary for Intellectual Property Policy, assisting with studies, programs, or exchanges of items or services regarding domestic and international trademark law or the administration of the Office;

''(3) in support of the Secretary of Commerce and the Under Secretary for Intellectual Property Policy, assisting with studies and programs cooperatively with foreign trademark offices and international organizations, in connection with the registration of trademarks; and

''(4) disseminating to the public information with respect to trademarks.

''SEC. 53. OFFICERS AND EMPLOYEES.

''(a) COMMISSIONER.—

''(1) IN GENERAL.—The management of the United States Trademark Office shall be vested in a Commissioner of Trademarks, who shall be a citizen of the United States and who shall be appointed by the Secretary of Commerce and shall serve at the pleasure of the Secretary of Commerce. The Commissioner of Trademarks shall be a person who, by reason of professional background and experience in trademark law, is especially qualified to manage the Office.

''(2) DUTIES.—

''(A) IN GENERAL.—The Commissioner shall be responsible for all aspects of the management, administration, and operation of the Office, and shall perform these duties in a fair, impartial, and equitable manner.

''(B) ADVISING THE DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK ORGANIZATION.—The Commissioner of Trademarks shall advise the Director of the United States Patent and Trademark Organization of all activities of the Office undertaken in response to obligations of the United States under treaties and executive agreements, or which relate to cooperative programs with those authorities of foreign governments that are responsible for registering trademarks. The Commissioner of Trademarks shall advise the Director of the United States Patent and Trademark Organization on matters of trademark law and shall recommend to the Director of the United States Patent and Trademark Organization changes in law or policy which may improve the ability of United States citizens to secure and enforce trademark rights in the United States or in foreign countries.

''(C) REGULATIONS.—The Commissioner may establish regulations, not inconsistent with law, for the conduct of proceedings in

the Trademark Office. The Director of the United States Patent and Trademark Organization shall determine whether such regulations are consistent with the policy direction of the Secretary of Commerce.

''(D) CONSULTATION WITH THE MANAGEMENT ADVISORY BOARD.—(i) The Commissioner shall consult with the Trademark Office Management Advisory Board established under section 54—

''(I) on a regular basis on matters relating to the operation of the Office; and

''(II) before submitting budgetary proposals to the Director of the United States Patent and Trademark Organization for submission to the Office of Management and Budget or changing or proposing to change trademark user fees or trademark regulations.

''(ii) The Director of the United States Patent and Trademark Organization shall determine whether such fees or regulations are consistent with the policy direction of the Secretary of Commerce.

''(E) PUBLICATIONS.—(i) The Commissioner may print, or cause to be printed, the following:

''(I) Certificates of trademark registrations, including statements and drawings, together with copies of the same.

''(II) The Official Gazette of the United States Trademark Office.

''(III) Annual indexes of trademarks and registrants.

''(IV) Annual volumes of decisions in trademark cases.

''(V) Pamphlet copies of laws and rules relating to trademarks and circulars or other publications relating to the business of the Office.

''(ii) The Commissioner may exchange any of the publications specified under clause (i) for publications desirable for the use of the Trademark Office.

''(3) OATH.—The Commissioner shall, before taking office, take an oath to discharge faithfully the duties of the Office.

''(4) COMPENSATION.—

''(A) IN GENERAL.—The Commissioner shall receive compensation at the rate of pay in effect for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

''(B) BONUS.—In addition to compensation under subparagraph (A), the Commissioner may, at the discretion of the Director of the United States Patent and Trademark Organization, receive as a bonus, an amount which would raise total compensation to the equivalent of the rate of pay in effect for level III of the Executive Schedule under section 5314 of title 5.

''(b) OFFICERS AND EMPLOYEES.—The Commissioner shall appoint a Deputy Commissioner of Trademarks who shall be vested with the authority to act in the capacity of the Commissioner in the event of the absence or incapacity of the Commissioner. In the event of a vacancy in the office of Commissioner, the Deputy Commissioner shall fill the office of Commissioner until a new Commissioner is appointed and takes office. Other officers, attorneys, employees, and agents shall be selected and appointed by the Commissioner, and shall be vested with such powers and duties as the Commissioner may determine.

''SEC. 54. TRADEMARK OFFICE MANAGEMENT ADVISORY BOARD.

''(a) ESTABLISHMENT OF MANAGEMENT ADVISORY BOARD.—

''(1) APPOINTMENT.—The United States Trademark Office shall have a Management Advisory Board (hereafter in this title referred to as the 'Advisory Board') of 5 members, who shall be appointed by the President and shall serve at the pleasure of the President. Not more than 3 of the 5 members shall be members of the same political party.

''(2) CHAIR.—The President shall designate a Chair of the Advisory Board, whose term as chair shall be for 3 years.

''(3) TIMING OF APPOINTMENTS.—Initial appointments to the Advisory Board shall be made within 3 months after the effective date of the United States Patent and Trademark Organization Act of 1998. Vacancies shall be filled in the manner in which the original appointment was made under this section within 3 months after they occur.

''(b) BASIS FOR APPOINTMENTS.—Members of the Advisory Board shall be citizens of the United States who shall be chosen so as to represent the interests of diverse users of the United States Trademark Office, and shall include individuals with substantial background and achievement in corporate finance and management.

''(c) MEETINGS.—The Advisory Board shall meet at the call of the Chair to consider an agenda set by the Chair.

''(d) DUTIES.—The Advisory Board shall—

''(1) review the policies, goals, performance, budget, and user fees of the United States Trademark Office, and advise the Commissioner on these matters; and

''(2) within 60 days after the end of each fiscal year—

''(A) prepare an annual report on the matters referred to under paragraph (1);

''(B) transmit the report to the Director of the United States Patent and Trademark Organization, the President, and the Committees on the Judiciary of the Senate and the House of Representatives; and

''(C) publish the report in the Trademark Office Official Gazette.

''(e) COMPENSATION.—Each member of the Advisory Board shall be compensated for each day (including travel time) during which such member is attending meetings or conferences of the Advisory Board or otherwise engaged in the business of the Advisory Board, at the rate which is the daily equivalent of the annual rate of basic pay in effect for level III of the Executive Schedule under section 5314 of title 5, United States Code, and while away from such member's home or regular place of business such member may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

''(f) ACCESS TO INFORMATION.—Members of the Advisory Board shall be provided access to records and information in the United States Trademark Office, except for personnel or other privileged information.

''(g) APPLICABILITY OF CERTAIN ETHIC LAWS.—Members of the Advisory Board shall be special Government employees within the meaning of section 202 of title 18.

''SEC. 55. ANNUAL REPORT TO CONGRESS.

''The Commissioner shall report to the Director of the United States Patent and Trademark Organization such information as the Director is required to report to Congress annually under chapter 91 of title 31, including—

''(1) the moneys received and expended by the Office;

''(2) the purposes for which the moneys were spent;

''(3) the quality and quantity of the work of the Office; and

''(4) other information relating to the Office.

''SEC. 56. TRADEMARK OFFICE FUNDING.

''(a) FEES PAYABLE TO THE OFFICE.—All fees for services performed by or materials furnished by the United States Trademark Office shall be payable to the Office.

''(b) USE OF MONEYS.—Moneys from fees shall be available to the United States Trademark Office to carry out, to the extent provided in appropriations Acts, the functions of the Office. Moneys of the Office not otherwise used to carry out the functions of the Office shall be kept in cash on hand or on deposit, or invested in obligations of the United States or guaranteed by the United States, or in obligations or other instruments which are lawful investments for fiduciary, trust, or public funds. Fees available to the Commissioner under this chapter shall be used only for the registration of trademarks and for other services and materials relating to trademarks, including the agreed upon share of any centralized function, as set forth in section 113(b)(2)(E) of the United States Patent and Trademark Organization Act of 1998.

''(c) CONTRIBUTION TO THE OFFICE OF THE DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK ORGANIZATION.—The Trademark Office shall contribute 50 percent of the annual budget of the Office of the Director of the United States Patent and Trademark Organization.''.

(b) TRADEMARK TRIAL AND APPEAL BOARD.—Section 17 of the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946) (15 U.S.C. 1067) is amended to read as follows:

''SEC. 17. (a) In every case of interference, opposition to registration, application to register as a lawful concurrent user, or application to cancel the registration of a mark, the Commissioner shall give notice to all parties and shall direct a Trademark Trial and Appeal Board to determine and decide the respective rights of registration.

''(b) The Trademark Trial and Appeal Board shall include the Commissioner of Trademarks, the Deputy Commissioner of Trademarks, and administrative trademark judges competent in trademark law who are appointed by the Commissioner. Each case shall be heard by at least 3 members of the Board, the members hearing such case to be designated by the Commissioner.''.

(c) DETERMINATION OF FEES.—Section 31(a) of the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946) (15 U.S.C. 1113(a)) is amended by striking the second and third sentences and inserting the following: ''Fees established under this subsection may be adjusted by the Commissioner, after consulting with the Trademark Office Management Advisory Board in accordance with section 53(a)(2)(C) of this Act and after notice and opportunity for full participation by interested public and private parties. The Director of the United States Patent and Trademark Organization shall determine whether such fees are consistent with the policy direction of the Secretary of Commerce.''.

SEC. 116. SUITS BY AND AGAINST THE ORGANIZATION.

(a) ACTIONS UNDER UNITED STATES LAW.—Any civil action or proceeding to which the United States Patent and Trademark Organization is a party is deemed to arise under the laws of the United States. The Federal courts shall have exclusive jurisdiction over all civil actions by or against the Organization.

(b) REPRESENTATION BY THE DEPARTMENT OF JUSTICE.—The United States Patent and Trademark Organization shall be deemed an agency of the United States for purposes of section 516 of title 28, United States Code.

(c) PROHIBITION ON ATTACHMENT, LIENS, OR SIMILAR PROCESS.—No attachment, garnishment, lien, or similar process, intermediate or final, in law or equity, may be issued against property of the Organization.

SEC. 117. FUNDING.

(a) IN GENERAL.—The activities of the United States Patent and Trademark Organization and each office of the Organization shall be funded entirely through fees payable to the United States Patent Office (under

section 42 of title 35, United States Code) and the United States Trademark Office (under section 56 of the Act of July 5, 1946 (commonly known as the Trademark Act of 1946)), and surcharges appropriated by Congress, to the extent provided in appropriations Acts and subject to the provisions of subsection (b).

(b) BORROWING AUTHORITY.—

(1) IN GENERAL.—The United States Patent and Trademark Organization is authorized to issue from time to time for purchase by the Secretary of the Treasury its debentures, bonds, notes, and other evidences of indebtedness (hereafter in this subsection referred to as ''obligations'') to assist in financing the activities of the United States Patent Office and the United States Trademark Office. Borrowing under this section shall be subject to prior approval in appropriations Acts. Such borrowing shall not exceed amounts approved in appropriations Acts.

(2) BORROWING AUTHORITY.—Any borrowing under this subsection shall be repaid only from fees paid to the Office for which such obligations were issued and surcharges appropriated by Congress. Such obligations shall be redeemable at the option of the United States Patent and Trademark Organization before maturity in the manner stipulated in such obligations and shall have such maturity as is determined by the United States Patent and Trademark Organization with the approval of the Secretary of the Treasury. Each such obligation issued to the Treasury shall bear interest at a rate not less than the current yield on outstanding marketable obligations of the United States of comparable maturity during the month preceding the issuance of the obligation as determined by the Secretary of the Treasury.

(3) PURCHASE OF OBLIGATIONS.—The Secretary of the Treasury shall purchase any obligations of the United States Patent and Trademark Organization issued under this subsection and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under that chapter are extended to include such purpose.

(4) TREATMENT.—Payment under this subsection of the purchase price of such obligations of the United States Patent and Trademark Organization shall be treated as public debt transactions of the United States.

SEC. 118. TRANSFERS.

(a) TRANSFER OF FUNCTIONS.—Except as relates to intellectual property policy matters as set out in section 151 of this title, there are transferred to, and vested in, the United States Patent and Trademark Organization all functions, powers, and duties vested by law in the Secretary of Commerce or the Department of Commerce or in the officers or components in the Department of Commerce with respect to the authority to examine patent and trademark applications, and in the Patent and Trademark Office, as in effect on the day before the effective date of this title, and in the officers and components of such Office. Except as otherwise provided in this Act, on the effective date of this Act, there are transferred to, and vested in, the Under Secretary of Commerce for Intellectual Property Policy all functions, powers and duties with respect to the authority to grant and issue patents, to register trademarks and to provide advice on patent and trademark policy vested by law in the Patent and Trademark Office, and in the officers and components of such Office.

(b) TRANSFER OF FUNDS AND PROPERTY.—The Secretary of Commerce shall transfer to the United States Patent and Trademark Organization, on the effective date of this title, so much of the assets, liabilities, contracts, property, records, and unexpended and unobligated balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available to the Department of Commerce, including funds set aside for accounts receivable which are related to functions, powers, and duties which are vested in the United States Patent and Trademark Office by this title.

SEC. 119. USE OF ORGANIZATION NAME.

The use of the terms ''United States Patent and Trademark Organization'', ''Patent and Trademark Office'', ''United States Patent Office'', ''Patent Office'', ''United States Trademark Office'', ''Trademark Office'', or any combination of such terms, as the name or part thereof under which an individual or entity does business, is prohibited. A violation of this section may be enjoined by any Federal court at the suit of the Organization. In any such suit, the Organization shall be entitled to statutory damages of $1,000 for each day during which such violation continues or is repeated following notice by the Organization and, in addition, may recover actual damages flowing from such violations.

Subtitle B—Effective Date; Technical Amendments

SEC. 131. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 4 months after the date of the enactment of this Act.

SEC. 132. TECHNICAL AND CONFORMING AMENDMENTS.

(a) AMENDMENTS TO TITLE 35.—

(1) TABLE OF PARTS.—The item relating to part I in the table of parts for title 35, United States Code, is amended to read as follows:

''I. United States Patent Office ..... 1.''.

(2) HEADING.—The heading for part I of title 35, United States Code, is amended to read as follows:

''PART I—UNITED STATES PATENT OFFICE''.

(3) TABLE OF CHAPTERS.—The table of chapters for part I of title 35, United States Code, is amended by amending the item relating to chapter 1 to read as follows:

''1. Establishment, Officers and Employees, Functions ..... 1''.

(4) TABLE OF SECTIONS.—The table of sections for chapter 1 of title 35, United States Code, is amended to read as follows:

''CHAPTER 1—ESTABLISHMENT, OFFICERS AND EMPLOYEES, FUNCTIONS

''Sec.
''1. Establishment.
''2. Powers and duties.
''3. Officers and employees.
''4. Restrictions on officers and employees as to interest in patents.
''5. Patent Office Management Advisory Board.
''6. Duties of Commissioner.
''7. Board of Patent Appeals and Interferences.
''8. Library.
''9. Classification of patents.
''10. Certified copies of records.
''11. Publications.
''12. Exchange of copies of patents with foreign countries.
''13. Copies of patents for public libraries.
''14. Annual report to Congress.''.

(5) COMMISSIONER OF PATENTS AND TRADEMARKS.—(A) Section 41(h)(1) of title 35, United States Code, is amended by striking ''Commissioner of Patents and Trademarks'' and inserting ''Commissioner''.

(B) Section 155 of title 35, United States Code, is amended by striking ''Commissioner of Patents and Trademarks'' and inserting ''Commissioner''.

(C) Section 155A(c) of title 35, United States Code, is amended by striking ''Commissioner of Patents'' and inserting ''Commissioner''.

(6) PATENT AND TRADEMARK OFFICE.—The provisions of title 35, United States Code, are amended by striking ''Patent and Trademark Office'' each place it appears and inserting ''Patent Office''.

(7) SECRETARY OF COMMERCE.—Section 157(d) of title 35, United States Code, is amended by striking ''Secretary of Commerce'' and inserting ''Director of the United States Patent and Trademark Organization''.

(b) AMENDMENTS TO THE TRADEMARK ACT OF 1946.—

(1) REFERENCES.—All amendments in this subsection refer to the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946).

(2) AMENDMENTS RELATING TO COMMISSIONER.—Section 61 (as redesignated by section 115(a)(2) of this Act) is amended by striking the undesignated paragraph relating to the definition of the term ''Commissioner'' and inserting the following:

''The term 'Commissioner' means the Commissioner of Trademarks.''.

(3) AMENDMENTS RELATING TO PATENT AND TRADEMARK OFFICE.—(A) Section 1(a)(1) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(B) Section 1(a)(2) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(C) Section 1(b)(1) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(D) Section 1(b)(2) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(E) Section 1(d)(1) is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(F) Section 1(e) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(G) Section 2(d) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(H) Section 7(a) is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(I) Section 7(d) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(J) Section 7(e) is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(K) Section 7(f) is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(L) Section 7(g) is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(M) Section 8(a) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(N) Section 8(b) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(O) Section 10 is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(P) Section 12(a) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(Q) Section 13(a) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(R) Section 13(b)(1) is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(S) Section 15(2) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(T) Section 17 is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(U) Section 21(a)(2) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(V) Section 21(a)(3) is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(W) Section 21(a)(4) is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(X) Section 21(b)(3) is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(Y) Section 21(b)(4) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(Z) Section 24 is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(AA) Section 29 is amended by striking ''Patent and Trademark Office'' each place such term appears and inserting ''Trademark Office''.

(BB) Section 30 is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(CC) Section 31(a) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(DD) Section 34(a) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(EE) Section 34(d)(1)(B)(i) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(FF) Section 35(a) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(GG) Section 36 is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(HH) Section 37 is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(II) Section 38 is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(JJ) Section 39(b) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(KK) Section 41 is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(LL) Section 61 (as redesignated under section 115(a)(2) of this Act) is amended in the undesignated paragraph relating to the definition of ''registered mark''—

(i) by striking ''Patent and Trade Mark Office'' and inserting ''Trademark Office; and

(ii) by striking ''Patent and Trade Office'' and inserting ''Trademark Office''.

(MM) Section 72(a) (as redesignated under section 115(a)(2) of this Act) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(NN) Section 76 (as redesignated under section 115(a)(2) of this Act) is amended by striking ''Patent and Trademark Office'' and inserting ''Trademark Office''.

(c) AMENDMENTS TO TITLE 5.—Title 5, United States Code, is amended—

(1) in section 5102(c)(23)—

(A) by striking ''examiners-in-chief'' in each place it appears and inserting ''administrative patent judges''; and

(B) by striking ''Office, Department of Commerce'' and inserting ''Organization''; and

(2) in section 5316—

(A) by striking ''Commissioner of Patents, Department of Commerce.''; and

(B) by striking:

''Deputy Commissioner of Patents and Trademarks.

''Assistant Commissioner for Patents.

''Assistant Commissioner for Trademarks.''.

(d) AMENDMENT TO TITLE 31.—Section 9101(3) of title 31, United States Code, is amended by adding at the end the following:

''(R) the United States Patent and Trademark Organization.''.

(e) AMENDMENTS TO INSPECTOR GENERAL ACT OF 1978.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1) by striking ''or the Commissioner of Social Security, Social Security Administration;'' and inserting ''the Commissioner of Social Security, Social Security Administration; or the Director of the United States Patent and Trademark Organization, United States Patent and Trademark Organization;''; and

(2) in paragraph (2) by striking ''or the Veterans' Administration, or the Social Security Administration;'' and inserting ''the Veterans' Administration, the Social Security Administration, or the United States Patent and Trademark Organization;''.

Subtitle C—Miscellaneous Provisions

SEC. 141. REFERENCES.

Any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to a department, agency, or office from which a function is transferred by this title—

(1) to the head of such department, agency, or office is deemed to refer to the head of the department, agency, or office to which such function is transferred; or

(2) to such department, agency, or office is deemed to refer to the department, agency, or office to which such function is transferred.

SEC. 142. EXERCISE OF AUTHORITIES.

Except as otherwise provided by law, a Federal official to whom a function is transferred by this title may, for purposes of performing the function, exercise all authorities under any other provision of law that were available with respect to the performance of that function to the official responsible for the performance of the function immediately before the effective date of the transfer of the function under this title.

SEC. 143. SAVINGS PROVISIONS.

(a) LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, grants, loans, contracts, agreements, certificates, licenses, and privileges that—

(1) have been issued, made, granted, or allowed to become effective by the President, the Secretary of Commerce, any officer or employee of any office transferred by this title, or any other Government official, or by a court of competent jurisdiction, in the performance of any function that is transferred by this title, and

(2) are in effect on the effective date of such transfer (or become effective after such date pursuant to their terms as in effect on such effective date), shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, any other authorized official, a court of competent jurisdiction, or operation of law.

(b) PROCEEDINGS.—This title shall not affect any proceedings or any application for any benefits, service, license, permit, certificate, or financial assistance pending on the effective date of this title before an office transferred by this title, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted, and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be considered to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

(c) SUITS.—This title shall not affect suits commenced before the effective date of this title, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this title had not been enacted.

(d) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Department of Commerce or the Secretary of Commerce, or by or against any individual in the official capacity of such individual as an officer or employee of an office transferred by this title, shall abate by reason of the enactment of this title.

(e) CONTINUANCE OF SUITS.—If any Government officer in the official capacity of such officer is party to a suit with respect to a function of the officer, and under this title such function is transferred to any other officer or office, then such suit shall be continued with the other officer or the head of such other office, as applicable, substituted or added as a party.

(f) ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW.—Except as otherwise provided by this title, any statutory requirements relating to notice, hearings, action upon the record, or administrative or judicial review that apply to any function transferred by this title shall apply to the exercise of such function by the head of the Federal agency, and other officers of the agency, to which such function is transferred by this title.

SEC. 144. TRANSFER OF ASSETS.

Except as otherwise provided in this title, so much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with a function transferred to an official or agency by this title shall be available to the official or the head of that agency, respectively, at such time or times as the Director of the Office of Management and Budget directs for use in connection with the functions transferred.

SEC. 145. DELEGATION AND ASSIGNMENT.

(a) IN GENERAL.—Except as otherwise expressly prohibited by law or otherwise provided in this title, an official to whom functions are transferred under this title (including the head of any office to which functions are transferred under this title) may—

(1) delegate any of the functions so transferred to such officers and employees of the office of the official as the official may designate; and

(2) authorize successive redelegations of such functions as may be necessary or appropriate.

(b) RESPONSIBILITY FOR ADMINISTRATION.—No delegation of functions under this section or under any other provision of this title shall relieve the official to whom a function is transferred under this title of responsibility for the administration of the function.

SEC. 146. AUTHORITY OF DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET WITH RESPECT TO FUNCTIONS TRANSFERRED.

(a) DETERMINATIONS.—If necessary, the Director of the Office of Management and Budget shall make any determination of the functions that are transferred under this title.

(b) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, may make such determinations as may be necessary with regard to the functions transferred by this title, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this title.

(c) TERMINATION OF AFFAIRS.—The Director shall provide for the termination of the affairs of all entities terminated by this title and for such further measures and dispositions as may be necessary to effectuate the purposes of this title.

SEC. 147. CERTAIN VESTING OF FUNCTIONS CONSIDERED TRANSFERS.

For purposes of this title, the vesting of a function in a department, agency, or office pursuant to reestablishment of an office shall be considered to be the transfer of the function.

SEC. 148. AVAILABILITY OF EXISTING FUNDS.

Existing appropriations and funds available for the performance of functions, programs, and activities terminated pursuant to this title shall remain available, for the duration of their period of availability, for necessary expenses in connection with the termination and resolution of such functions, programs, and activities.

SEC. 149. DEFINITIONS.

For purposes of this title—

(1) the term ''function'' includes any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(2) the term ''office'' includes any office, administration, agency, bureau, institute, council, unit, organizational entity, or component thereof.

Subtitle D—Establishment of the Under Secretary of Commerce for Intellectual Property Policy

SEC. 151. UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY POLICY.

(a) APPOINTMENT.—There shall be within the Department of Commerce an Under Secretary of Commerce for Intellectual Property Policy, who shall be appointed by the President, by and with the advice and consent of the Senate, at level III of the Executive Schedule. On or after the effective date of this title, the President may designate an individual to serve as the Acting Under Secretary until the date on which an Under Secretary qualifies under this subsection.

(b) DUTIES.—The Under Secretary of Commerce for Intellectual Property Policy, under the direction of the Secretary of Commerce, shall perform the following functions with respect to intellectual property policy:

(1) Grant patents and register trademarks.

(2) In coordination with the Under Secretary of Commerce for International Trade, promote exports of goods and services of the United States industries that rely on intellectual property.

(3) Advise the President, through the Secretary of Commerce, on national and certain international issues relating to intellectual property policy, including issues in the areas of patents, trademarks, and copyrights.

(4) Advise Federal departments and agencies on matters of intellectual property protection in other countries.

(5) Provide guidance, as appropriate, with respect to proposals by agencies to assist foreign governments and international intergovernmental organizations on matters of intellectual property protection.

(6) Conduct programs and studies related to the effectiveness of intellectual property protection throughout the world.

(7) Advise the Secretary of Commerce on programs and studies relating to intellectual property policy that are conducted, or authorized to be conducted, cooperatively with foreign patent and trademark offices and international intergovernmental organizations.

(8) In coordination with the Department of State, conduct programs and studies cooperatively with foreign intellectual property offices and international intergovernmental organizations.

(c) DEPUTY UNDER SECRETARIES.—To assist the Under Secretary of Commerce for Intellectual Property Policy, the Secretary of Commerce shall appoint a Deputy Under Secretary for Patent Policy and a Deputy Under Secretary for Trademark Policy, as members of the Senior Executive Service in accordance with the provisions of title 5, United States Code. The Deputy Under Secretaries shall perform such duties and functions as the Under Secretary shall prescribe.

(d) COMPENSATION.—Section 5314 of title 5, United States Code, is amended by adding at the end the following: ''Under Secretary of Commerce for Intellectual Property Policy.''

(e) FUNDING.—Funds available to the United States Patent and Trade Organization shall be made available for all expenses of the Office of the Under Secretary of Commerce for Intellectual Property Policy, subject to prior approval in appropriations Acts. Amounts made available under this subsection shall not exceed 2 percent of the projected annual revenues of the United States Patent and Trademark Organization from fees for services and goods of that Organization. The Secretary of Commerce shall determine the budget requirements of the Office of the Under Secretary for Intellectual Property Policy.

(f) CONSULTATION.—In connection with the performance of his duties under this section, the Under Secretary shall, on appropriate matters, consult with the Register of Copyrights.

SEC. 152. RELATIONSHIP WITH EXISTING AUTHORITIES.

(a) NO DEROGATION.—Nothing in section 151 shall derogate from the duties of the United States Trade Representative or from the duties of the Secretary of State. In addition, nothing in this title shall derogate from the duties and functions of the Register of Copyrights or otherwise alter current authorities relating to copyright matters.

(b) CLARIFICATION OF AUTHORITY OF THE COPYRIGHT OFFICE.—Section 701 of title 17, United States Code, is amended—

(1) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively; and

(2) by inserting after subsection (a) the following:

''(b) In addition to the functions and duties set out elsewhere in this chapter, the Register of Copyrights shall perform the following functions:

''(1) Advise Congress on national and international issues relating to copyright, semiconductor chip protection, and related matters.

''(2) Provide information and assistance to Federal departments and agencies and the Judiciary on national and international issues relating to copyright, semiconductor chip protection, and related matters.

''(3) Participate in meetings of international intergovernmental organizations and meetings with foreign government officials relating to copyright, semiconductor chip protection, and related matters, including as a member of United States delegations as authorized by the appropriate Executive Branch authority.

''(4) Conduct studies and programs regarding copyright, semiconductor chip protection, and related matters, the administration of the Copyright Office, or any function vested in the Copyright Office by law, including educational programs conducted cooperatively with foreign intellectual property offices and international intergovernmental organizations.

''(5) Perform such other functions as Congress may direct, or as may be appropriate in furtherance of the functions and duties specifically set forth in this title.''

● Mr. LEAHY. Mr. President, I am here once again to talk about S. 507, the Omnibus Patent Act of 1997. On this date back in 1878, a gentleman named Thaddeus Hyatt was granted a patent for reinforced concrete. Now, 120 years later, the Senate is refusing to reinforce American innovation by failing to take concrete action to reform our nation's patent laws.

We are presented with an opportunity that will not soon repeat itself—an opportunity to pass S. 507 and give U.S. inventors longer patent terms, put more royalties in their pockets, save them money in costly patent litigation, and avoid wasting their development resources on duplicative research. At the same time, we can get our new technology more rapidly into the marketplace and make U.S. companies more competitive globally.

Remaining globally competitive is not an idle concern. The failure of this body to enact the reforms of our patent system contained in S. 507 has given foreign entities applying for and receiving patents in the U.S. unfair advantages over U.S. firms—advantages that U.S. persons filing and doing business abroad do not have. This ability to keep U.S. inventors in the dark about the latest technological developments does not work to our economic advantage. Why are we turning our backs on our businesses, small and large, by not voting on this bill?

I have made recent speeches citing the strong support this legislation has around the country. This legislation has more than just Vermont or any state in mind. It has the entire country in its best interest. Our 200 year old patent system has provided protections to many of our inventions that have led to our global economic leadership position in the world marketplace. However, that leadership position is being threatened. Litigation has increased. Small inventors have been taken advantage of. Inventors and businesses are asking for our help and requesting that we pass S. 507.

The Senate Judiciary Committee reported this bill out over a year ago by an overwhelmingly bipartisan vote of 17–1, *17–1,* and this bill has yet to see the light of day on the floor. No longer can we turn the other cheek when

American business lets out such a cry for help. We need to bring this bill to the floor now and to pass it. We must not squander this opportunity to not only update our patent system but to come to America's defense.

I inserted into the RECORD on June 23, letters of support from the White House Conference on Small Businesses, the National Association of Women Business Owners, the Small Business Technology Coalition, National Small Business United, the National Venture Capital Association, and the 21st Century Patent Coalition.

On July 10, I inserted in the RECORD additional letters of support from The Chamber of Commerce of the United States of America; the Pharmaceutical Research and Manufactures of American, PhRMA; the American Automobile Manufacturers Association; the Software Publishers Association; the Semiconductor Industry Association; the Business Software Alliance; the American Electronics Association; and the Institute of Electrical and Electronics Engineers, Inc.

I now ask unanimous consent that additional letters of support for S. 507 be included in the RECORD. These letters are from IBM; the Biotechnology Industry Organization; the International Trademark Association; 3M; Intel Corporation; Caterpillar; AMP Incorporated; and Hewlett-Packard Company.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

HEWLETT-PACKARD COMPANY,
Palo Alto, CA, June 22, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: S. 507, the Omnibus Patent Act, has been reported out of the Judiciary Committee, but it appears that Majority Leader Lott needs some encouragement to schedule the bill for floor action. Hewlett-Packard Company strongly supports enactment of S. 507 and would appreciate your support in urging Senator Lott to put the bill on the calendar.

Enactment of S. 507 would assure that inventors can receive a full 17 years—or more—of patent protection if they pursue their patent claims in a timely manner. It would also streamline patent operations to expedite processing and accelerate the dissemination of new technologies for continuing advancement in products and services.

Significantly, S. 507 achieves these important goals without threatening a return to the ''submarine patent'' system that existed before the 1995 reform. Under the old policy, an inventor could manipulate the patent system to stretch the term even while withholding the new knowledge from society. Prior to 1995, inventors could wait until the technology had ripened, and then essentially extort license fees from another inventor who had independently, in good faith, created the same or a similar invention.

While ''submarine patents'' are infrequent, when they strike, they are egregious. In an HP case, for example, the company has paid millions of dollars in royalties to a Swedish inventor whose patent has expired in every other country except the United States. This inventor contributed nothing to the technology that is in use, in fact, he did not offer to work with the consortium that was developing the technology in an open-systems environment. A more thorough explanation of that case is attached for your review.

Senator Hatch and other supporters of S. 507 have worked diligently with small business and independent inventors to resolve concerns about the bill. It is a good compromise for a more effective patent system as we head into the 21st century. HP urges your support for S. 507 without weakening amendments that would revive the submarine patent system.

Sincerely,

LEW PLATT.

IBM, INTERNET MEDIA GROUP,
Essex Junction, VT, June 6, 1998.

Hon. PATRICK LEAHY,
U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: As an inventor I rely on the strength of the U.S. patent system to legally protect my invention(s). I am also the chairman of an ANSI standardization committee (NCITS L3.1) which represents the United States in an International Standardization Forum (ISO/IEC JTC 1/SC 29/WG 11). Our committee has developed the Emmy Award winning standard called MPEG–2, a standard which may have never come to pass had it not been for strong International patent protection. We are currently working on the future of International Multimedia (MPEG–4), a standard which promises to be as popular and widely used as MPEG–2 will be. The strength of the patent laws is essential to promoting participation and the development of International Standards. However, the system which for years has effectively encouraged innovation and protected inventors, is no longer effective. As significant number of ways have been found to abuse it, such as people and/or companies obtaining inappropriate patents and in some cases pilfering others' hard-earned invention. This threatens to undermine America's position as the global leader in technology innovation. I am proud that my work as an inventor has contributed to IBM's patent portfolio.

There is now legislation pending before you that will help restore leadership and integrity to the U.S. patent system. It is responsive to today's fast paced, highly competitve environment, and it will protect inventors like me. I am writing to ask you to urge Majority Leader Lott (R-MS) to bring S. 507, the Omnibus Patent Act of 1997, to the Senate floor as soon as possible and for you to support its final passage.

The bipartisan Omnibus Patent Act of 1997, S. 507, was passed out of the Senate Judiciary Committee 17–1 and has not yet been brough up for a floor vote. The House of Representatives also passed a similar bill in May 1997. Five former Commissioners of the Patent and Trademark Office (PTO) support this bill. A Senate floor vote is the only way to continue the process to enact this legislation that would help protect inventors and companies from patent system abuse.

Please help protect America's intellectual property and urge Majority Leader Lott (R-MS) to bring this bill to the floor for a vote. Thank you for your attention to this matter, and as a concerned constituent, I request your support of this legislation.

Sincerly,

PETER P. SCHIRLING,
Senior Engineer.

BIOTECHNOLOGY INDUSTRY ORGANIZATION,
June 18, 1998.

U.S. SENATOR,
Washington, DC.

Re: Scheduling Debate on Patent Reform Legislation, S. 507 (Hatch/Leahy)

DEAR SENATOR: We are writing to urge you to support scheduling of the patent reform legislation, S. 507, on the Senate floor before the August recess. This legislation is supported by an overwhelming majority of the Senators and the few Senators who have amendments to offer can easily be accommodated in a time agreement.

BIO has been working on this critical legislation for four years, the House passed the bill by a lopsided and bipartisan margin, and it emerged from the Senate Judiciary Committee on a near-unanimous vote. There are very few issues for the Senate debate or conference with the House. It should be easy to complete action on this bill and enact it into law this session. Doing so will be a major victory for biomedical and other research.

The bill answers the concerns raised by the biotechnology industry and other high technology industries regarding the erosion of patents caused by the adoption of the GATT 20 year-from-filing regime. We need to enact this bill to provide vital protection to biotechnology firms conducting research on cures and therapies for cancer, AIDS, Alzheimer's, and other deadly and disabling diseases.

The Biotechnology Industry Organization (BIO) represents almost 800 companies and organizations that use or support biotechnology research. Our companies are finding the next generation of medicines and cures for endemic diseases that diminish the quality of life for all Americans. On a per capita basis, our companies invest more in research and development than any other industry—almost ten times the national average—or about $100,000 per employee per year. This industries investment (almost 10 billion dollars in 1998) is protected primarily through the patent system.

Patents as an incentive for this critical research. Without patents this research would stop because no investor will fund this research without patents. This is why the patent term protections in this bill are so important. The Hatch-Leahy patent term bill provides complete and unequivocal protections to ensure that diligent patent applicants will not lose patent term under the new GATT 20 year patent law.

There is no industry which has lost more in patent protection under the new GATT 20 year patent term than the biotechnology industry. Our industry has been working for three years to secure protections so that diligent patent applicants cannot, and will not, lose patent protection under this new law. It is imperative that the GATT law be amended to protect diligent patent applicants this year.

Diligent patent applicants cannot lose patent term under the patent term provisions of Hatch-Leahy bill. If there are any delays in the grant of a patent by the Patent and Trademark Office (PTO) which are beyond the applicant's control, the applicant is given extra patent term—day-for-day compensation. This is a similar system which now applies when a patent holder loses patent term due to delays in the approval of a product by the Food and Drug Administration. So, the solution provided by the Hatch-Leahy bill is tried and tested and it works.

In addition to these patent term provisions, the Hatch-Leahy bill also provides for publication of internationally filed patent applications 18 months after filing and BIO supports this provision as well. Our companies file for patents in Europe and Japan where all applications are published after 18 months. Therefore 18 month publication in the United States will place U.S. companies on equal footing to their European and Asian competitors.

We enthusiastically support the patent term and publication provisions of the Hatch-Leahy bill, know that it solves the patent term problem, urge you to support

scheduling of this bill and support final passage. The current GATT/TRIPS law is very problematic for the biotechnology industry and enactment of S. 507 is needed to eliminate the disincentive for biomedical research.

Please contact us with any questions about this critical issue; we would be pleased to meet with you to discuss them. 857–0244.

Sincerely,

CHARLES E. LUDLAM,
Vice President for Government Relations.

DAVE SCHMICKEL,
Patent and Legal Counsel.

INTERNATIONAL TRADEMARK ASSOCIATION,
Washington, DC, May 8, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: You already know of our association's strong support for S. 507, the Omnibus Patent Reform Act. Our members are trademark owners located in every state of the union. This bipartisan bill makes important changes to the U.S. Patent and Trademark Office (USPTO) that are necessary to enable the USPTO to respond efficiently and effectively to the tremendous growth in trademark applications generated by our robust economy.

With next week designated as ''High Tech Week'' in the Senate, where legislation dealing with new technology will be considered, there is no bill that is more deserving of attention and support at this time than S. 507. By converting the USPTO into a government corporation that is 100% user-fee funded, S. 507 will free the agency from constraints which have long hampered efficient operations. Passage of this important legislation will ensure that new products and inventions receive the protection they need both here at home and in global markets.

S. 507 provides great value to intellectual property owners and should be allowed to proceed to the Senate floor. We ask for your help in gaining passage of S. 507.

Sincerely,

DAVID STIMSON,
President.

3M COMPANY, OFFICE OF INTELLECTUAL PROPERTY COUNSEL,
June 9, 1998.

Hon. PATRICK LEAHY,
U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: I am writing to express the strong support of the 3M Company for the reforms contained in S. 507, the Hatch/Leahy Omnibus Patent Reform Act, and to request that you ask Senator Lott to schedule it for a Senate vote as soon as possible. S. 507 is critically important to U.S. industry. Its reforms will strengthen and improve the United States patent system, allowing American industry to compete more effectively with its foreign competition.

S. 507 will give the U.S. Patent and Trademark Office the administrative flexibility to operate at peak efficiency, save inventors money, and accelerate patent processing. It will allow American inventors and companies to see foreign technology contained in U.S. patent applications more than a year earlier than today, while ensuring that domestic inventors who choose not to take advantage of publication before patent grant may continue to do so if they do not file outside of the U.S. The legislation will guarantee diligent applications a patent term of at least 17 years from grant and most will receive an even longer term of exclusivity. S. 507 would also make existing reexamination procedures more effective by allowing greater third party participation, while adding numerous safeguards to protect against abuse.

One specific reform of S. 507 which 3M most strongly supports is that of creating a prior domestic commercial use defense. This long overdue reform will protect manufacturing jobs in American companies like 3M by ensuring that a late filed patent—nearly one-half of U.S. patents are foreign owned—will not disrupt domestic manufacturing operations. Important technology underlying our successful Post-it® Notes such as those attached to this letter—and the jobs of the American workers who produce them—will be made safer against foreign attack by the passage of S. 507.

The reforms in S. 507 are designed to improve the functioning of the patent system for all users, large and small. In fact, Senators Hatch and Leahy have recently agreed to amend their bill on the Senate floor in response to requests from small businesses. With these changes, key small business constituencies such as the Technology Chairs of the White House Conference on Small Business, the National Association of Women Business Owners, and the Small Business Technology Coalition have expressed their enthusiastic support for S. 507.

U.S. industry needs these patent reforms now. Support S. 507 and urge Senator Lott to bring it to a vote promptly.

Sincerely,

GARY L. GRISWOLD,
Staff Vice President and Chief Intellectual Property Counsel.

INTEL CORPORATION,
Santa Clara, CA, June 12, 1998.

Hon. PATRICK J. LEAHY, U.S. SENATE, RUSSELL SENATE OFFICE BUILDING.

DEAR SENATOR LEAHY: For the past four years, Intel has been an active participant in the 21st Century Patent Coalition, which supports the enactment of patent reform legislation (S. 507). S. 507 would accomplish three broad goals of vital importance to our industry: modernizing patent administration, improving and simplifying dispute resolution procedures in the Patent and Trademark Office, and strengthening inventors' rights in a number of ways, most importantly by protecting them from loss of term due to Patent Office delays. Our coalition has the support of over 80 major American industrial companies and 22 industry associations that are composed, primarily, of small businesses.

Now, S. 507—which passed the House on a voice vote last year, and was approved in the Senate Judiciary by a vote of 17–1—is ready for floor action in the Senate. Our coalition has worked hard to address any and all legitimate concerns about the taxt of the bill and its impact upon small business entities and independent inventors, and we believe that it would, if enacted, create the most pro-inventor patent system in the world. It has recently received the enthusiastic support of the White House Conference on Small Business Technology Chairs, the National Association of Women Business Owners, and the Small Business Technology Coalition.

The patent system we have today will be ill equipped to serve the needs of inventors in the next century if the improvements provided for in S. 507 are not made. We ask for your help in scheduling S. 507 for a floor vote, and for your support for the Committee bill on final passage.

Your support will help preserve America's role as the world's technology leader.

Sincerely,

CARL SILVERMAN,
Director of Intellectual Property.

CATERPILLAR INC.,
Peoria, IL, June 3, 1998.

Hon. PATRICK J. LEAHY,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: I am writing to express Caterpillar's strong support for S. 507 (Hatch/Leahy), The Omnibus Patent Act of 1997. As you know, S. 507 was reported from the Senate Judiciary Committee on a vote of 17–1 and is awaiting Senate floor action. A companion bill passed the House last year.

S. 507 would modernize the U.S. patent system through major improvements in our patent laws that will greatly benefit America's large and small businesses, inventors and entrepreneurs. For Caterpillar, this legislation will mean reduced costs, reduced risk, reduced bureaucracy, fewer lawsuits, more certainty regarding property rights, and generally a faster, more responsive patent system.

Equally significant, key small business groups now agree that S. 507 will streamline the patent process and help America's inventors who currently suffer from delays in the patent office that are not their fault.

It's time for the Senate to vote on this bill to help strengthen the U.S. economy and keep jobs in America.

I urge you to contact Majority Leader Lott in support of early scheduling of S. 507 for floor debate, and support the efforts of its sponsors to adopt a bill without weakening amendments.

Sincerely,

WILLIAM B. HEMING,
General Patent Counsel.

AMP INCORPORATED,
Washington, DC, June 3, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: Please ask Senator Lott to bring S. 507, the Hatch-Leahy Omnibus Patent Act, to the floor as soon as possible. This patent reform is important to AMP, our employees, and the hundreds of inventors in our company who think up new ideas to produce better products, to keep our company competitive, and to create new jobs.

It's time to bring this bill up for a vote. The technology chairs of the White House Conference on Small Business have approved S. 507 because, ''(it) will lower the litigation costs for small business, make it easier to know what areas of technology are open for innovation, and will go a long way towards giving us a more level playing field vis-a-vis our foreign competitors.'' AMP and the dozens of other companies and associations in the 21th Century Patent Coalition agree.

This bill has undergone months and months of scrutiny and compromise and is now ready for a vote. I hope you'll encourage the Majority Leader to schedule floor time for this reasonable reform measure.

If you need any more information about S. 507, please let me know.

Sincerely,

JOHN PALAFOUTAS,
Director, Federal Relations.●

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

HARKIN (AND OTHERS) AMENDMENT NO. 3175

Mr. HARKIN (for himself, Mr. LEAHY, Mr. KENNEDY, Mr. TORRICELLI, Mr.

DURBIN, Mr. WELLSTONE, Ms. MIKULSKI, Mrs. MURRAY, and Mr. KERRY) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, insert the following:

SEC. 7___. FOOD SAFETY INITIATIVE.

(a) IN GENERAL.—In addition to the amounts made available under other provisions of this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, to carry out activities described in the Food Safety Initiative submitted by the President for fiscal year 1999—

(1) $98,000 to the Chief Economist;

(2) $906,000 to the Economic Research Service;

(3) $8,920,000 to the Agricultural Research Service;

(4) $11,000,000 to the Cooperative State Research, Education, and Extension Service;

(5) $8,347,000 to the Food Safety and Inspection Service; and

(6) $37,000,000 to the Food and Drug Administration.

1. *Amendment of the No Net Cost Fund assessments to provide for collection of all administrative costs not previously covered and all crop insurance costs for tobacco.* Section 106A of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445–1(c), is hereby amended by, in (d)(7) changing ''the Secretary'' to ''the Secretary; and'' and by adding a new clause, (d)(8) read as follows:

''(8) Notwithstanding any other provision of this subsection or other law, that with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which a Fund is maintained under this section, an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to: (1) the administrative costs within the Department of Agriculture that not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessment under this clause for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this clause shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this clause. For each domestically produced pound of tobacco the assessment amount to be remitted under this clause shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Fund maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the fund and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this clause shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment.''

2. *Amendment of the No Net Cost Account assessments to provide for collection of all administrative cost not previously covered and all crop insurance costs.* Section 106B of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445–2, is amended by renumbering subsections ''(i)'' and ''(j)'' as ''(j)'' and ''(k)'' respectively, and by adding a new subsection ''(i)'' to read as follows:

''(i) Notwithstanding any other provision of this section or other law, the Secretary shall require with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which an account is maintained under this section, that an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to: (1) the administrative costs within the Department of Agriculture that are not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessments under this clause for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this clause shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this clause. For each domestically produced pound of tobacco the assessment amount to be remitted under this clause shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Account maintained under this section. The administrative and crop issuance costs that are taken into account in fixing the amount of the assessment shall be a claim on the Account and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this clause shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment.''

3. *Elimination of the Tobacco Budget Assessment.* Notwithstanding any other provision of law, the provisions of Section 106(g) of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445(g) shall not apply or be extended to the 1999 crops of tobacco and shall not, in any case, apply to any tobacco for which additional assessments have been rendered under Sections 1 and 2 of this Act.

Section 4(g) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(g)) is amended in the first sentence by striking ''$193,000,000'' and inserting ''$177,000,000.''

Amend the figure on page 12 line 20 by reducing the sum by $13,500,000.

Amend page 12 line 25 by striking ''law.'' and inserting in lieu thereof the following: ''law, and an additional $13,500,000 is provided to be available on October 1, 1999 under the provision of this paragraph.''

DODD AMENDMENT NO. 3176

Mr. DODD proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place in title VII, insert the following:

SEC. ___. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

(a) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

''(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

''(2) In this subsection:

''(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

''(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.''.

(b) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting ''or if the recall is a class I recall,'' after ''cannot be identified''; and

(2) by adding at the end the following:

''(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.''.

(c) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking ''or gross'' and inserting ''gross''; and

(2) by striking the period and inserting '', or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).''.

ROBB (AND OTHERS) AMENDMENT NO. 3177

Mr. ROBB (for himself, Mr. HOLLINGS, and Ms. MOSELEY-BRAUN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 13, line 14, strike $97,200,000 and insert $92,200,000, and on page 14, line 17, strike $437,082,000 and insert $432,082,000. On page 18, line 1 strike $424,473,000 and insert $419,473,000. On page 19, line 23, strike $93,000,000 and insert $88,000,000, on page 67, after line 23, add the following:

SEC. . Expenses for computer-related activities of the Department of Agriculture funded through the Commodity Credit Corporation pursuant to section 161(b)(1)(A) of P.L. 104–127 in fiscal year 1999 shall not exceed $50,000,000; provided, that Section 4(g) of the Commodity Credit Corporation Charter Act is amended by striking $178,000,000 and inserting $173,000,000.

SEC. . WAIVER OF STATUE OF LIMITATIONS FOR CERTAIN DISCRIMINATION CLAIMS.

(a) DEFINITION OF ELIGIBLE CLAIM.—In this section, the term ''eligible claim'' means a non-employment-related claim that was filed with the Department of Agriculture on or before July 1, 1997 and alleges discrimination by the Department of Agriculture at any time during the period beginning on January 1, 1981, and ending on December 31, 1996.

(1) in violation of the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) in administering—

(A) a farm ownership, farm operating, or emergency loan funded from the Agricultural Credit Insurance Program Account; or

(B) a housing program established under title V of the Housing Act of 1949; or

(2) in the administration of a commodity program or a disaster assistance program.

(b)WAIVER—To the extent permitted by the Constitution, an eligible claim, if commenced not later than 2 years after the date of the enactment of this Act, shall not be barred by any statute of limitations.

(c) ADMINISTRATIVE PROCEEDINGS.

(1) IN GENERAL.—In lieu of bringing a civil action, a claimant may seek a written determination on the merits of an eligible claim by the Secretary of Agriculture if such claim is filed with the Secretary within two years of the date of enactment of this Act.

(2) TIME PERIOD FOR RESOLUTION OF ADMINISTRATIVE CLAIMS.—To the maximum extent practicable, the Secretary shall, within 180 days from the date an eligible claim is filed with Secretary under this subsection, conduct an investigation, issue a written determination, and propose a resolution in accordance with this subsection.

(3) HEARING AND AWARD.—The Secretary shall—

(A) provide the claimant an opportunity for a hearing before making the determination; and

(B) award the claimant such relief as would be afforded under the applicable statute from which the eligible claim arose notwithstanding any statute of limitations.

(d)— STANDARD OF REVIEW.—Federal courts reviewing an eligible claim under this section shall apply a de novo standard of review.

(e) LIMITATION ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY AND EXTENSION OF TIME.—

(1) LIMITATION ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY.—A proposed administrative award or settlement exceeding $75,000 (other than debt relief) of an eligible claim—

(A) shall not take effect until 90 days after notice of the award or settlement is given to the Attorney General; and

(B) shall not take effect if, during that 90 day period, the Attorney General objects to the award or settlement.

(2) EXTENSION OF TIME.—Notwithstanding subsections (b) and (c), if an eligible claim is denied administratively, the claimant shall have at least 180 days to commence a cause of action in a Federal court of competent jurisdiction seeking a review of such denial.

BROWNBACK (AND DORGAN) AMENDMENT NO. 3178

Mr. COCHRAN (for Mr. BROWNBACK for himself and Mr. DORGAN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. 7 . CENSUS OF AGRICULTURE.

(a) IN GENERAL.—Section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) is amended—

(1) in subsection (b) by inserting at the end the following: ''In fiscal year 1999 the Secretary of Agriculture is directed to continue to revise the Census of Agriculture to eliminate redundancies in questions asked of farmers by USDA.''

(2) in subsection (d) by deleting in paragraph (1) ''who willfully gives'' and inserting in its place ''shall not give'', and deleting '', shall be fined not more than $500''.

(3) in subsection (d) by deleting in paragraph (2) ''who refuses or willfully neglects'' and inserting in its place ''shall not refuse or willfully neglect'', and deleting '', shall not be fined more than $100''.

LEVIN AMENDMENT NO. 3179

Mr. COCHRAN (for Mr. LEVIN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. ___. TREE ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture may use funds for tree assistance made available under Public Law 105–174, to carry out a tree assistance program to owners of trees that were lost or destroyed as a result of a disaster or emergency that was declared by the President or the Secretary of Agriculture during the period beginning May 1, 1998, and ending August 1, 1998, regardless of whether the damage resulted in loss or destruction after August 1, 1998.

(b) ADMINISTRATION.—Subject to subsection (c), the Secretary shall carry out the program, to the maximum extent practicable, in accordance with the terms and conditions of the tree assistance program established under part 783 of title 7, Code of Federal Regulations.

(c) ELIGIBILITY.—A person shall be presumed eligible for assistance under the program if the person demonstrates to the Secretary that trees owned by the person were lost or destroyed by May 31, 1999, as a direct result of fire blight infestation that was caused by a disaster or emergency described in subsection (a).

KERRY (AND ROBB) AMENDMENT NO. 3180

Mr. COCHRAN (for Mr. KERRY for himself and Mr. ROBB) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. 7___. STUDY OF FUTURE FEDERAL AGRICULTURAL POLICIES.

(a) IN GENERAL.—On the request of the Commission on 21st Century Production Agriculture, the Secretary of Agriculture, acting through the Chief Economist of the Department of Agriculture, shall make assistance and information available to the Commission to enable the Commission to conduct a study to guide the development of future Federal agricultural policies.

(b) DUTIES.—In conducting the study, the Commission shall—

(1) examine a range of future Federal agricultural policies that may succeed the policies established under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for the 2003 and subsequent crops, and the impact of such policies on farm income, the structure of agriculture, trade competitiveness, conservation, the environment and other factors;

(2) assess the potential impact of any legislation enacted through the end of the 105th Congress on future Federal agricultural policies; and

(3) review economic agricultural studies that are relevant to future Federal agricultural policies.

(c) REPORT.—Not later than December 31, 1999, the Commission shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Appropriations of the House of Representatives and the Senate the results of the study conducted under this section.

GRAHAM AMENDMENT NO. 3181

Mr. COCHRAN (for Mr. GRAHAM) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. ___. INDICATION OF COUNTRY OF ORIGIN OF IMPORTED PERISHABLE AGRICULTURAL COMMODITIES.

(a) DEFINITIONS.—In this section:

(1) FOOD SERVICE ESTABLISHMENT.—The term ''food service establishment'' means a restaurant, cafeteria, lunch room, food stand, saloon, tavern, bar, lounge, or other similar facility, operated as an enterprise engaged in the business of selling foods to the public.

(2) PERISHABLE AGRICULTURAL COMMODITY; RETAILER.—The terms ''perishable agricultural commodity'' and ''retailer'' have the meanings given the terms in section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)).

(b) NOTICE OF COUNTRY OF ORIGIN REQUIRED.—Except as provided in subsection (c), a retailer of a perishable agricultural commodity imported into the United States shall inform consumers, at the final point of sale of the perishable agricultural commodity to consumers, of the country of origin of the perishable agricultural commodity.

(c) EXEMPTION FOR FOOD SERVICE ESTABLISHMENTS.—Subsection (b) shall not apply to a perishable agricultural commodity imported into the United States to the extent that the perishable agricultural commodity is—

(1) prepared or served in a food service establishment; and

(2)(A) offered for sale or sold at the food service establishment in normal retail quantities; or

(B) served to consumers at the food service establishment.

(d) METHOD OF NOTIFICATION.—

(1) IN GENERAL.—The information required by subsection (b) may be provided to consumers by means of a label, stamp, mark, placard, or other clear and visible sign on the imported perishable agricultural commodity or on the package, display, holding unit, or bin containing the commodity at the final point of sale to consumers.

(2) LABELED COMMODITIES.—If the imported perishable agricultural commodity is already individually labeled regarding country of origin by the packer, importer, or another person, the retailer shall not be required to provide any additional information to comply with this section.

(e) VIOLATIONS.—If a retailer fails to indicate the country of origin of an imported perishable agricultural commodity as required by subsection (b), the Secretary of Agriculture may assess a civil penalty on the retailer in an amount not to exceed—

(1) $1,000 for the first day on which the violation occurs; and

(2) $250 for each day on which the same violation continues.

(f) DEPOSIT OF FUNDS.—Amounts collected under subsection (e) shall be deposited in the Treasury of the United States as miscellaneous receipts.

(g) APPLICATION OF SECTION.—This section shall apply with respect to a perishable agricultural commodity imported into the United States after the end of the 6-month period beginning on the date of the enactment of this Act.

BUMPERS (AND OTHERS) AMENDMENT NO. 3182

Mr. COCHRAN (for Mr. BUMPERS for himself, Mr. DASCHLE, Mr. LEAHY, Mrs. BOXER, Mr. DURBIN, and Mr. BYRD) proposed an amendment to the bill, S. 2159, supra; as follows:

FINDINGS.—

The President's budget submission includes unauthorized user fees;

It is unlikely these fees will be authorized in the immediate future;

The assumption of revenue from unauthorized user fees results in a shortfall of funds available for programs under the jurisdiction

of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee;

That among the programs for which additional funds can be justified are:

Human Nutrition Research;

The Food Safety Initiative activities of the USDA and the FDA;

the Wetlands Reserve Program;

the Conservation Farm Option Program;

the Farmland Protection Program;

the Inspector General's Law Enforcement Initiative;

FDA pre-notification certification;

FDA clinical pharmacology;

FDA Office of Cosmetics and Color;

the Rural Electric loan programs;

the Pesticide Data Program;

the Rural Community Advancement Program;

civil rights activities; and

Fund Rural America.

Therefore, it is the sense of the Senate that, In the event an additional allocation becomes available, the above mentioned programs should be considered for funding.

FEINGOLD (AND JEFFORDS) AMENDMENT NO. 3183

Mr. COCHRAN (for Mr. FEINGOLD for himself and Mr. JEFFORDS) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. ___. OFFICE OF THE SMALL FARMS ADVOCATE.

(a) DEFINITION OF SMALL FARM.—In this section, the term ''small farm'' has the meaning given the term in section 506 of the Rural Development Act of 1972 (7 U.S.C. 2666).

(b) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall establish and maintain in the Department of Agriculture an Office of the Small Farms Advocate.

(c) FUNCTIONS.—The Office of the Small Farms Advocate shall—

(1) cooperate with, and monitor, agencies and offices of the Department to ensure that the Department is meeting the needs of small farms;

(2) provide input to agencies and offices of the Department on program and policy decisions to ensure that the interests of small farms are represented; and

(3) develop and implement a plan to coordinate the effective delivery of services of the Department to small farms.

(d) ADMINISTRATOR.—

(1) APPOINTMENT.—The Office of the Small Farms Advocate shall be headed by an Administrator, who shall be appointed by the President, with the advice and consent of the Senate. Nothing in this Act shall be construed to authorize a net increase in the number of political appointments within the Department of Agriculture.

(2) DUTIES.—The Administrator shall—

(A) act as an advocate for small farms in connection with policies and programs of the Department; and

(B) carry out the functions of the Office of the Small Farms Advocate under subsection (b).

(3) EXECUTIVE SCHEDULE.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

''Administrator, Office of the Small Farms Advocate, Department of Agriculture.''.

(e) RESOURCES.—Using funds that are otherwise available to the Department of Agriculture, the Secretary shall provide the Office of the Small Farms Advocate with such human and capital resources as are sufficient for the Office to carry out its functions in a timely and efficient manner.

(f) ANNUAL REPORT.—The Secretary shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report that describes actions taken by the Office of the Small Farms Advocate to further the interests of small farms.

DORGAN AMENDMENT NO. 3184

Mr. COCHRAN (for Mr. DORGAN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. 7. LIMIT ON PENALTY FOR INADVERTENT VIOLATION OF CONTRACT UNDER THE AGRICULTURAL MARKET TRANSITION ACT.

If an owner or producer, in good faith, inadvertently plants edible beans during the 1998 crop year on acreage covered by a contract under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.), the Secretary of Agriculture shall minimize penalties imposed for the planting to prevent economic injury to the owner or producer.

CRAIG (AND OTHERS) AMENDMENT NO. 3185

Mr. COCHRAN (for Mr. CRAIG for himself, Mr. JOHNSON, Mr. GRAMS, and Mr. ROBERTS) proposed an amendment to the bill, S.2159, supra; as follows:

On page 67 after line 23 add the following section:

SEC. . 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Biodiesel Energy Development Act of 1998''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Amendments to the Energy Policy and Conservation Act.
Sec. 4. Minimum Federal fleet requirement.
Sec. 5. State and local incentives programs.
Sec. 6. Alternative fuel bus program.
Sec. 7. Alternative fuel use in nonroad vehicles, engines, and marine vessels.
Sec. 8. Mandate for alternative fuel providers.
Sec. 9. Replacement fuel supply and demand program.
Sec. 10. Modification of goals; additional rulemaking authority.
Sec. 11. Fleet requirement program.
Sec. 12. Credits.
Sec. 13. Secretary's recommendation to Congress.

SEC. 2. DEFINITIONS.

Section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211) is amended—

(1) in paragraph (2), by striking ''derived from biological materials'' and inserting ''derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume'';

(2) in paragraph (8), by striking subparagraph (b) and inserting the following:

''(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel.'';

(3) by redesignating paragraphs (11) through (14) as paragraphs (12), (14), (15), and (16), respectively;

(4) by inserting after paragraph (10) the following:

''(11) the term 'heavy duty motor vehicle' means a motor vehicle or marine vessel that is greater than 8,500 pounds gross vehicle weight rating;'';

(5) by inserting after paragraph (12) (as redesignated by paragraph (3)) the following:

''(13) the term 'marine vessel' means a motorized watercraft or other artificial contrivance used as a means of transportation primarily on the navigable waters of the United States;'';

(6) in paragraph (15) (as redesignated by paragraph (3)), by striking ''biological materials (including biodiesel)''.

SEC. 3. AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT.

Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amendment—

(1) in the second sentence of subsection (a)(3)(B), by striking ''vehicles converted to use alternative fuels may be acquired if, after conversion,'' and inserting ''existing fleet vehicles may be converted to use alternative fuels at the time of a major vehicle overhaul or rebuild, or vehicles that have been converted to use alternative fuels may be acquired, if''; and

(2) in subsection (g)—

(A) in paragraph (2), by striking ''derived from biological materials'' and inserting ''derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume'';

(B) in paragraph (5), by striking subparagraph (B) and inserting the following:

''(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel; and''; and

(C) in paragraph (6), by inserting ''or marine vessel'' after ''a vehicle''.

SEC. 4. MINIMUM FEDERAL FLEET REQUIREMENT.

Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

(2) by inserting after subsection (b) the following:

''(c) HEAVY DUTY AND DUAL-FUELED VEHICLE COMPLIANCE CREDITS.—

''(1) IN GENERAL.—For purposes of meeting the requirements of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to acquire 1 heavy duty alternative fueled vehicle in place of 2 light duty alternative fueled vehicles.

''(2) ADDITIONAL CREDITS.—For purposes of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to take an additional credit for the purchase and documented use of alternative fuel used in a dual-fueled vehicle, comparable conventionally-fueled motor vehicle, or marine vessel.

''(3) ACCOUNTING.—

''(A) IN GENERAL.—In allowing a credit for the purchase of a dual-fueled vehicle or alternative fuel, the Secretary may request a Federal agency to provide an accounting of the purchase.

''(B) GUIDELINES.—The Secretary shall include any request made under subparagraph (A) in the guidelines required under section 308.

''(4) FUEL AND VEHICLE NEUTRALITY.—The Secretary shall carry out this subsection in a manner that is, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.''.

SEC. 5. STATE AND LOCAL INCENTIVES PROGRAMS.

(a) ESTABLISHMENT OF PROGRAM.—Section 409(a) of the Energy Policy Act of 1992 (42 U.S.C. 13235(a)) is amended—

(1) in paragraph (2)(A), by striking ''alternative fueled vehicles'' and inserting ''light and heavy duty alternative fueled vehicles and increasing the use of alternative fuels''; and

(2) in paragraph (3)—

(A) in subparagraph (B), by inserting after ''introduction of'' the following: ''converted or acquired light and heavy duty'';

(B) in subparagraph (E), by inserting after ''of sales of'' the following: '', incentives toward use of, and reporting requirements relating to''; and

(C) in subparagraph (G)—

(i) by redesignating clauses (i) through (iii) as clauses (ii) through (iv), respectively; and

(ii) by inserting after ''cost of—'' the following:

''(I) alternative fuels;''.

(b) FEDERAL ASSISTANCE TO STATES.—Section 409(b) of the Energy Policy Act of 1992 (42 U.S.C. 13235(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(D) grants of Federal financial assistance for the incremental purchase cost of alternative fuels.'';

(2) in paragraph (2)(B), by inserting after ''be introduced'' the following: ''and the volume of alternative fuel likely to be consumed''; and

(3) in paragraph (3)—

(A) by inserting ''alternative fuels and'' after ''in procuring''; and

(B) by inserting ''fuels and'' after ''of such''.

(c) GENERAL PROVISIONS.—Section 409(c)(2)(A) of the Energy Policy Act of 1992 (42 U.S.C. 13235(c)(2)(A)) is amended by inserting after ''alternative fueled vehicles in use'' the following: ''and volume of alternative fuel consumed''.

SEC. 6. ALTERNATIVE FUEL BUS PROGRAM.

Section 410(c) of the Energy Policy Act of 1992 (42 U.S.C. 13236(c)) is amended in the second sentence by striking ''and the conversion of school buses to dedicated vehicles'' and inserting ''the incremental cost of alternative fuels used in flexible fueled school buses, and the conversion of school buses to alternative fueled vehicles''.

SEC. 7. ALTERNATIVE FUEL USE IN NONROAD VEHICLES, ENGINES, AND MARINE VESSELS.

Section 412 of the Energy Policy Act of 1992 (42 U.S.C. 13238) is amended—

(1) in this section heading, by striking ''and engines'' and inserting '', engines, and marine vessels'';

(2) by striking ''vehicles and engines'' each place it appears in subsection (a) and (b) and inserting ''vehicles, engines, and marine vessels'';

(3) in subsections (a)—

(A) in the subsection heading, by striking ''NONROAD VEHICLES, AND ENGINES'' and inserting ''IN GENERAL'';

(B) in paragraph (1)—

(i) in the first sentence, by striking ''a study'' and inserting ''studies''; and

(ii) in the second sentence—

(I) by striking ''study'' and inserting ''studies''; and

(II) by striking ''2 years'' and insert ''2, 6, and 10 years'';

(C) in paragraph (2)—

(i) by striking ''study'' each place it appears and inserting ''studies''; and

(ii) in the second sentence, by inserting ''or marine vessels'' after ''such vehicles''; and

(D) in paragraph (3)—

(i) by striking ''report'' and inserting ''reports''; and

(ii) by striking ''may'' and inserting ''shall''; and

(4) in subsection (b)—

(A) in this subsection heading, by striking ''AND ENGINES'' and inserting '', ENGINES, AND MARINE VESSELS''; and

(B) by striking ''rail transportation, vehicles used at airports, vehicles or engines used for marine purposes, and other vehicles or engines'' and inserting ''rail and waterway transportation, vehicles used at airports and seaports, vehicles or engines used for marine purposes, marine vessels, and other vehicles, engines, or marine vessels''.

SEC. 8. MANDATE FOR ALTERNATIVE FUEL PROVIDERS.

Section 501 of the Energy Policy Act of 1992 (42 U.S.C. 13251) is amended—

(1) in subsection (a)(1), by inserting ''or heavy'' after ''new light'' and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(3) allow the conversion of an existing fleet vehicle into a dual-fueled alternative fueled vehicle at the time of a major overhaul or rebuild of the vehicle, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.''.

SEC. 9. REPLACEMENT FUEL SUPPLY AND DEMAND PROGRAM.

Section 502 of the Energy Policy Act of 1992 (42 U.S.C. 13252) is amended—

(1) in the first sentence of subsection (a), by inserting ''and heavy'' after ''in light''; and

(2) in the first sentence of subsection (b), by inserting after ''October 1, 1993,'' the following: ''and every 5 years thereafter through October 1, 2008,''.

SEC. 10. MODIFICATION OF GOALS; ADDITIONAL RULEMAKING AUTHORITY.

Section 504 of the Energy Policy Act of 1992 (42 U.S.C. 13254) is amended—

(1) in the first sentence of subsection (a), by striking ''and periodically thereafter'' and inserting ''consistent with the reporting requirements of section 502(b)''; and

(2) in subsection (c), by inserting after the first sentence the following: ''Any additional regulation issued by the Secretary shall be, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.''.

SEC. 11. FLEET REQUIREMENT PROGRAM.

(a) FLEET PROGRAM PURCHASE GOALS.—Section 507(a)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13257(a)(1)) is amended by inserting ''acquired as, or converted into,'' after ''shall be''.

(b) FLEET REQUIREMENT PROGRAM.—Section 507(g) of the Energy Policy Act of 1992 (42 U.S.C. 13257(g)) is amended—

(1) in paragraph (1), by inserting, ''acquired as, or converted into,'' after ''shall be'';

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following:

''(4) SUBSTITUTIONS.—The Secretary shall, by rule, permit fleets covered under this section to substitute the acquisition or conversion of 1 heavy duty alternative fueled vehicle for 2 light duty vehicle acquisitions to meet the requirements of this subsection.''.

(c) CONVERSIONS.—Section 507(j) of the Energy Policy Act of 1992 (42 U.S.C. 13257(j)) is amended—

(1) by striking ''Nothing in'' and inserting the following:

''(1) IN GENERAL.—Subject to paragraph (2) nothing in''; and

(2) by adding at the end the following:

''(2) CONVERSION INTO ALTERNATIVE FUELED VEHICLES.—

''(A) IN GENERAL.—A fleet owner shall be permitted to convert an existing fleet vehicle into an alternative fueled vehicle, and purchase the alternative fuel for the converted vehicle, for the purpose of compliance with this title or an amendment made by this title, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.

''(B) CREDITS.—A fleet owner shall be allowed a credit for the conversion of an existing fleet vehicle and the purchase of alternative fuel for the vehicles.''.

(d) MANDATORY STATE FLEET PROGRAMS.—Section 507(o) of the Energy Policy Act of 1992 (42 U.S.C. 13257(o)) is amended—

(1) in paragraph (1)—

(A) by inserting ''or heavy'' after ''new light''; and

(B) by inserting ''or converted'' after ''acquired''; and

(2) in the first sentence of paragraph (2)(A)—

(A) by striking ''this Act'' and inserting ''the Biodiesel Energy Development Act of 1997''; and

(B) by inserting after ''of light'' the following ''or heavy duty alternative fueled''.

SEC. 12. CREDITS.

(a) IN GENERAL.—Section 508(a) of the Energy Policy Act of 1992 (42 U.S.C. 13258(a)) is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—The Secretary''; and

(2) by adding at the end the following:

''(2) ALTERNATIVE FUEL.—The Secretary shall allocate a credit to a fleet or covered person that acquires a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle acquired or converted by the fleet or covered person as required under this title.''.

(b) ALLOCATION.—Section 508(b) of the Energy Policy Act of 1992 (42 U.S.C. 13258(b)) is amended—

(1) by striking ''In allocating credits under subsection (a),'' and inserting the following:

''(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—In allocating credits under subsection (a)(1),''; and

(2) by adding at the end the following:

''(2) DUEL-FUELED VEHICLES; ALTERNATIVE FUEL.—In allocating credits under subsection (a)(2), the Secretary shall allocate 2 credits to a fleet or covered person for acquiring or converting a dual-fueled vehicle and acquiring a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle if the dual-fueled vehicle acquired is in excess of the number that the fleet or covered person is required to acquire or is acquired before the date that the fleet or covered person is required to acquire the number under this title.''.

SEC. 13. SECRETARY'S RECOMMENDATION TO CONGRESS.

Section 509(a) of the Energy Policy Act of 1992 (42 U.S.C. 13259(a)) is amended—

(1) in paragraph (1), by inserting before the semicolon at the end the following: ''and exempting replacement fuels from taxes levied on non-replacement fuels''; and

(2) in paragraph (2)—

(A) by inserting ''and converters'' after ''suppliers''; and

(B) by inserting before the semicolon the following: '', including the conversion and

warranty of motor vehicles into alternative fueled vehicles''.

BUMPERS AMENDMENT NO. 3186

Mr. COCHRAN (for Mr. BUMPERS) proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place insert the following:

SEC. . The Secretary of Agriculture shall present to Congress by March 1, 1999, a report on whether to recommend lifting the ban on the interstate-distribution of state inspected meat.

HATCH AMENDMENT NO. 3187

Mr. COCHRAN (for Mr. HATCH) proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place insert the following:

The Secretary of Agriculture shall present to Congress a report on whether to recommend by March 1, 1999, lifting the ban on the interstate-distribution of state inspected meat.

COVERDELL (AND CLELAND) AMENDMENTS NOS. 3188–3190

Mr. COCHRAN (for Mr. COVERDELL for himself and Mr. CLELAND) proposed three amendments to the bill, S. 2159, supra; as follows:

AMENDMENT NO. 3188

On page 67, after line 23, add the following:

SEC. ___. PROHIBITION ON LOAN GUARANTEES TO BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.

Section 373 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008h) is amended by striking subsection (b) and inserting the following:

''(b) PROHIBITION OF LOANS FOR BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.—

''(1) PROHIBITIONS.—Except as provided in paragraph (2)—

''(A) the Secretary may not make a loan under this title to a borrower that has received debt forgiveness on a loan made or guaranteed under this title; and

''(B) the Secretary may not guarantee a loan under this title to a borrower that has received—

''(i) debt forgiveness after April 4, 1996, on a loan made or guaranteed under this title; or

''(ii) received debt forgiveness on no more than 3 occasions on or before April 4, 1996.

''(2) EXCEPTIONS.—

''(A) IN GENERAL.—The Secretary may make a direct or guaranteed farm operating loan for paying annual farm or ranch operating expenses of a borrower that was restructured with a write-down under section 353.

''(B) EMERGENCY LOANS.—The Secretary may make an emergency loan under section 321 to a borrower that—

''(i) on or before April 4, 1996, received not more than 1 debt forgiveness on a loan made or guaranteed under this title; and

''(ii) after April 4, 1996, has not received debt forgiveness on a loan made or guaranteed under this title.''.

AMENDMENT NO. 3189

On page 67, after line 23, add the following:

SEC. ___. DEFINITION OF FAMILY FARM.

(a) REAL ESTATE LOANS.—Section 302 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922) is amended by adding at the end the following:

''(c) DETERMINATION OF QUALIFICATION FOR LOAN.—

''(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

''(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.''.

(b) OPERATING LOANS.—Section 311 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941) is amended by adding at the end the following:

''(d) DETERMINATION OF QUALIFICATION FOR LOAN.—

''(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

''(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.''.

(c) EMERGENCY LOANS.—Section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) is amended by adding at the end the following:

''(e) DETERMINATION OF QUALIFICATION FOR LOAN.—

''(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

''(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.''.

(d) EFFECTIVE DATE.—This amendment shall be considered to have been in effect as of January 1, 1977.

AMENDMENT NO. 3190

On page 67, after line 23, add the following:

SEC. ___. APPLICABILITY OF DISASTER LOAN COLLATERAL REQUIREMENTS UNDER THE SMALL BUSINESS ACT.

Section 324(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(d)) is amended—

(1) by striking ''(d) All loans'' and inserting the following:

''(d) REPAYMENT.—

''(1) IN GENERAL.— All loans''; and

(2) by adding at the end the following:

''(2) NO BASIS FOR DENIAL OF LOAN.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall not deny a loan under this subtitle to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if the Secretary is reasonably certain that the borrower will be able to repay the loan.

''(B) REFUSAL TO PLEDGE AVAILABLE COLLATERAL.—The Secretary may deny or cancel a loan under this subtitle if a borrower refuses to pledge available collateral on request by the Secretary.''.

HARKIN AMENDMENT NO. 3191

Mr. COCHRAN (for Mr. HARKIN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 46, line 24, before the period, insert the following: '': *Provided further,* That none of the funds under this heading shall be available unless the value of bonus commodities provided under section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is included in meeting the minimum commodity assistance requirement of section 6(g) of the National School Lunch Act (42 U.S.C. 1755(g))''.

On page 47, line 6, strike ''$3,924,000,000'' and insert ''$3,948,000,000''.

DODD AMENDMENT NO. 3192

Mr. COCHRAN (for Mr. DODD) proposed an amendment to amendment No. 3176 proposed by him to the bill, S. 2159, supra; as follows:

In the amendment strike all after the first word and insert the following:

. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

(a) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

''(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

''(2) In this subsection:

''(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

''(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.''.

(b) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting ''or if the recall is a class I recall,'' after ''cannot be identified''; and

(2) by adding at the end the following:

''(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.''.

(c) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking ''or gross'' and inserting ''gross''; and

(2) by striking the period and inserting '', or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).''.

This section shall take effect one day after date of this bill's enactment.

HARKIN (AND OTHERS) AMENDMENT NO. 3193

Mr. COCHRAN (for Mr. HARKIN for himself, Mr. REED, Mr. LAUTENBERG, Mr. KENNEDY, Mrs. MURRAY, and Mr. JOHNSON) propoosed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. TEEN ANTI-TOBACCO ACTIVITIES.

(a) INCREASE IN FUNDS.—The amount described for salaries and expenses of the Food and Drug Administration under title VI shall be increased from $1,072,640,000 to $1,172,640,000.

(b) USER FEE.—The Secretary of Health and Human Services (referred to in this section as the ''Secretary'') shall, not later than

60 days after the date of enactment of this Act, and annually thereafter assess and collect from each manufacturer of tobacco products a user fee for the conduct of teen anti-tobacco activities by the Food and Drug Administration.

(c) AMOUNT.—With respect to each year, the user fee assessed to a manufacturer under subsection (b) shall be equal to an amount that bears the same ratio to $150,000,000 as the tobacco product market share of the manufacturer bears to the tobacco market share of all tobacco product manufacturers for the year preceding the year in which the determination is being made.

(d) DEPOSITS.—Amount collected under subsection (b) shall be deposited into the general fund of the Treasury.

(e) APPROPRIATION.—There are authorized to be appropriated in each fiscal year, and there are appropriated, an amount equal to the amount deposited into the Treasury under subsection (d) for that fiscal year, to be used by the Food and Drug Administration to carry out teen anti-tobacco activities under the Federal Food, Drug and Cosmetic Act.

(f) NO REQUIREMENT FOR PAYMENT.—The Secretary shall not require that a manufacturer pay a user fee under this section for any tobacco product for any fiscal year if the Secretary determines that the tobacco product involved as manufactured by the manufacturer is used by less than 0.5 percent of the total number of individuals determined to have used any tobacco product as manufactured by all manufacturers for the year involved.

(g) FINAL DETERMINATION.—The determination of the Secretary as to the amount and allocation of an assessment under subsection (b) shall be final and the manufacturer shall pay such assessment within 30 days of the date on which the manufacturer is assessed. Such payment shall be retained by the Secretary pending final judicial review.

(h) JUDICIAL REVIEW.—The amount of any user fee paid under subsection (b) shall be subject to judicial review by the United States Court of Appeals for the District of Columbia Circuit, based on the arbitrary and capricious standard of section 706(2)(A) of title 5, United States Code. Notwithstanding any other provision of law, no court shall have the authority to stay any payment due to the Secretary under subsection (b) pending judicial review.

BAUCUS AMENDMENT NO. 3194

Mr. COCHRAN (for Mr. BAUCUS) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 13, line 11, strike ''$50,500,000'' and insert ''$51,400,000''.

On page 14, line 17, strike ''$432,082,000'' and insert ''$432,982,000''.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

BOND (AND OTHERS) AMENDMENT NO. 3195

Mr. BOND (for himself, Mr. CLELAND, Ms. MIKULSKI, and Mr. COVERDELL) proposed an amendment to the bill (S. 2168) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, as follows:

On page 7, line 18, add the following new provisos prior to the period: '': *Provided further,* That the funds made available under this heading, $14,000,000 shall be for the homeless grant program and $6,000,000 shall be for the homeless per diem program: *Provided further,* That such funds may be used for vocational training, rehabilitation, and outreach activities in addition to other authorized homeless assistance activities''.

MCCAIN AMENDMENT NO. 3196

Mr. BOND (for Mr. MCCAIN) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 93, between lines 18 and 19, insert the following:

SEC. 423. (a) Each entity that receives a grant from the Federal Government for purposes of providing emergency shelter for homeless individuals shall—

(1) ascertain, to the extent practicable, whether or not each adult individual seeking such shelter from such entity is a veteran; and

(2) provide each such individual who is a veteran such counseling relating to the availability of veterans benefits (including employment assistance, health care benefits, and other benefits) as the Secretary of Veterans Affairs considers appropriate.

(b) The Secretary of Veterans Affairs and the Secretary of Housing and Urban Development shall jointly coordinate the activities required by subsection (a).

(c) Entities referred to in subsection (a) shall notify the Secretary of Veterans Affairs of the number and identity of veterans ascertained under paragraph (1) of that subsection. Such entities shall make such notification with such frequency and in such form as the Secretary shall specify.

(d) Notwithstanding any other provision of law, an entity referred to subsection (a) that fails to meet the requirements specified in that subsection shall not be eligible for additional grants or other Federal funds for purposes of carrying out activities relating to emergency shelter for homeless individuals.

BOND (AND OTHERS) AMENDMENT NO. 3197

Mr. BOND (for himself, Mr. ROCKEFELLER, and Ms. MIKULSKI) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 7, line 18, add the following new provisos prior to the period: '': *Provided further,* That of the funds made available under this heading, $10,000,000 shall be for implementation of the Primary Care Providers Incentive Act, contingent upon enactment of authorizing legislation''.

SARBANES (AND MIKULSKI) AMENDMENT NO. 3198

Mr. BOND (for Mr. SARBANES for himself and Ms. MIKULSKI) proposed an amendment to the bill, S. 2168, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. NATIONAL FALLEN FIREFIGHTERS FOUNDATION.

(a) ESTABLISHMENT AND PURPOSES.—Section 202 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5201) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) primarily—

''(A) to encourage, accept, and administer private gifts of property for the benefit of the National Fallen Firefighters' Memorial and the annual memorial service associated with the memorial; and

''(B) to, in coordination with the Federal Government and fire services (as that term is defined in section 4 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2203)), plan, direct, and manage the memorial service referred to in subparagraph (A)'';

(2) in paragraph (2), by inserting ''and Federal'' after ''non-Federal'';

(3) in paragraph (3)—

(A) by striking ''State and local'' and inserting ''Federal, State, and local''; and

(B) by striking ''and'' at the end;

(4) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following:

''(5) to provide for a national program to assist families of fallen firefighters and fire departments in dealing with line-of-duty deaths of those firefighters; and

''(6) to promote national, State, and local initiatives to increase public awareness of fire and life safety in coordination with the United States Fire Administration.''

(b) BOARD OF DIRECTORS OF FOUNDATION.—Section 203(g)(1) of the National Fallen Firefighters Foundation Act (36 U.S.C. 5202(g)(1)) is amended by striking subparagraph (A) and inserting the following:

''(A) appointing officers or employees;''.

(c) ADMINISTRATIVE SERVICES AND SUPPORT.—Section 205 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5204) is amended to read as follows:

''SEC. 205. ADMINISTRATIVE SERVICES AND SUPPORT.

''(a) IN GENERAL.—During the 10-year period beginning on the date of enactment of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, the Administrator may—

''(1) provide personnel, facilities, and other required services for the operation of the Foundation; and

''(2) request and accept reimbursement for the assistance provided under paragraph (1).

''(b) REIMBURSEMENT.—Any amounts received under subsection (a)(2) as reimbursement for assistance shall be deposited in the Treasury to the credit of the appropriations then current and chargeable for the cost of providing that assistance.

''(c) PROHIBITION.—Notwithstanding any other provision of law, no Federal personnel or stationery may be used to solicit funding for the Foundation.''.

WELLSTONE (AND OTHERS) AMENDMENT NO. 3199

Mr. BOND (for Mr. WELLSTONE for himself, Mrs. MURRAY, Mr. MCCAIN, and Mr. KERRY) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 16, between lines 19 and 20, insert the following:

SEC. 110. (a)(1) Section 1103 of title 38, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 11 of such title is amended by striking the item relating to section 1103.

(b) Upon the enactment of this Act—

(1) the Director of the Office of Management and Budget shall not make any estimate of changes in direct spending outlays under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 for any fiscal year resulting from the enactment of this section; and

(2) the Chairmen of the Committees on the Budget shall not make any adjustments in direct spending outlays for purposes of the allocations, functional levels, and aggregates under title III of the Congressional Budget Act of 1974 for any fiscal year resulting from the enactment of this section.

MURKOWSKI AMENDMENT NO. 3200

Mr. MURKOWSKI proposed an amendment to the bill, S. 2168, supra; as follows:

SEC. . VIETNAM VETERANS ALLOTMENT.

The Alaskan Native Claims Settlement Act (43 U.S.C. 1600, et seq.) is amended by adding at the end the following:

OPEN SEASON FOR CERTAIN NATIVE ALASKAN VETERANS FOR ALLOTMENTS

SEC. 41. (a) IN GENERAL.—(1) During the eighteen month period following promulgation of implementing rules pursuant to paragraph (6), a person described in subsection (b) shall be eligible for an allotment of not more than 160 acres of land under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as such Act was in effect before December 18, 1971.

(2) Allotments selected under this section shall not be from existing native or non-native campsites, except for campsites used primarily by the person selecting the allotment.

(3) Only federal lands shall be eligible for selection and conveyance under this Act.

(4) All conveyances shall be subject to valid existing rights, including any right of the United States to income derived, directly or indirectly, from a lease, license, permit, right-of-way or easement.

(5) All state selected lands that have not yet been conveyed shall be ineligible for selection under this section.

(6) No later than 18 months after enactment of this section, the Secretary of the Interior shall promulgate, after consultation with Alaska Natives groups, rules to carry out this section.

(7) The Secretary of the Interior may covey alternative federal lands, including lands within a Conservation System Unit, to a person entitled to an allotment located within a Conservation System Unit if—

(A) the Secretary determines that the allotment would be incompatible with the purposes for which the Conservation System Unit was established;

(B) the person entitled to the allotment agrees in writing to the alternative conveyance; and

(C) the alternative lands are of equal acreage to the allotment.

(b) ELIGIBLE INDIVIDUALS.—(1) A person is eligible under subsection (a) if that person would have been eligible under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as that Act was in effect before December 18, 1971, and that person is a veteran who served during the period between January 1, 1968 and December 31, 1971.

(c) STUDY.—The Secretary of the Interior shall—

(1) conduct a study to identify and assess the circumstances of veterans of the Vietnam era who were eligible for allotments under the Act of May 17, 1906 but who did not apply under that Act and are not eligible under this section; and

(2) within one year of enactment of this section, issue a written report with recommendations to the Committee on Appropriations and the Committee on Energy and Natural Resources in the Senate and the Committee on Appropriations and the Committee on Resources in the House of Representatives.

(d) DEFINITIONS.—For the purposes of this section, the terms ''veteran'' and ''Vietnam era'' have the meanings given those terms by paragraphs (2) and (29) respectively, of section 101 of title 38, United States Code.

FEINGOLD AMENDMENT NO. 3201

Mr. FEINGOLD proposed an amendment to the bill, S. 2168, supra; as follows:

On page 93, between lines 18 and 19, insert the following:

SEC.___. CLASS SIZE DEMONSTRATION GRANTS.

Subpart 3 of part D of title V of the Higher Education Act of 1965 (20 U.S.C. 1109 et seq.) is amended to read as follows:

''Subpart 3—Class Size Demonstration Grants

''SEC. 561. PURPOSE.

''It is the purpose of this subpart to provide grants to State educational agencies to enable such agencies to determine the benefits, in various school settings, of reducing class size on the educational performance of students and on classroom management and organization.

''SEC. 562. PROGRAM AUTHORIZED.

''(a) PROGRAM AUTHORIZED.—

''(1) IN GENERAL.—The Secretary shall award grants, on a competitive basis, to State educational agencies to pay the Federal share of the costs of conducting demonstration projects that demonstrate methods of reducing class size that may provide information meaningful to other State educational agencies and local educational agencies.

''(2) FEDERAL SHARE.—The Federal share shall be 50 percent.

''(b) RESERVATION.—The Secretary may reserve not more than 5 percent of the amount appropriated under section 565A for each fiscal year to carry out the activities described in section 565.

''(c) SELECTION CRITERIA.—The Secretary shall make grants to State educational agencies on the basis of—

''(1) the need and the ability of a State educational agency to reduce the class size of an elementary school or secondary school served by such agency;

''(2) the ability of a State educational agency to furnish the non-Federal share of the costs of the demonstration project for which assistance is sought;

''(3) the ability of a State educational agency to continue the project for which assistance is sought after the termination of Federal financial assistance under this subpart; and

''(4) the degree to which a State educational agency demonstrates in the application submitted pursuant to section 564 consultation in program implementation and design with parents, teachers, school administrators, and local teacher organizations, where applicable.

''(d) PRIORITY.—In awarding grants under this subpart, the Secretary shall give priority to demonstration projects that involve at-risk students in the earliest grades, including educationally or economically disadvantaged students, students with disabilities, and limited English proficient students.

''(e) GRANTS MUST SUPPLEMENT OTHER FUNDS.—A State educational agency shall use the Federal funds received under this subpart to supplement and not supplant other Federal, State, and local funds available to the State educational agency to carry out the purpose of this subpart.

''SEC. 563. PROGRAM REQUIREMENTS.

''(a) ANNUAL COMPETITION.—In each fiscal year, the Secretary shall announce the factors to be examined in a demonstration project assisted under this subpart. Such factors may include—

''(1) the magnitude of the reduction in class size to be achieved;

''(2) the level of education in which the demonstration projects shall occur;

''(3) the form of the instructional strategy to be demonstrated; and

''(4) the duration of the project.

''(b) RANDOM TECHNIQUES AND APPROPRIATE COMPARISON GROUPS.—Demonstration projects assisted under this subpart shall be designed to utilize randomized techniques or appropriate comparison groups.

''SEC. 564. APPLICATION.

''(a) IN GENERAL.—In order to receive a grant under this subpart, a State educational agency shall submit an application to the Secretary that is responsive to the announcement described in section 563(a), at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

''(b) DURATION.—The Secretary shall encourage State educational agencies to submit applications under this subpart for a period of 5 years.

''(c) CONTENTS.—Each application submitted under subsection (a) shall include—

''(1) a description of the objectives to be attained with the grant funds and the manner in which the grant funds will be used to reduce class size;

''(2) a description of the steps to be taken to achieve target class sizes, including, where applicable, the acquisition of additional teaching personnel and classroom space;

''(3) a statement of the methods for the collection of data necessary for the evaluation of the impact of class size reduction programs on student achievement;

''(4) an assurance that the State educational agency will pay, from non-Federal sources, the non-Federal share of the costs of the demonstration project for which assistance is sought; and

''(5) such additional assurances as the Secretary may reasonably require.

''(d) SUFFICIENT SIZE AND SCOPE REQUIRED.—The Secretary shall award grants under this subpart only to State educational agencies submitting applications which described projects of sufficient size and scope to contribute to carrying out the purpose of this subpart.

''SEC. 565. EVALUATION AND DISSEMINATION.

''(a) NATIONAL EVALUATION.—The Secretary shall conduct a national evaluation of the demonstration projects assisted under this subpart to determine the costs incurred in achieving the reduction in class size and the effects of the reductions on results, such as student performance in the affected subjects or grades, attendance, discipline, classroom organization, management, and teacher satisfaction and retention.

''(b) COOPERATION.—Each State educational agency receiving a grant under this subpart shall cooperate in the national evaluation described in subsection (a) and shall provide such information to the Secretary as the Secretary may reasonably require.

''(c) REPORTS.—The Secretary shall report to Congress on the results of the evaluation conducted under subsection (a).

''(d) DISSEMINATION.—The Secretary shall widely disseminate information about the results of the class size demonstration projects assisted under this subpart.

''SEC. 565A. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this subpart $15,000,000 for fiscal

year 1999 and each of the 4 succeeding fiscal years.''.

SEC. ___. PROHIBITION REGARDING RESEARCH AND DEVELOPMENT BY NASA RELATING TO SUPERSONIC OR SUBSONIC AIRCRAFT.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Administrator of the National Aeronautics and Space Administration may not carry out research and development activities relating to supersonic aircraft or subsonic aircraft.

(b) DEFICIT REDUCTION.—Upon the date of enactment of this Act, savings resulting from amounts reduced pursuant to the application of subsection (a) shall be subject to the following provisions:

(1) BUDGET AUTHORITY AND SPENDING LIMITS.—The Office of Management and Budget shall—

(A) reflect the reduction in discretionary budget authority that results from the application of subsection (a) in the estimates required by section 251(a)(7) of the Balanced Budget and Emergency Deficit Control Act of 1985 in accordance with that Act, including an estimate of the reduction of the budget authority for each outyear; and

(B) include a reduction to the discretionary spending limits for budget authority and outlays in accordance with the Balanced Budget and Emergency Deficit Control Act of 1985 for each applicable fiscal year set forth in section 251(c) of that Act by amounts equal to the amounts for each fiscal year estimated pursuant to subparagraph (A).

(2) ADJUSTMENTS TO SPENDING LIMITS.—The Office of Management and Budget shall make the reduction required by paragraph (1)(B) as part of the next sequester report required by section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(3) CBO ESTIMATES.—As soon as practicable after the date of enactment of this Act, the Director of the Congressional Budget Office shall provide to the Committee on the Budget of the House of Representatives and the Committee on the Budget of the Senate an estimate of the reduction of the budget authority and the reduction in outlays flowing from such reduction of budget authority for each outyear.

On page 78, line 24, strike ''$1,305,000,000'' and insert ''$866,000,000''.

NICKLES (AND OTHERS) AMENDMENT NO. 3202

Mr. NICKLES (for himself, Mr. KOHL, Mr. MACK, Mr. ALLARD, Mr. FEINGOLD, Mr. DEWINE, and Mr. FAIRCLOTH) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 53, strike lines 9 through 25 and insert the following:

SEC. 219. INCREASE IN FHA SINGLE FAMILY MAXIMUM MORTGAGE AMOUNTS AND GNMA GUARANTY FEE.

(a) FHA SINGLE FAMILY MAXIMUM MORTGAGE AMOUNTS.—Section 203(b)(2)(A) of the National Housing Act (12 U.S.C. 1709(b)(2)(A)) is amended by striking ''38 percent'' and inserting ''48 percent''.

(b) GNMA GUARANTY FEE.—Section 306(g)(3)(A) of the National Housing Act (12 U.S.C. 1721(g)(3)(A)) is amended by striking ''No Fee or charge'' and all that follows through ''or collected'' and inserting ''A fee or charge in an amount equal to not less than 12 basis points shall be assessed and collected''.

REED (AND OTHERS) AMENDMENT NO. 3203

Mr. REED (for himself, Mr. ABRAHAM, Mr. CHAFEE, Mr. LEAHY, Mr. WELLSTONE, Ms. MIKULSKI) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 33, line 17, strike ''$60,000,000'' and insert ''$70,000,000''.

On page 33, line 21, insert ''*Provided:* That none of these funds shall be available for the Healthy Homes Initiative'' before the period.

KERRY (AND HAGEL) AMENDMENT NO. 3204

Mr. KERREY (for himself and Mr. HAGEL) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 93, between lines 18 and 19, insert the following:

SEC. 423. TEMPORARY PROHIBITION ON IMPLEMENTATION OR ENFORCEMENT OF PUBLIC WATER SYSTEM TREATMENT REQUIREMENTS FOR COPPER ACTION LEVEL.

(a) IN GENERAL.—None of the funds made available by this or any other Act for any fiscal year may be used by the Administrator of the Environmental Protection Agency to implement or enforce the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.), to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level, until—

(1) the Administrator and the Director of the Centers for Disease Control and Prevention jointly conduct a study to establish a reliable dose-response relationship for the adverse human health effects that may result from exposure to copper in drinking water, that—

(A) includes an analysis of the health effects that may be experienced by groups within the general population (including infants) that are potentially at greater risk of adverse health effects as the result of the exposure;

(B) is conducted in consultation with interested States;

(C) is based on the best available science and supporting studies that are subject to peer review and conducted in accordance with sound and objective scientific practices; and

(D) is completed not later than 30 months after the date of enactment of this Act; and

(2) based on the results of the study and, once peer reviewed and published, the 2 studies of copper in drinking water conducted by the Centers for Disease Control and Prevention in the State of Nebraska and the State of Delaware, the Administrator establishes an action level for the presence of copper in drinking water that protects the public health against reasonably expected adverse effects due to exposure to copper in drinking water.

(b) CURRENT REQUIREMENTS.—Nothing in this section precludes a State from implementing or enforcing the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.) that are in effect on the date of enactment of this Act, to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level.

BURNS AMENDMENT NO. 3205

Mr. BURNS proposed an amendment to the bill, S. 2168, supra; as follows:

On page 93, between lines 18 and 19 insert the following:

SEC. 4___. INSURANCE; INDEMNIFICATION; LIABILITY.

(a) IN GENERAL.—The Administrator may provide liability insurance for, or indemnification to, the developer of an experimental aerospace vehicle developed or used in execution of an agreement between the Administration and the developer.

(b) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Except as otherwise provided in this section, the insurance and indemnification provided by the Administration under subsection (a) to a developer shall be provided on the same terms and conditions as insurance and indemnification is provided by the Administration under section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) to the user of a space vehicle.

(2) INSURANCE.—

(A) IN GENERAL.—A developer shall obtain liability insurance or demonstrate financial responsibility in amounts to compensate for the maximum probable loss from claims by—

(i) a third party for death, bodily injury, or property damage, or loss resulting from an activity carried out in connection with the development or use of an experimental aerospace vehicle; and

(ii) the United States Government for damage or loss to Government property resulting from such an activity.

(B) MAXIMUM REQUIRED.—The Administrator shall determine the amount of insurance required, but, except as provided in subparagraph (C), that amount shall not be greater than the amount required under section 70112(a)(3) of title 49, United States Code, for a launch. The Administrator shall publish notice of the Administrator's determination and the applicable amount or amounts in the Federal Register within 10 days after making the determination.

(C) INCREASE IN DOLLAR AMOUNTS.—The Administrator may increase the dollar amounts set forth in section 70112(a)(3)(A) of title 49, United States Code, for the purpose of applying that section under this section to a developer after consultation with the Comptroller General and such experts and consultants as may be appropriate, and after publishing notice of the increase in the Federal Register not less than 180 days before the increase goes into effect. The Administrator shall make available for public inspection, not later than the date of publication of such notice, a complete record of any correspondence received by the Administration, and a transcript of any meetings in which the Administration participated, regarding the proposed increase.

(D) SAFETY REVIEW REQUIRED BEFORE ADMINISTRATOR PROVIDES INSURANCE.—The Administrator may not provide liability insurance or indemnification under subsection (a) unless the developer establishes to the satisfaction of the Administrator that appropriate safety procedures and practices are being followed in the development of the experimental aerospace vehicle.

(3) NO INDEMNIFICATION WITHOUT CROSS-WAIVER.—Notwithstanding subsection (a), the Administrator may not indemnify a developer of an experimental aerospace vehicle under this section unless there is an agreement between the Administration and the developer described in subsection (c).

(4) APPLICATION OF CERTAIN PROCEDURES.—If the Administrator requests additional appropriations to make payments under this section, like the payments that may be made under section 308(b) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b(b)), then the request for those appropriations shall be made in accordance with the procedures established by subsections (d) and (e) of section 70113 of title 49, United States Code.

(c) CROSS-WAIVERS.—

(1) ADMINISTRATOR AUTHORIZED TO WAIVE.—The Administrator, on behalf of the United States, and its departments, agencies, and instrumentalities, may reciprocally waive claims with a developer and with the related entities of that developer under which each party to the waiver agrees to be responsible, and agrees to ensure that its own related entities are responsible, for damage or loss to its property for which it is responsible, or for losses resulting from any injury or death sustained by its own employees or agents, as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(2) LIMITATIONS.—

(A) CLAIMS.—A reciprocal waiver under paragraph (1) may not preclude a claim by any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the developer's subcontractors) or that natural person's estate, survivors, or subrogees for injury or death, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(B) LIABILITY FOR NEGLIGENCE.—A reciprocal waiver under paragraph (1) may not absolve any party of liability to any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the developer's subcontractors) or such a natural person's estate, survivors, or subrogees for negligence, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(C) INDEMNIFICATION FOR DAMAGES.—A reciprocal waiver under paragraph (1) may not be used as the basis of a claim by the Administration or the developer for indemnification against the other for damages paid to a natural person, or that natural person's estate, survivors, or subrogees, for injury or death sustained by that natural person as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(d) DEFINITIONS.—In this section:

(1) ADMINISTRATION.—The term ''Administration'' means the National Aeronautics and Space Administration.

(2) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the National Aeronautics and Space Administration.

(3) COMMON TERMS.—Any term used in this section that is defined in the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.) has the same meaning in this section as when it is used in that Act.

(4) DEVELOPER.—The term ''developer'' means a person (other than a natural person) who—

(A) is a party to an agreement that was in effect before the date of enactment of this Act with the Administration for the purpose of developing new technology for an experimental aerospace vehicle;

(B) owns or provides property to be flown or situated on that vehicle; or

(C) employs a natural person to be flown on that vehicle.

(5) EXPERIMENTAL AEROSPACE VEHICLE.—The term ''experimental aerospace vehicle'' means an object intended to be flown in, or launched into, suborbital flight for the purpose of demonstrating technologies necessary for a reusable launch vehicle, developed under an agreement between the Administration and a developer that was in effect before the date of enactment of this Act.

(e) RELATIONSHIP TO OTHER LAWS.—

(1) SECTION 308 OF NATIONAL AERONAUTICS AND SPACE ACT OF 1958.—This section does not apply to any object, transaction, or operation to which section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) applies.

(2) CHAPTER 701 OF TITLE 49, UNITED STATES CODE.—The Administrator may not provide indemnification to a developer under this section for launches subject to license under section 70117(g)(1) of title 49, United States Code.

(f) TERMINATION.—

(1) IN GENERAL.—The provisions of this section shall terminate on December 31, 2002, except that the Administrator may extend the termination date to a date not later than September 30, 2005, if the Administrator determines that such an extension is necessary to cover the operation of an experimental aerospace vehicle.

(2) EFFECT OF TERMINATION ON AGREEMENTS.—The termination of this section does not terminate or otherwise affect a cross-waiver agreement, insurance agreement, indemnification agreement, or any other agreement entered into under this section except as may be provided in that agreement.

SESSIONS AMENDMENT NO. 3206

Mr. SESSIONS proposed an amendment to the bill, S. 2168, supra; as follows:

Beginning on page 58, strike line 15 and all that follows through page 79, line 2, and insert the following:

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (referred to in the matter under this heading as the ''Corporation'') in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (referred to in the matter under this heading as the ''Act'') (42 U.S.C. 12501 et seq.), $309,500,000, to remain available until September 30, 1999: *Provided,* That not more than $27,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)): *Provided further,* That not more than $2,500 shall be for official reception and representation expenses: *Provided further,* That not more than $70,000,000, to remain available without fiscal year limitation, shall be transferred to the National Service Trust account for educational awards authorized under subtitle D of title I of the Act (42 U.S.C. 12601 et seq.), of which not to exceed $5,000,000 shall be available for national service scholarships for high school students performing community service: *Provided further,* That not more than $120,000,000 of the amount provided under this heading shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the AmeriCorps program), of which not more than $40,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)): *Provided further,* That not more than $5,500,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.): *Provided further,* That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42 U.S.C. 12571(b)): *Provided further,* That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: *Provided further,* That not more than $9,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): *Provided further,* That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): *Provided further,* That not more than $30,000,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12853 et seq.): *Provided further,* That not more than $5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): *Provided further,* That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, shall expand significantly the number of educational awards provided under subtitle D of title I, and shall reduce the total Federal costs per participant in all programs.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $3,000,000.

COURT OF VETERANS APPEALS

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Veterans Appeals as authorized by 38 U.S.C. sections 7251–7298, $10,000,000, of which $865,000, shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set fourth, under this heading in Public Law 102–229.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed $1,000 for official reception and representation expenses, $11,666,000, to remain available until expended.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $643,460,000, which shall remain available until September 30, 2000: *Provided,* That the

obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses, $1,840,500,000, which shall remain available until September 30, 2000: *Provided,* That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

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, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $31,154,000, to remain available until September 30, 2000: *Provided,* That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $52,948,000, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111 (c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; not to exceed $1,500,000,000 (of which $100,000,000 shall not become available until September 1, 1999), to remain available until expended, consisting of $1,250,000,000, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, as amended by Public Law 101–508: *Provided,* That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further,* That $12,237,300 of the funds appropriated under this heading shall be transferred to the ''Office of Inspector General'' appropriation to remain available until September 30, 2000: *Provided further,* That notwithstanding section 111(m) of CERCLA or any other provision of law, $74,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of SARA: *Provided further,* That $40,200,000 of the funds appropriated under this heading shall be transferred to the ''Science and Technology'' appropriation to remain available until September 30, 2000: *Provided further,* That none of the funds appropriated under this heading shall be used for Brownfields revolving loan funds unless specifically authorized by subsequent legislation: *Provided further,* That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1998.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $75,000,000, to remain available until expended: *Provided,* That hereafter, the Administrator is authorized to enter into assistance agreements with Federally recognized Indian tribes on such terms and conditions as she deems appropriate for the same purposes as are set forth in section 9003(h)(7) of RCRA.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, and to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,255,000,000, to remain available until expended, of which $1,400,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended, and $800,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended; $75,000,000 for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $30,000,000 for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages; $100,000,000 for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the Committee report (S. Rept. 105–216) accompanying this Act (S. 2168); and $850,000,000 for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities: *Provided,* That, consistent with section 1452(g) of the Safe Drinking Water Act (42 U.S.C. 300j–12(g)), section 302 of the Safe Drinking Water Act Amendments of 1996 (Public Law 104–182) and the accompanying joint explanatory statement of the committee on conference (H. Rept. No. 104–741 to accompany S. 1316, the Safe Drinking Water Act Amendments of 1996), and notwithstanding any other provision of law, beginning in fiscal year 1999 and thereafter, States may combine the assets of State Revolving Funds (SRFs) established under section 1452 of the Safe Drinking Water Act, as amended, and title VI of the Federal Water Pollution Control Act, as amended, as security for bond issues to enhance the lending capacity of one or both SRFs, but not to acquire the state match for either program, provided that revenues from the bonds are allocated to the purposes of the Safe Drinking Water Act and the Federal Water Pollution Control Act in the same portion as the funds are used as security for the bonds: *Provided further,* That, notwithstanding the matching requirement in Public Law 104–204 for funds appropriated under this heading for grants to the State of Texas for improving wastewater treatment for the Colonias, such funds that remain unobligated may also be used for improving water treatment for the Colonias, and shall be matched by State funds from State resources equal to 20 percent of such unobligated funds: *Provided further,* That, hereafter the Administrator is authorized to enter into assistance agreements with Federally recognized Indian tribes on such terms and conditions as she deems appropriate for the development and implementation of programs to manage hazardous waste, and underground storage tanks: *Provided further,* That beginning in fiscal year 1999 and thereafter, pesticide program implementation grants under section 23(a)(1) of the Federal Insecticide, Fungicide and Rodenticide Act, as amended, shall be available for pesticide program development and implementation, including enforcement and compliance activities.

ADMINISTRATIVE PROVISION

None of the funding provided under this Act may be used by the Environmental Protection Agency to issue any notification, or enter into, implement or approve agreements that enable the export of government owned ships to be dismantled in foreign countries unless the Administrator of the Environmental Protection Agency certifies to the Congress that the environmental standards imposed by law and enforced in the country in which the vessel is to be dismantled or scrapped are comparable to the environmental standards imposed and enforced under United States law.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $5,026,000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, $2,575,000: *Provided,* That, notwithstanding any other provision of law, no funds other than those

appropriated under this heading, shall be used for or by the Council on Environmental Quality and Office of Environmental Quality: *Provided further*, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as Chairman and exercising all powers, functions, and duties of the Council.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $34,666,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $846,000,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $1,355,000, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: *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 $25,000,000.

In addition, for administrative expenses to carry out the direct loan program, $440,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles as authorized by 31 U.S.C. 1343; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $2,500 for official reception and representation expenses, $170,000,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $5,400,000.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 1978, $231,000,000: *Provided*, That for purposes of pre-disaster mitigation pursuant to 42 U.S.C. 5131 (b) and (c) and 42 U.S.C. 5196 (e) and (i), $25,000,000 of the funds made available under this heading shall be available until expended for project grants.

EMERGENCY FOOD AND SHELTER PROGRAM

To carry out an emergency food and shelter program pursuant to title III of Public Law 100–77, as amended, $100,000,000: *Provided*, That total administrative costs shall not exceed three and one-half percent of the total appropriation.

RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

There is hereby established in the Treasury a Radiological Emergency Preparedness Fund, which shall be available under the Atomic Energy Act of 1954, as amended, and Executive Order 12657, for offsite radiological emergency planning, preparedness, and response. Beginning in fiscal year 1999 and thereafter, the Director of the Federal Emergency Management Agency (FEMA) shall promulgate through rulemaking fees to be assessed and collected, applicable to persons subject to FEMA's radiological emergency preparedness regulations. The aggregate charges assessed pursuant to this section during fiscal year 1999 shall not be less than 100 percent of the amounts anticipated by FEMA necessary for its radiological emergency preparedness program for such fiscal year. The methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the Fund as offsetting collections and will become available for authorized purposes on October 1, 1999, and remain available until expended.

For necessary expenses of the Fund for fiscal year 1999, $12,849,000, to remain available until expended.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, as amended, not to exceed $22,685,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $78,464,000 for flood mitigation, including up to $20,000,000 for expenses under section 1366 of the National Flood Insurance Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2000. In fiscal year 1999, no funds in excess of (1) $47,000,000 for operating expenses, (2) $343,989,000 for agents' commissions and taxes, and (3) $60,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations. For fiscal year 1999, flood insurance rates shall not exceed the level authorized by the National Flood Insurance Reform Act of 1994.

Section 1309(a)(2) of the National Flood Insurance Act (42 U.S.C. 4016(a)(2)), as amended by Public Law 104–208, is further amended by striking ''1998'' and inserting ''1999''.

Section 1319 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4026), is amended by striking ''September 30, 1998'' and inserting ''September 30, 1999''.

Section 1336 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4056), is amended by striking ''September 30, 1998'' and inserting ''September 30, 1999''.

The first sentence of section 1376(c) of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4127(c)), is amended by striking ''September 30, 1998'' and inserting ''September 30, 1999''.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, $2,419,000, to be deposited into the Consumer Information Center Fund: *Provided*, That the appropriations, revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of $7,500,000. Appropriations, revenues, and collections accruing to this fund during fiscal year 1999 in excess of $7,500,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

INTERNATIONAL SPACE STATION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in support of the International Space Station, including development, operations and research support; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $2,300,000,000, to remain available until September 30, 2000.

LAUNCH VEHICLES AND PAYLOAD OPERATIONS

For necessary expenses, not otherwise provided for, in the conduct and support of the space shuttle program, including safety and performance upgrades, space shuttle operations, and payload utilization and operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $3,241,000,000, to remain available until September 30, 2000; *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station other than costs of space shuttle flights utilized for space station assembly.

SCIENCE AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of space science, earth science, life and mirogravity science, and academic programs, including research, development; operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $4,270,400,000, to remain available until September 30, 2000: *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station.

AERONAUTICS, SPACE TRANSPORTATION AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of aeronautics, space transportation, and technology research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation,

and modification of real and personal property, and acquisition of condemnation of real property, as authorized by law; and purchase, lease, charter, and maintenance and operation of mission and administrative aircraft, $1,325,000,000, to remain available until September 30, 2000: *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station.

ASHCROFT (AND BOND) AMENDMENT NO. 3207

Mr. BOND (for Mr. ASHCROFT) (for himself and Mr. BOND) proposed an amendment to the bill, S. 2168, supra; as follows:

At the appropriate place in title IV, insert the following:

SEC. 4___. INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE FOR CERTAIN HOUSING ASSISTANCE.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended by adding at the end the following:

''(f) INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE ON THE PREMISES.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units and assistance under section 8 that—

''(1) permanently prohibit occupancy in any public housing dwelling unit by, and assistance under section 8 for, any person who has been convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law; and

''(2) immediately and permanently terminate the tenancy in any public housing unit of, and the assistance under section 8 for, any person who is convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law.''.

SNOWE (AND COLLINS) AMENDMENT NO. 3208

Mr. BOND (for Ms. SNOWE for himself and Ms. COLLINS) proposed an amendment to the bill, S. 2168, supra; as follows:

SEC. 110. (a) It is the sense of the Senate that it should be the goal of the Department of Veterans Affairs to serve all veterans at health care facilities within 250 miles of their homes, and to minimize travel distances if specialized services are not available at a health care facility operated by the Veterans Health Administration within 250 miles of a veteran's home.

(b) Not later than 6 months after the date of enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a report on the estimated costs to and impact on the health care system administered by the Veterans Health Administration of making specialty care available to all veterans within 250 miles of their homes.

BOND (AND MIKULSKI) AMENDMENT NO. 3209

Mr. BOND (for himself and Ms. MIKULSKI) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 17, line 10, insert after ''1437)'' the following: ''(the ''Act'' herein)''.

On page 17, beginning on line 22, strike out ''United States Housing Act of 1937'' and insert in lieu thereof: ''Act''.

On page 19, line 14, insert after ''basis'' the following ''(except as otherwise provided in this proviso)''.

On page 19, line 23, strike the colon and insert a period.

On page 19, line 23, strike ''Provided further, That from'' and insert in lieu thereof ''From'' as the first word in a new paragraph beginning on line 24.

On page 21, line 13 insert after ''in'', the following ''title II,''.

On page 23, line 3, insert after ''agencies: the following: '', Indian Tribes and their''.

On page 28, beginning on line 5, strike ''and community'' and all that follows through ''porations'' on line 6 and insert in lieu thereof '', community development corporations and Indian tribes''.

On page 28, line 9, insert after ''for'' the following: ''Indian tribes and''.

On page 28, line 13, insert after ''1999 to'' the following: ''Indian tribes and''.

On page 31, beginning on line 16, strike ''such Act'' and insert in lieu thereof ''the United States Housing Act of 1937''.

On page 32, beginning on line 21, strike ''this proviso shall not apply'' and insert in lieu thereof the following: ''funds under this proviso shall not be used''.

On page 33, line 5, strike ''. Local'' and insert in lieu thereof the following: '': Provided That, local''.

On page 34, line 7, strike ''. In addition,'' and insert in lieu thereof the following: '': Provided further, That in addition to the other amounts appropriated under this heading,''

On page 34, line 16, strike ''projects'' and insert in lieu thereof: ''any project''.

On page 36, beginning on line 11, strike ''under'' and all that follows through ''1437)'' on line 13.

On page 41, beginning on line 16, strike ''where'' and all that follows through ''request'' on line 18 and insert in lieu thereof the following ''subject to reprogramming''.

On page 42, line 20 insert after ''vided'' the following: ''by transfer''.

On page 42, line 21, after ''provided'' insert the following: ''by transfer''.

On page 43, line 7, strike ''and $10,000,000 shall be transferred'' and insert in lieu thereof the following: '': Provided, That $10,000,000 shall also be transferred to this account''.

On page 44, line 4, strike ''1997'' and insert in lieu thereof the following ''1998''.

On page 44, line 5, strike ''1998'' and insert in lieu thereof the following ''1999''.

On page 49, line 6, strike ''236(g)'' and insert in lieu thereof the following ''236''.

On page 49, line 7, strike ''read'' and insert in lieu thereof the following ''add a subsection in the appropriate place''.

On page 50, beginning on line 21, strike ''originated and endorsed'' and insert in lieu thereof the following: ''executed''.

On page 53, line 7, insert after ''associated with'' the following: ''senior''.

On page 53, line 8, insert before the period the following: ''except that the Secretary may fund education and training programs associated with the Community Development Block Grant program, the Community First Leadership program and the Junior Community Builders program, subject to the Secretary submitting to the Committees on Appropriations an action plan identifying all funding to be used and the education and training programs for which the funding will be provided.''.

On page 54, line 7, strike ''year'' and insert in lieu thereof the following: ''years''.

Campbell/Stevens/Mack/Bond: On page 55, insert after line 13 the following new section and renumber, accordingly:

SEC. PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT.

The Public and Assisted Housing Drug Elimination Act of 1990 is amended—

(1) in section 5123, by inserting ''Indian tribes'' before ''and private'';

(2) in section 5124(a)(7), by inserting '', an Indian tribe,'' before ''or tribally designated'';

(3) in section 5125, by inserting ''an Indian tribe'' before ''or tribally designated''; and

(4) by adding at the end the following new paragraph:

''(6) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning given the term in 25 U.S.C. 4103(12).''.

On line 55, insert after line 13 the following new sections and renumber, accordingly:

''SEC. . MULTIFAMILY HOUSING INSTITUTE.

Notwithstanding any other provision of law, the Secretary may, from time to time, as determined necessary to assist the Department in managing its multifamily assets including analyzing, tracking and evaluating its portfolio of FHA-insured and other mortgages and properties and assisting the Department in understanding and reducing the risk involved in its mortgage restructuring, insuring and guaranteeing activities, provide data to, and purchase data from, any nonprofit, industry supported, on-line provider of nationwide, multifamily housing loan and property data services.''.

''SEC. . MULTIFAMILY MORTGAGE AUCTIONS.

Section 221(g)(4)(C) of the National Housing Act is amended—

(1) in the first sentence of clause (viii), by striking ''September 30, 1996'' and inserting ''December 31, 2002''; and

(2) by adding at the end the following:

''(ix) The authority of the Secretary to conduct multifamily auctions under this paragraph shall be effective for any fiscal year only to the extent and in such amounts as are approved in appropriations Acts for the costs of loan guarantees (as defined in section 502 of the Congressional Budget Act of 1974), including the cost of modifying loans.''.

On page 93, after line 21, insert the following new subsection.

''SEC. .

None of the funds provided in this Act may be obligated after February 15, 1999, unless each department, agency, corporation, and commission that receives funds herein provides detailed justifications to the Committees on Appropriations for all salary and expense activities for Fiscal Years 1999 through 2003, including personnel compensation and benefits, consulting costs, professional services or technical service contracts regardless of the dollar amount, contracting out costs, travel and other standard object classifications for all headquarters offices, regional offices, or field installations and laboratories, including the number of full-time equivalents per office, and the personnel compensation, benefits and travel costs for each Secretary, assistant secretary or administrator.

At the appropriate place, insert the following:

SEC. ____. Notwithstanding any other provision of law, of the $1,250,000 made available pursuant to Public Law 102–389 for economic revitalization and infrastructure repair in Montpelier, Vermont, $250,000 is available for the Central Vermont Revolving Loan Fund administered by the Central Vermont Community Action Council.

At the appropriate place, insert the following:

SEC. ____. ANNUAL REPORT ON MANAGEMENT DEFICIENCIES.

(a) IN GENERAL.—Section 203 of the National Housing Act (12 U.S.C. 1709) is amended by adding at the end the following:

''(w) MANAGEMENT DEFICIENCIES REPORT.—

''(1) IN GENERAL.—Not later than 60 days after the date of enactment of this subsection, and annually thereafter, the Secretary shall submit to Congress a report on

the plan of the Secretary to address each material weakness, reportable condition, and noncompliance with an applicable law or regulation (as defined by the Director of the Office of Management and Budget) identified in the most recent audited financial statement of the Federal Housing Administration submitted under section 3515 of title 31, United States Code.

''(2) CONTENTS OF ANNUAL REPORT.—Each report submitted under paragraph (1) shall include—

''(A) an estimate of the resources, including staff, information systems, and contract assistance, required to address each material weakness, reportable condition, and noncompliance with an applicable law or regulation described in paragraph (1), and the costs associated with those resources;

''(B) an estimated timetable for addressing each material weakness, reportable condition, and noncompliance with an applicable law or regulation described in paragraph (1); and

''(C) the progress of the Secretary in implementing the plan of the Secretary included in the report submitted under paragraph (1) for the preceding year, except that this subparagraph does not apply to the initial report submitted under paragraph (1).''.

(b) EFFECT ON OTHER AUTHORITY.—The Secretary of Housing and Urban Development may not implement section 219 of this Act before the date on which the Secretary submits the initial report required under section 203(w) of the National Housing Act (12 U.S.C. 1709(w)), as added by subsection (a) of this section.

On page 85, after line 11, add the following:

ADMINISTRATIVE PROVISION

SEC. 301. COMPREHENSIVE ACCOUNTABILITY STUDY FOR FEDERALLY-FUNDED RESEARCH.

(A) STUDY.—The Director of the Office of Science and Technology Policy, in consultation with the Director of the Office of Management and Budget, may enter into an agreement with the National Academy of Sciences for the Academy to conduct a comprehensive study to develop methods for evaluating Federally-funded research and development programs. This study shall—

(1) recommend processes to determine an acceptable level of success for Federally-funded research and development programs by—

(A) describing the research process in the various scientific and engineering disciplines;

(B) describing in the different sciences what measures and what criteria each community uses to evaluate the success or failure of a program, and on what time scales these measure are considered reliable—both for exploratory long-range work and for short-range goals; and

(C) recommending how these measures may be adapted for use by the Federal government to evaluate Federally-funded research and development programs;

(2) assess the extent to which agencies incorporate independent merit-based evaluation into the formulation of the strategic plans of funding agencies and if the quantity or quality of this type of input is unsatisfactory;

(3) recommend mechanisms for identifying Federally-funded research and development programs which are unsuccessful or unproductive;

(4) evaluate the extent to which independent, merit-based evaluation of Federally-funded research and development programs and projects achieves the goal of eliminating unsuccessful or unproductive programs and projects; and

(5) investigate and report on the validity of using quantitative performance goals for aspects of programs which relate to administrative management of the program and for which such goals would be appropriate, including aspects related to—

(A) administrative burden on contractors and recipients of financial assistance awards;

(B) administrative burdens on external participants in independent, merit-based evaluations;

(C) cost and schedule control for construction projects funded by the program;

(D) the ratio of overhead costs of the program relative to the amounts expended through the program for equipment and direct funding of research; and

(E) the timeliness of program responses to requests for funding, participation, or equipment use.

(b) INDEPENDENT MERIT-BASED EVALUATION DEFINED.—The term ''independent merit-based evaluation'' means review of the scientific or technical quality of research or development, conducted by experts who are chosen for their knowledge of scientific and technical fields relevant to the evaluation and who—

(1) in the case of the review of a program activity, do not derive long-term support from the program activity; or

(2) in the case of the review of a project proposal, are not seeking funds in competition with the proposal.

Insert at the appropriate place.

SEC. . INFORMED CONSUMER CHOICE.

(a) Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by adding at the end the following:

''Notwithstanding subparagraph (A) of this paragraph, the Secretary may not insure a mortgage unless the original lender making the loan secured by that mortgage provided to the prospective mortgagor a written notice that included (i) a generic analysis comparing the note rate (and associated interest payments), insurance premiums, and other costs and fees that would be due over the life of the loan for a loan insured by the Secretary under this subsection with the note rates, insurance premiums (if applicable), and other costs and fees that would be expected to be due if the mortgagor obtained instead any of the mortgagor's 3 most frequently employed structures for mortgage loans with a similar loan-to-value ratio in connection with a conventional mortgage (as that term is used in section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) or section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)), as applicable), assuming prevailing interest rates; and (ii) a statement regarding when the mortgagor's requirement to pay the mortgage insurance premiums for a mortgage insured under this section would terminate or a statement that the requirement will terminate only if the mortgage is refinanced, paid off, or otherwise terminated.''.

(b) ANNUAL STUDY BY COMPTROLLER GENERAL.—Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by adding at the end the following:

''Not later than the expiration of a 1-year period beginning on the effective date of this undesignated paragraph and annually thereafter, the Comptroller General of the United States shall conduct and submit to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a study regarding the extent, and cost to consumers, of steering by lenders to loans insured by the Secretary under this subsection and the degree to which lenders have complied with the requirements of this subsection.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect immediately.

At the appropriate place in title IV, insert the following:

SEC. 4. LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP.

(a) NOTICE OF PREPAYMENT OR TERMINATION.—

(1) IN GENERAL.—Notwithstanding section 212(b) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4102) or any other provision of law, during fiscal year 1998 and each fiscal year thereafter, an owner of eligible low-income housing (as defined in section 229 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4119) that intends to take any action described in section 212(a) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4102(a)) shall, not less than 1 year before the date on which the action is taken—

(A) file a notice indicating that intent with the chief executive officer of the appropriate State or local government for the jurisdiction within which the housing is located; and

(B) provide each tenant of the housing with a copy of that notice.

(2) EXCEPTION.—The requirements of this subsection do not apply in any case in which the prepayment or termination at issue is necessary to effect conversion to ownership by a priority purchaser (as defined in section 231(a) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4120(a)). The requirements of this subsection do not apply where owners have provided, legal notice of prepayment of termination as of July 7, 1998, under the terms of current law.

CONCURRENT RESOLUTION RELATIVE TO PHOTOGRAPHIC FILM AND PAPER AND MARKET ACCESS TO JAPAN

D'AMATO AMENDMENT NO. 3210

Mr. BOND (for Mr. D'AMATO) proposed an amendment to the concurrent resolution (S. Con. Res. 88) calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barrier in Japan; as follows:

On page 3, line 7, strike ''implement'' and insert ''support''.

On page 3, line 13, insert ''paper and wood products,'' after ''glass,''.

On page 3, line 21, strike ''July 15, 1998'' and insert ''December 15, 1998''.

On page 4, strike lines 1 and 2 and insert: ''access to Japanese markets for consumer photographic film and paper.''.

In the preamble—

(1) strike the ninth whereas clause; and

(2) in the 11th whereas clause strike ''is committed to promote'' and insert ''promotes''.

Amend the title so as to read: ''A concurrent resolution calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.''.

UNITED STATES ENRICHMENT CORPORATION PRIVATIZATION ACT AMENDMENTS

FORD AMENDMENT NO. 3211

Mr. BOND (for Mr. FORD) proposed an amendment to the bill (S. 2316) to require the Secretary of Energy to submit to Congress a plan to ensure that

all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride; as follows:

On Page 2, line 3, strike all after ''hexafluoride'' and insert the following:

consistent with the National Environmental Policy Act.

(b) LIMITATION.—Notwithstanding the privatization of the United States Enrichment Corporation and notwithstanding any other provision of law (including the repeal of chapters 22 through 26 of the Atomic Energy Act of 1954 (42 U.S.C. 2297 et seq.) made by section 3116(a)(1) of the USEC Privatization Act (104 Stat. 1321–349)), no amounts described in subsection (a) shall be withdrawn from the United States Enrichment Corporation Fund established by section 1308 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–7) or the Working Capital Account established under section 1316 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–15) until the date that is 1 year after the date on which the President submits to Congress the budget request for fiscal year 2000.

(c) SENSE OF THE SENATE.—It is the Sense of the Senate that Congress should authorize appropriations during fiscal year 2000 in an amount sufficient to fully fund the plan described in subsection (a).

NOTICE OF HEARING

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Ms. COLLINS. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold a hearing entitled ''Cramming: An Emerging Telephone Billing Fraud.'' This hearing will examine the emerging problem of telephone cramming—the billing of unauthorized charges on a consumer's telephone bill. Specifically, the hearing will highlight the scope and nature of cramming, educate consumers about cramming, and determine what is being done to control the practice.

This hearing will take place on Thursday, July 23, 1998, at 9:30 a.m., in Room 342 of the Dirksen Senate Office Building. For further information, please contact Timothy J. Shea of the Subcommittee staff at 224–3721.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday July 16, 1998, at 9:30 a.m. in open session, to consider the nomination of Daryl Jones to be Secretary of the Air Force.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, July 16, 1998, at 9:30 am on Universal Service: Schools and Libraries Program.

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

COMMITTEE ON FINANCE

Mr. ROBERTS. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Thursday, July 16, 1998 beginning at 10:00 a.m. in room 215 Dirksen.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 16, 1998 at 10:00 am., 2:00 pm and 4:00 pm to hold three hearings.

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

COMMITTEE ON THE JUDICIARY

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold an executive business meeting during the session of the Senate on Thursday July 16, 1998, at 9:30 a.m., in Room 226, of the Senate Dirksen Office Building.

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

COMMITTEE ON THE JUDICIARY

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, July 16, 1998 at 2:00 p.m., in Room 226 of the Senate Dirksen Office Building, to hold a hearing on: ''Judicial Nominations.''

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

SPECIAL COMMITTEE ON AGING

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Special Committee on Aging be permitted to meet on July 16, 1998 at 10:30 a.m. to 2:00 p.m. in Dirksen G50 for the purpose of conducting a forum.

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

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, July 16, for purposes of conducting a subcommittee hearing which is scheduled to begin at 2:00 p.m. The purpose of this hearing is to receive testimony on S. 155, a bill to redesignate General Grant National Memorial Monument as Grant's Tomb National Monument, and for other purposes, S. 1408, a bill to established the Lower East Side Tenement National Historic Site, and for other purposes; S. 1718, a bill to amend the Weir Farm National Historic Site Establishment Act of 1990 to authorize the acquisition of additional acreage for the historic site to permit the development of visitor and administrative facilities and to authorize the appropriation of additional amounts for the acquisition of real and personal property; and S. 1990, to authorize expansion of Fort Davis National Historic Sit in Fort Davis, Texas.

The Presiding Officer. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REMARKS OF SENATOR BENNETT ON THE YEAR 2000 TECHNOLOGY PROBLEM

• Mr. MOYNIHAN. Mr. President, I would like to bring to the Senate's attention the excellent speech on the Year 2000 (Y2K) technology problem given by Senator BENNETT at the National Press Club on Wednesday, July 15, 1998. The insightful and informative speech by the Chairman of the Senate's Special Committee on the Year 2000 further advances the work of our committee in bringing this time-sensitive issue to the fore. The speech accurately emphasized the urgent nature of Y2K, and candidly surmised the dire consequences if left uncorrected. I commend Senator BENNETT on his efforts to bring increased awareness of the millennium bug to the public and private sectors.

I ask that Senator BENNETT's address to the National Press Club be printed in the RECORD.

The speech follows:

NATIONAL PRESS CLUB LUNCHEON SPEAKER, SENATOR ROBERT BENNETT (R–UTAH),

Washington, DC, July 15, 1998

Senator BENNETT. Thank you very much. I'm delighted to be here. And I have to introduce myself as ''the other BOB BENNETT.'' I know that name has been prominent in the Press Club in the past. You may even have heard from him. I point out that I'm the tall, skinny, bald BOB BENNETT. He is the short, fat, hairy BOB BENNETT—(laughter)—and that's how you keep us separated —keep us apart.

I first got interested in the Year 2000 problem I suppose the way anybody did; I read about it briefly, thought that's kind of an interesting sort of thing, more of a feature story issue, but not something to get particularly worried about. Oh, two years ago, 18 months ago, whenever the first stories first started filtering out, I was chairman of the—I guess I still am—chairman of the Senate Banking Subcommittee on Technology and Financial Services. Ever since I've been on the Banking Committee, I've been saying to the chairman we need to spend more time talking about technology, smart cards, digital signatures, those kinds of things.

And finally, AL D'AMATO said we're going to create a subcommittee on technology, make you the chairman so you'll leave us alone. (Laughter.) And we started holding hearings on those various things I've described, and then said to Robert, ''You know, let's hold a hearing on this Year 2000 problem. That'd be a subject that we could talk about to keep the subcommittee going.

And so we convened a hearing on the Year 2000 problem, focusing primarily on the

banking system, since that's the jurisdiction of the subcommittee, and heard for the first time some real details about the Year 2000 problem. And when it was over, CHRIS DODD, who had stayed through the whole hearing—and those of you in the Washington press corps know how unusual that is—turned to me and said, ''Mr. Chairman, we need another hearing. This is pretty scary stuff.'' And I said, you know, ''You're exactly right.'' We've now held eight hearings in that subcommittee, and each time we've gotten a little more scared.

Finally, in the early part of this year I went to Senator LOTT and Senator DODD went to Senator DASCHLE, and we said, ''This problem is serious enough it needs more than just the jurisdiction of the Banking Committee.'' And out of those conversations LOTT and DASCHLE got together, put through the resolution creating the Senate committee on the Year 2000. I became the chairman, CHRIS DODD became the vice chair, and in a(n) unprecedented, I think, certainly an unusual, move we picked up two ex officio members of that committee: TED STEVENS and ROBERT C. BYRD. So we have a direct pipeline into the Appropriations Committee, and we saw how that worked. Had the first meeting of the committee in which I outlined some of the problems. TED STEVENS leaned over and whispered in the ear of one of his staffers who was there, and the next day he had set aside $2¼ billion of extra money to help the federal government solve its Year 2000 problem. I'm not used to having that kind of horsepower on my committee—(laughter)—and I'm delighted to have Ted and Senator BYRD there, but also delighted that Senator DODD is the ranking Democrat and the vice chairman of the committee. He's probably going to join us a little later. But I wanted to publicly acknowledge the work that he's done on this.

We have tried to be the Paul Revere. But I tell people we're not yet Chicken Little. The British are, indeed, coming. This is a serious problem, and one that cannot be minimized. But I'm not yet ready to say that the sky is falling, as some people do on the web sites. And so we've tried to strike the balance between Paul Revere and Chicken Little. Now, in that capacity I wrote the White House and said we need some direction out of the executive branch and urged the president to appoint a Y2K czar. He didn't answer my letter, but he appointed a Y2K czar, which is even better—John Koskinen, appointed in February of this year. And when he came to see me and we chatted for a while, I said ''I'm very impressed with you. I think you're just what the president needs, only I have one problem: you're not high enough profile. Nobody's ever heard of you.'' We do need a higher profile here.

I called Erskine Bowles. Senator DODD joined me. Erskine came to my office. We sat there, the three of us, and talked about how we could get the president involved. And I am delighted that yesterday the president made a major address on this. If you missed it, go back and get a hold of it. Much as it hurts me, as a Republican, to have to say so, it was a superb speech. He touched all of the right bases, sounded all of the right notes. And this is a very, very welcome addition to the Y2K challenge.

Then I picked up the paper this morning and saw Robert Samuelson's column on this issue. As the Paul Revere of this particular challenge, it's nice to hear some additional hoofbeats on the side while I'm riding from every Middlesex village and town. (Soft laughter.)

Now the problem, of course, that we face is time. We can do a lot of things in the United States Congress, but we cannot legislate that the year 2000 will not come. We cannot pass a law saying we will only allow the year 2000 to occur once these fixes have been made. So we have to do something very, very dramatic. We have to do it in a number-one priority state of mind, and that's why the president's statement is so welcome, because he said this should be the number-one priority of every CEO in the country. And of course, he is joining Tony Blair and other international leaders who are saying the same thing.

Unfortunately, there are not enough of them saying this in enough countries, and the problem globally is worse than it is here. I'll get to that in a minute, but I wanted to make that very clear. While I'm focusing on the United States, I do not mean to minimize the difficulties of a national—pardon me, an international challenge here.

Well, when I get out here in these speeches and hearings and other presentations, the first thing that comes up is that people say, ''How did we get into this mess?'' We've gotten the quick answer in the introduction; they tried to save space, and so they held it down to just two digits for the date. But it's actually more generic than that, and I'd like to spend just a minute with you on the generic side of it, so that you get an understanding of exactly how serious this really is.

Go back with me a quarter century—or, living in Washington terms, four Senate elections—(laughter)—and take a look at the economy and where we were. We were in the Industrial Age. We were perhaps at the peak of the Industrial Age, the Industrial Age that was created because somewhere, somebody had a very simple idea, and that idea was interchangeable parts.

Before we had the notion of producing things that were interchangeable, every manufacturing operation was really producing a work of art. Everything was one of a kind. And then someone got the notion of interchangeable parts, and factories began to turn out things that were alike. And mass production was possible, mass distribution was possible, mass advertising came along. The Industrial Age came, and it revolutionized everything; created enormous wealth, enormous social problems but enormous opportunities.

And we were just beginning to get comfortable with all of that when somebody had another simple little idea, as revolutionary as the idea of interchangeable parts. It was the idea that said the switch in a transistor is either on or off. And, therefore, you can write code that can be read mechanically by a series of transistors strung together that show that they are either on or off. And that was the beginning of the what we now call digital code. And we began to get serious about it roughly 25 years ago.

And just as the concept of interchangeable parts transformed the world in the Industrial Revolution, the concept of digital code transformed the world in the Information Revolution. And we are living through that revolution in ways that future historians will look back on and comment about. But it has happened to us gradually enough that we don't really understand the incredible impact of that little notion that a switch can be either on or off, that a punch in an IBM card can either be in or out, or that a pit on a laser disk can be burned to either be there or not, only a micron wide so that on a disk this size, you can put the entire Encyclopedia Britannica and read it by virtue of digital code.

Enormously significant things have happened as a result of that revolution. We have now eliminated whole portions of the hierarchy of corporate organizations. Middle management is pretty well gone. Where did it go? It was replaced by computer technology, because the purpose of middle management was to manage information. Now, an individual on the factory floor can call up on a screen more information than he could have gotten from acres and acres of Harvard MBAs in the middle management prior to the invention of the computer and digital code.

And it has become ubiquitous this digital code. It is everywhere we look. One of the things that has happened—and I am going to focus on this for just a minute out of my business background, to help you understand how difficult the Y2K challenge is—is that we have changed manufacturing fundamentally, and not just by robotics and all of the things you think of in terms of computers.

Go back 25 years ago to General Motors, and they would have warehouses filled with steel and aluminum and glass and rubber and chrome and all the other things necessary to produce a car. And usually there would be about 90 days—(audio break). (Following audio break)—in these warehouses.

Along came digital code. Toyota pioneered Edward Deming's idea of ''just in time'' inventory. The warehouse holding the spare parts or the component parts of a Toyota consisted of the railroad car in which those parts arrived at the plant. And the railroad car pulls up to the side of the plant, they open the doors and start off-loading the parts directly onto the assembly line until the car is empty, and it is then pulled away and another car pulled up. You can imagine the savings—money, time, effort, capital, everything else—that has occurred because of ''just in time'' inventory. But you must understand that ''just in time'' inventory cannot work without computers. You cannot have enough middle managers with Harvard MBAs figuring it out to make it work if you don't have computers.

And quite frankly—I'll make one last comment on this and then move on. We Republicans will tell you that the good economy we're enjoying is because we won control of the Congress in 1994. The Democrats will say no, it's because Bill Clinton won control of the presidency in 1992. And then some of us will say no, it's because President Bush appointed Alan Greenspan chairman of the Fed back in the 1980s. I think that, of the three, has the most validity to it. (Laughter.)

But we have to recognize that one of the major reasons we have a good economy is because we have eliminated the old warehouses and those huge inventories.

We have made people more productive, we have smoothed out the curves of the business cycle, and we have done it all with computers. We are reaping the benefits, whether the Republicans claim credit or the Democrats claim credit, we are reaping the benefits in the economy of the introduction of the Information Age, and it is wonderful. And as I say, all of the incumbent politicians are taking credit for it, even though none of them deserve it.

That's the good news. The bad news is that that flaw that got put into the system in terms of two digits for a date instead of four, that used to be just part of a single software program and then several software programs and something that would get taken care of later, has become over the last 25 years, absolutely pervasive, and the flaw is everywhere.

Yes, it's in computer programs, software programs; it's also imbedded into those microcomputers that we call chips that are imbedded into machine tools, supertankers, valves on pipelines that control natural gas and, yes—get your attention—probably in the presses that print your magazines and newspapers. And the estimates we get on our committee are that between 2 (percent) and possibly 5 percent of those chips will fail.

And you don't know which 2 (percent) to 5 percent they are, and you don't know where they are.

But if all of a sudden the pipeline that is bringing natural gas to the generating plant that is creating the electricity that's lighting these lights shuts down because an imbedded chip in one of the valves fails, it isn't just a valve in a pipeline that has failed, the whole power grid is now at risk. And if enough of them fail in enough key places, you don't have any power.

Or, if enough of them fail in enough water purification plants, you don't have any water. Or, if enough of them fail in enough medical devices in an ICU in a major hospital, some people will die. I'm beginning to sound a little like Chicken Little, but I want you to know these are very real possibilities. And the only reason I am not Chicken Little yet is that we have 17 months in which to get from here to there.

Now, the number-one problem we face is denial.

People say, ''No, it can't possibly happen.''

If I may take a swipe at the National Press Club—I hope this is permitted—the McLaughlin Group—I was on a program with John McLaughlin. We talked about this. And then he played a few clips of our program to the McLaughlin Group and took a vote. And by three to one, they decided it was not a major problem. (Laughter.)

Awareness: Understanding of how serious the problem is, in fact, our biggest challenge. And that's why the president's statement is so welcome, because we can hold all the hearings we want, I can give all the speeches on the floor of the Senate I want, I've long since learned that if I had a secret document of highest national importance that I wanted to put someplace where no one ever would find it—(laughter)—I would put it in the Congressional RECORD. (Laughter.)

So we can't do this without a much higher level of awareness to get everybody involved and get everybody going. That's why, as I say, the president's speech was so welcome and so well done.

But the other thing that I get after I get the first question of how did we get into this mess and how pervasive it is—and I hope I've helped you understand how pervasive it is—I say again, as I said at the outset, what I have described in the United States applies in spades abroad. The only countries that I think are moving aggressively in this area so far, besides the United States, in no particular order: Canada, the United Kingdom, Australia, and Singapore. Now the Netherlands have just appointed a former CEO of Phillips (sp) to head their effort, and I think they will soon join that group. There may be some other countries that belong there. But specifically not in that top tier are Japan, Germany, France, and many of our other allies.

This is a global problem, pervasive in robotics, pervasive in embedded chips, pervasive in connections.

To give you a quick anecdote about that, I was at the Defense Department talking about this to Secretary Cohen and Deputy Secretary Hamre. And I—they said, ''Yeah, we're—you know, we're working very hard on this.''

And I said, ''It'll be real embarrassing if the screen goes blank on the year 2000.''

And Secretary Hamre said, ''Well, actually, Senator, that's not our biggest problem.'' He said, ''That's kind of good news. If the screen goes blank, we know we've got a problem. Our problem is if the screen stays up and we are receiving data that is wrong and we don't know it, and the whole database then becomes suspect.''

So those are the three areas. You've got the software problem that people can quickly understand, you've got the embedded chip problem that they probably haven't thought about, and then you have the connections problem that can ultimately kill you.

Well, back to the ''McLaughlin Group'' for just a minute. This is the question I get: Are we going to win or lose? Okay, is it going to be a catastrophe or are we going to get by? Give me an answer so I can cut to a commercial. (Laughter.)

All right. Let me leave you with this analogy. I think the president's statement yesterday was a stirring call to arms. And if I may say so without overdramatizing it, it's a little like announcing that we are at war. Now, this is a different war in that it has a set time period. But if you had asked Franklin Roosevelt on the 8th of December, 1941—Are we going to win or lose''—he would have said, ''We're going to win''—just the way Bill Clinton said yesterday, ''We're going to win. We're going to solve this problem.'' But would you in the press corps say, ''Oh, good. The president has told us we are going to win, so we can now ignore this story.'' And yet too many in the press are saying that: ''Oh, we've got a three-to-one vote on the 'McLaughlin Group' that says it's not going to be a big deal, so we can ignore this story.''

I believe we're going to win; that is I think that civilization as we know it is not going to come to an end. It's a possibility. Possibility, if Y2K were this weekend instead of 76 weekends from now, it would. But we have 76 weeks in which to try to get this under control. But we are, in a sense, at war against this problem. And you would not have said in the Second World War, ''Oh, because the president assures us we're going to eventually prevail, we do not need to cover Guadalcanal, Iwo Jima, Normandy, the Battle of the Bulge, or any of the rest of it.''

And so my plea to you here in the Press Club is: Do not ignore this story just because someone is reassuring you that it's going to work out all right. There are all kinds of stories out there that need to be covered and, most importantly, need to be exposed.

This is the ideal story for the Washington press corps. In covering it, you can affect the outcome. Isn't that what you're always trying to do? (Laughter.) Here's an opportunity! (Applause.)

Well, as you know, I've told you I've been immersed in this. It has become my obsession. I said that to the president yesterday as I congratulated him on his speech. And he said, ''Good. Somebody has to be obsessed.''

But I think I will quit at this point and respond to whatever questions you might have. Thank you very much. (Applause.) ●

CAMPUS CRIME REPORTING

● Mr. ABRAHAM. Mr. President, I rise to praise my colleagues for making Senator SPECTER's legislation on campus crime reporting a part of the higher education bill. This amendment to the higher education legislation, of which I was a cosponsor, will improve the safety and security of college students and employees across the United States.

Mr. President, when young people go to college they expect to face many challenges—academically, professionally and personally. But neither they nor their parents expect college kids to face high rates of crime, including violent crime. Unfortunately, on too many of our campuses this is exactly what they face. And the situation is made worse by the fact that many colleges and universities fail to accurately and fully report crimes committed on their campuses.

This amendment will close significant loopholes in current law that keep parents and prospective college students from getting the information they need to make a fully informed decision regarding where they should go to college. Thanks to this amendment, the Department of Education will be directed to require colleges to report criminal offenses that occur on sidewalks, streets, and other public lands on or adjacent to the campus, as well as offenses that occur in buildings that are owned by the college but used for commercial purposes, such as student food courts. Colleges that fail to compile accurate crime reports in accordance with these new requirements will suffer civil penalties.

Mr. President, a crime is a crime, whether it occurs in a college classroom, in the campus food court or on the sidewalk. A young man who is mugged, a young woman who is raped, any student who is accosted, beaten or murdered, suffers the same pain and loss regardless of which part of campus it is on which they are victimized.

Through this amendment we can see to it that students and their parents have the fullest possible information available to them regarding the safety of the campuses they are considering. This amendment also will provide colleges and universities with the extra incentive some of them may need to improve the safety and security of their students and employees. In 1994 alone, Mr. President, over 9,500 violent crimes were reported on our college campuses. And that figure does not include crimes colleges have not been required to report. We must do better. College is challenging enough, Mr. President, without adding to its challenges the unknown risk of crime.

Again, I congratulate my colleagues on including this important amendment in the higher education bill and look forward to the swift and efficient implementation of its language.●

THE BLACK SHIPS FESTIVAL OF RHODE ISLAND

● Mr. REED. Mr. President, I rise to pay tribute to the Japan-America Society of Rhode Island for its efforts in organizing this weekend's 15th annual Black Ships Festival of Rhode Island.

The Black Ships Festival takes its name from the Japanese word Kurofuné (Black Ships) which the residents of Shimoda, Japan used to describe the tar covered American ships which sailed into Shimoda harbor under the command of Rhode Island native Commodore Matthew Perry in 1854. As you know, Commodore Perry and officials in the Edo Period Shogunate negotiated the Treaty of Kanagawa, the first treaty between United States and Japan, which opened Japan to trade with the West and marked the beginning of the relationship between our two great countries.

Each summer, Newport, Rhode Island and Shimoda, her sister city, hold Black Ships Festivals to celebrate the friendship which began in 1854. Since its inception 15 years ago, the Black Ships Festival of Rhode Island has grown bigger and better every year, becoming a fixture on Newport's summer schedule and an event that the entire state eagerly awaits.

The Festival truly is one of Rhode Island's treasures. It provides residents and visitors to the Ocean State a unique and inexpensive opportunity to learn about and celebrate Japan's traditions and culture. As a result, I can honestly say that our state has gained a better awareness than most of Japanese culture.

The success of the Black Ships Festival of Rhode Island is now recognized far beyond the borders of the Ocean State. On July 1, the Japan-America Society of Rhode Island was selected to receive the prestigious Japanese ''Minister of Foreign Affairs' Citation'', which recognizes individuals and organizations that have contributed to friendship and understanding between Japan and other countries. Of the 9 organizations receiving this award in 1998, the Japan-America Society is the only one that is not Japanese.

Mr. President, as the Co-Chair of this year's Black Ships Festival of Rhode Island, I ask my colleagues to join me in recognizing the Japan America Society of Rhode Island for its tremendous efforts in organizing the Festival and strengthening the bond friendship between the United States and Japan.●

DETROIT LADY ROAD RUNNERS BASKETBALL TEAM

● Mr. ABRAHAM. Mr. President, I rise today to congratulate a very special group of girls in the metro Detroit area. The Detroit Lady Road Runners basketball team came in second place in the girls 12 and under division of the Police Athletic League. The girls are the only basketball team in the city that won second place in the state of Michigan in the girls 10 and under Amateur Athletic Union. They are now on their way to competing in the 1998 AAU National Championship in Orlando, Florida July 31–August 8th.

The Lady Road Runners, led by Coach Jeffery Cruse, have not only put forth a great effort toward sharpening their basketball skills, practicing four days a week, but also in raising funds by washing cars, selling hot dogs and holding raffles and walk-a-thons. These girls also work very hard in school and for their churches.

I want to wish this team the best of success in their effort to win a National Championship. I am confident that they will do an excellent job representing Detroit and the great State of Michigan.●

SAVING MEMORY

● Mr. ROBB. Mr. President, one of my constituents, Rabbi Israel Zoberman of congregation Beth Chaverim in Virginia Beach, VA, has recently published some thoughts arising from the release of a Vatican document. I would like to bring them to the attention of my colleagues, and ask that they appear in the CONGRESSIONAL RECORD at the appropriate juncture.

The article follows:

[From the Southern Virginia Jewish News, May 22, 1998]

SAVING MEMORY: A RABBI'S: RESPONSE TO THE VATICAN

(By Rabbi Israel Zoberman)

The recent release of the long awaited Vatican document on the connection between the Holocaust and the Catholic Church almost coincides with the annual observance this season of the Shoah's tragedy, the enormity of which has turned it into the most defining event of the soon concluding 20th century, the bloodiest of all times.

Whie the document acknowledges a measure of Christian culpability for Jewish suffering, it falls short of a full apology, for the over-a-decade study of the trying theme is fraught with painful and embarrassing confrontations for the church, touching upon the historical rejectionist attitude by Christianity of Judaism and the Jewish people. No wonder that there were high expectations that the reached conclusions would fully reflect and respect the record of a troubling past reality in light of the subject's magnitude, as well as the breakthrough conciliatory accomplishments of the Second Vatican Council in the 60s and the unparalleled contribution of Pope John II, building upon the foundation laid by his great predecessor Pope John XXIII in dismissing Jewish responsibility for Jesus' execution and honoring Abraham's descendants. At stake was also the church's own need to come to grips with a burden weighing upon its conscience in a way demanding absolution from sins of both commission and omission, allowing for a renewed sense of integrity and reconciliation in an era of an unprecedented ecumenical spirit, where no longer can any faith claim an imperialistic role.

It seems that the controversial document could not escape internal political pressure and compromise along with vestiges of pre-Second Vatican thinking. Perhaps some of us within both the Jewish and Christian communities got a bit carried away in believing that the significant victories of the past several decades were free from roadblocks and unforeseen detours. How else explain the skirting of two central issues that the authors were surely aware of their persistent presence, that now more than ever will beg an unequivocal response. The fact that traditional anti-Semitism has its origins in two millennia of the church's anti-Jewish teachings, demonstrates contempt in word and deed for both the spiritual heritage from which ironically Christianity emerged, and the people who bore witness to the covenant they refused to abandon when threatened with expulsion, forced conversion and death itself. Is there any doubt that the Holocaust and anti-Semitism are intimately interwoven?

The second bone of contention is the role of Pope Pius XII whose silence during the Nazi slaughter was far louder than his intervention in saving individual lives. While there is no surprise that the church would want to defend her ''infallible' 'leaders, it is the failure to exercise the vast moral authority invested in the Pope's high office which should serve as a cardinal yardstick in evaluating the legacy of any Holy Father, particularly under critical circumstances testing and mantle of true spiritual greatness. The related concern of the Vatican's alleged involvement in aiding the escape of Nazis at the war's end to South America and elsewhere, deserves an honest investigation and disclosure. Only when past ghosts are finally laid to rest, can memory be cleansed to serve the future.

I trust that the contested official statement is not in its final form, for history and our common God expect more from us and we can deliver in this generation of unfathomable lows but also dazzling heights, a gift of healing hope for those to follow. I ought to know for during 1985 to 1995 my congregation benefitted from generosity of the most gracious Church of Ascension in Virginia Beach, where we found a loving home in the only such Catholic-Jewish sharing bond in the world, a direct outcome of a radically changed climate.

The Polish Pope, John Paul II, with his unique personality and past, did more than all other pontiffs combined to bring the two faith groups closer to one another, coming as he does from the vineyard turned graveyard of European Jewry, experiencing and resisting the German occupation, and being particularly close to a surviving Jewish childhood friend. His heartfelt embrace of the Jews, beginning in an historic first visit by a Pope to a synagogue, in 1986 in Rome, addressing them as ''our dearly beloved brothers'' and ''our elder brothers,'' culminated in establishing diplomatic relations with the State of Israel in 1994. Before his extraordinary papacy comes to an end, he may yet surprise us with further bold steps to reassure us all that there is no retreat from the visionary path he so compassionately bequested to a suffering and expectant humanity.●

BICENTENNIAL OF THE PUBLIC HEALTH SERVICE

● Mr. FRIST. Mr. President, I rise to commemorate the bicentennial of the Public Health Service. On July 16, 1798, the Fifth Congress passed, and President John Adams signed, an Act which established the Public Health Service. The Public Health Service was originally established to provide medical care to sick and disabled seamen. Today the scope of their service includes educational activities, the provision of medical care, and activities on the forefront of biomedical research. I commend the members of the Public Health Service not only for their commitment to public health, but also their willingness to serve, and to contribute to the prevention and eradication of diseases.

Before being elected to the Senate in 1994, I was a heart and lung transplant surgeon for many years. The question I'm most often asked is, ''Why would you leave medicine for politics?'' My simple answer is: I didn't ''leave.'' I'm away only for awhile. The deeper answer is that while—on the surface—politics seems so different from medicine, the underlying motivation is exactly the same. Medicine exists to improve the life of another human being. The primacy of the patient is the central focus of all that physicians do. The same can be said of public service and public policy. They exist to serve the best interest of the citizenry. As a physician, I had the opportunity to help

one person at a time. As a United States Senator, I have the chance—every day—to improve the lives of millions of Americans in Tennessee and throughout the country, as well as help secure the future of the next generation.

The Officers of the Commissioned Corps of the Public Health Service have a long history of service to the American people. For two centuries, the physicians of the Public Health Service have been on the forefront of protecting America from disease. As Fitzhugh Mullen chronicled in his book ''Plagues and Politics,'' PHS officers have played a leading role in the control of infectious diseases—from plague control measures, to the eradication of smallpox, to the continuing response to outbreaks that threaten the public health, such as Legionnaire's disease and hantavirus.

As the leader of the Commissioned Corps, the Surgeon General has a critical role in promoting public health. I have been a strong supporter of the position of Surgeon General. I believe America needs a physician who will champion public health messages. We need a physician to focus national and international attention on public health problems. Reports from the Surgeon General have such credibility they are repeated by the media, health professionals, medical journals, and health educators. As chronic diseases such as heart disease and diabetes affect more Americans, we need a medical voice we can trust to talk to us about the need for prevention. We need a physician to educate the American people about the links between personal behavior and illness.

In Dr. David Satcher, America's new Surgeon General, we have the voice we need. I had the privilege of knowing Dr. Satcher from his time in Nashville. Because of his knowledge of population-based medicine, family medicine, and public health, he is eminently qualified to be our messenger to the American people on health issues. This past April, I had the privilege of introducing Dr. Satcher when he presented his first Surgeon General's report—a report on tobacco use among US racial and ethnic minority groups.

Surgeons General have led the fight against smoking for more than 30 years, and I'm pleased to see that the health consequences from tobacco use are also high on Dr. Satcher's agenda. Since the first report on the dangers of smoking by Surgeon General Luther Terry in 1964, there have been 24 reports on smoking, including the latest on smoking and minority populations. This most recent report notes the increasing rates of smoking among African-American and Hispanic teenagers, and cites the need for further research into prevention and cessation activities. Between 1991 and 1997, smoking among African American teenagers increased from 12.6 percent to 22.7 percent—an increase of 80 percent! Among Hispanic teenagers, smoking prevalence increased from 25 percent in 1991 to 34 percent in 1997. But teen smoking is not just a problem among minority populations. In 1997, cigarette smoking among white teenagers was nearly 40 percent—up from 31 percent in 1991. Teen smoking is a public health crisis that must be addressed.

There has been a great deal of attention given to reaching an agreement with the tobacco companies to reduce teen smoking. There is no silver bullet to stop young people from smoking. It will require a comprehensive approach that addresses three aspects: access, public health, and advertising.

Today, children and teenagers have ready access to cigarettes. Limiting that access includes everything from raising the price of a pack of cigarettes to restricting their ability to purchase cigarettes—including their access to vending machines. The cost must be high enough to discourage teenagers from smoking, but not high enough to create a black market.

The second aspect is the need for strong public health initiatives, including research, treatment, and surveillance. We must deal with the issue of nicotine addiction—through a better understanding of the physiology of addiction; through the best research programs—including basic science and behavioral research; and through effective programs that not only keep people from starting, but help them quit.

The third component is advertising. Society can no longer tolerate the specific targeting of young people by tobacco companies. This raises a Constitutional issue—the freedom to advertise versus what I regard as the wrongful targeting of children—8,9,10,12 years-old—in order to encourage them to smoke.

In the beginning of the 105th Congress, I was honored to assume the chairmanship of a newly established subcommittee on public health and safety, with jurisdiction over many agencies of the Department of Health and Human Services. In establishing the Subcommittee on Public Health and Safety, the Senate recognized the importance of public health. As Chairman, I've been able to bring public awareness to health issues facing this nation and to address the reauthorization of public health programs and agencies.

This past March, I was pleased to chair a subcommittee hearing on Global Health. We live in a global society. To paraphrase the Institute of Medicine's report, ''America's Vital Interest in Global Health,'' we can consider no site too remote, no person too removed, and no organism too isolated to affect our citizens.

Last January, I spent a week on a medical missionary tour of Africa, specifically Kenya, South Sudan, and the Democratic Republic of the Congo. I was struck by how medical care and services varied—from sophisticated Western-style hospitals with adequate laboratory capacity to small hospitals without electricity and running water. Several of the small hospitals are in remote areas that were virtually impossible to reach, except by small plane. While in Kenya, I heard about an ongoing epidemic of Rift Valley Fever where more than 300 people had already died. I saw first-hand patients with infectious health problems common in much of the world: tuberculosis, HIV, malaria and other parasitic infections.

The United States is uniquely poised to look beyond our borders and reach out to other countries. As a world leader in medical science, biomedical research, and pharmaceutical drug development, we can play a leadership role in global health issues through our federal agencies. However, the development of an effective global disease surveillance and response network requires the involvement of all countries and a partnership between the public and private sectors.

This past year, the subcommittee has also addressed the reauthorization of the Agency for Health Care Policy and Research (AHCPR), the nation's leading agency on health services research. The current debate on health care quality has led us to reexamine the federal role in supporting innovation and promoting quality in health care. We need solutions that are not only based on sound science but also serve the interests of patients. While there are many good private sector initiatives, there is a role for the federal government in implementing biomedical research results. As we reauthorize AHCPR, we will focus on health care quality, public-private partnerships, and advancing the science of quality improvement efforts.

This past March, I introduced ''The Women's Health Research and Prevention Amendments of 1998''—a bill with broad bipartisan support that addresses diseases that affect women. I'm very pleased that, since 1993, we have developed guidelines to include women and minorities in NIH-sponsored trials. However, we must continue to do more. We must continue to review the women's health research agenda as we set research priorities. We need to incorporate new scientific knowledge on women's health. The women's health bill reauthorizes NIH programs for vital research activities into the causes, prevention, and treatment for some of the major diseases affecting women—including osteoporosis, breast and ovarian cancer, heart disease, as well as research into the aging processes of women. Our bill also reauthorizes several programs at the CDC for prevention and education activities on women's health issues. CDC's programs provide critical health services in each of our States to detect, prevent, and diagnose diseases such as breast and cervical cancer. Also, CDC programs—such as those at the National Center for Health Statistics—provide data that can assist us in making informed policy decisions about health care.

In conjunction with Senators from both sides of the aisle, I introduced

''The Health Professions Education Partnerships Act''—a bill that represents an opportunity to help improve the quality of, and access to, health care for millions of Americans. The Bill reauthorizes the programs funded through title VII and title VIII of the Public Health Service Act. For many years, this legislation has helped our nation's schools of health better serve the health needs of their communities, and better prepare the practitioners of the future. The Bill strives to increase the number of health practitioners, including physicians, dentists, and nurses, in underserved areas and to improve the representation of minorities and disadvantaged individuals in the health professions. These programs have often been the assistance of last resort for many disadvantaged students seeking careers in health.

Equally important is the legislation's goal to meet the need of underserved communities, often in rural or inner-city areas. Programs funded through this bill support the infrastructure which facilitates the training and practice of health care providers in underserved areas. Patients in underserved areas depend on these programs for their health care. Training providers in these areas greatly increases the likelihood that they will work in these areas when they complete their education. The Bill would also allow the Secretary of HHS to make grants to certain health professions schools designated ''Centers of Excellence''—to assist these schools in supporting health professions education for under represented minority individuals. To qualify, these schools would: have a significant number of underrepresented minorities enrolled in the school; been effective in assisting minorities to complete their degree programs; and have been effective in recruiting underrepresented minorities as students and as faculty. ''Centers of Excellence'' are currently designated at Historically Black Colleges and Universities. This bill establishes Hispanic and Native American Centers of Excellence to increase the number of Hispanic and Native American health professionals.

Mr. President, for the past two centuries, the Public Health Service has been contributing unique ideas, ethics, and skills to public service. I congratulate the Public Health Service as it celebrates 200 years of public health and science. As the Public Health Service rises to meet the challenges of the next 200 years, I know they'll be every bit as successful as they have been in the past.●

HONORING MS. JAMIE FOSTER BROWN

● Ms. MOSELEY-BRAUN. Mr. President, it is my privilege to take a few moments to join the Midwest Radio and Music Association (MRMA) in recognizing the career achievements of Ms. Jamie Foster Brown. The MRMA will host a tribute dinner in Ms. Brown's honor during their annual conference in Chicago on July 23, 1998. I want to extend my heartfelt congratulations to Jamie Foster Brown for this prestigious award.

A native Chicagoan, Jamie Foster Brown graduated from Calumet High School and subsequently attended the University of Stockholm in Stockholm, Sweden. From these beginnings, Ms. Brown has become one of the most accomplished and respected women in the field of entertainment journalism. She publishes her own magazine, is heard on radio stations around the United States and England, and makes numerous television appearances each month. Jamie Foster Brown's success is testament to her talent and determination.

Jamie Foster Brown began her career in the entertainment business in 1979 when she founded the Washington Theater Group. Ms. Brown subsequently went to work for Robert Johnson's Black Entertainment Television, and was among the pioneers at this network in creating television programming for African-American viewers written, directed, and produced by African-Americans. Ms. Brown's talents were recognized at BET, as she ascended the ranks from executive secretary to a producer of the network's top-rated programs, ''Video LP'' and ''Video Soul.''

In 1988, Jamie Foster Brown struck out on her own and founded Sister 2 Sister Magazine as a monthly trade newsletter targeted at prominent women in the entertainment and media industries. Ten years later, Sister 2 Sister has emerged as one of the most powerful and respected monthly entertainment magazines, with a special focus on African-American celebrity news. The magazine is often the first to be granted interviews with major American entertainers, and often breaks stories that are later picked up by other news organizations.

In addition to publishing and writing for Sister 2 Sister Magazine, Ms. Brown has also recently written a book in honor of the late Betty Shabazz, entitled: Betty Shabazz: A Sisterfriend's Tribute In Words and Pictures. This loving tribute to Dr. Shabazz, published by Simon & Schuster, contains the recollections and anecdotes of friends and admirers including Maya Angelou, Myrlie Evers-Williams, and Ruby Dee.

Building upon the success of her magazine, Jamie Foster Brown is a regular entertainment reporter on BET, and makes many appearances on nationally syndicated news and entertainment television shows. Additionally, Ms. Brown hosts ''Sister 2 Sister Update,'' a syndicated, daily celebrity news feature that is carried nationwide on the Westwood One Radio Network. ''Sister 2 Sister Update'' is also broadcast twice a week throughout Great Britain over the British Broadcasting Company's Greater London Radio. Ms. Brown is also heard daily as a frequent celebrity guest on radio stations in Chicago, Detroit, Washington, D.C. and Los Angeles.

In a further display of her immense energy and enthusiasm for life, Ms. Brown also uses her considerable talents to better her community and our nation through volunteerism. Some of the many charitable organizations that have benefitted from Jamie Foster Brown's participation include the Duke Ellington School of Music, the Mount Sinai Parenting Institute and the Corporation Against Drug Abuse. For her professional and civic accomplishments, Ms. Brown has been honored by numerous organizations, including the Chicago League of Black Women, Anheuser Busch, Maurice Starr Productions, IMPACT and most recently, the Midwest Radio and Music Association. Along with balancing the demands of her career and charitable work, Ms. Brown remarkably finds time to remain a committed wife to Dr. Lorenzo Brown, as well as a loving and devoted mother to their two sons, Russell and Randall.

In closing, I would like to extend my most sincere congratulations to Jamie Foster Brown, a remarkable woman who is most deserving of this award. It is an important symbol of her exceptional talent, dedication, and vision, and I am pleased that she is being distinguished with this honor by the Midwest Radio and Music Association. I wish her, and her family, God's speed and much continued success in the future.●

CBO ESTIMATE ON S. 1754

● Mr. JEFFORDS. Mr. President, on June 23, 1998, I filed Report 105–220 to accompany S. 1754, the Health Professions Education Partnerships Act of 1998, a bill to consolidate and reauthorize health professions and minority and disadvantaged health education programs, and for other purposes. At the time the report was filed, an incorrect estimate was filed by the Congressional Budget Office. Since that time, the CBO has corrected its estimate. I ask that a complete copy of the revised CBO estimate be printed in the RECORD.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 24, 1998.

Hon. JAMES M. JEFFORDS,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed revised cost estimate for S. 1754, Health Professions Education Partnerships Act of 1998.

This revised estimate supersedes CBO's estimate of May 28, 1998, and corrects an error in the assumed subsidy rate for Health Education Assistance Loans.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Cyndi Dudzinski, who can be reached at 226–9010.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

(Revised June 24, 1998)

S. 1754: HEALTH PROFESSIONS EDUCATION PARTNERSHIPS ACT OF 1998 (AS ORDERED REPORTED BY THE SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES ON APRIL 1, 1998)

SUMMARY

S. 1754 would reauthorize, amend, and consolidate programs within the Public Health Service Act. These programs provide federal funding through grants and contracts for health professions students, schools, clinics, and demonstration projects. They focus on increasing the diversity and supply of health care providers and the care they provide to shortage areas, ethnic populations, and high-risk population groups. The legislation would authorize appropriations for fiscal years beginning in 1998 and, in most instances, ending in 2002. Assuming appropriation of the authorized amounts, CBO estimates that enacting S. 1754 would result in additional discretionary outlays of $334 million in 1999 and a total of $3.5 billion over the 1998–2003 period.

Subtitle C would reauthorize the Health Education Assistance Loan (HEAL) program through 2002. This provision would increase direct spending by $1 million in fiscal year 1998 and by $21 million during the 1998–2003 period. Because the bill would affect direct spending, pay-as-you-go procedures would apply.

S. 1754 would waive any state statutes of limitations that govern the repayment of loans by nursing and other medical students. This preemption of state statutory authority would represent a mandate as defined by the Unfunded Mandates Reform Act (UMRA). However, CBO estimates that the mandate would have no impact on the budgets of state, local, or tribal governments. The legislation does not include any private-sector mandates as defined in UMRA.

This revised estimate supersedes CBO's estimate of May 28, 1998, and corrects an error in the assumed subsidy rate for Health Education Assistance Loans.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1754 is shown in the following table.

	By fiscal year, in millions of dollars—					
	1998	1999	2000	2001	2002	2003
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law:						
Budget Authority[1]	828	0	0	0	0	0
Estimated Outlays	796	522	151	39	([2])	0
WITH ADJUSTMENTS FOR INFLATION						
Proposed Changes:						
Authorization Level	24	875	898	922	944	46
Estimated Outlays	0	334	724	862	924	618
Spending Under S. 1754:						
Authorization Level	852	875	898	922	944	46
Estimated Outlays	796	856	875	901	924	618
WITHOUT ADJUSTMENTS FOR INFLATION						
Proposed Changes:						
Authorization Level	24	852	852	852	851	40
Estimated Outlays	0	326	698	813	851	561
Spending Under S. 1754:						
Authorization Level	852	852	852	852	851	40
Estimated Outlays	796	848	849	852	852	561
DIRECT SPENDING						
Spending Under Current Law:						
Estimated Budget Authority	1	0	0	0	0	0
Estimated Outlays	1	0	0	0	0	0
Proposed Changes:						
Estimated Budget Authority	1	3	4	5	5	3
Estimated Outlays	1	3	4	5	5	3
Spending Under S. 1754:						
Estimated Budget Authority	2	3	4	5	5	3
Estimated Outlays	2	3	4	5	5	3

[1] The 1998 level is the amount appropriated for the year.
[2] Less than $500,000.

The costs of this legislation fall within budget function 550 (health).

BASIS OF ESTIMATE

S. 1754 would reauthorize and consolidate several programs within the Public Health Service Act. The initial and final year of the period of authorization would vary across programs. For years in which the bill specifies the amount authorized, CBO assumed that appropriations for each program would be made in the full amount of the authorization. For years in which the bill authorizes appropriation of such sums as may be necessary, CBO assumed that the specific amount appropriated in 1998 or authorized in a subsequent year would be increased by inflation and that the amount authorized would be appropriated.

With the exception of 1998, CBO assumed that all amounts authorized by S. 1754 would be appropriated by the start of the fiscal year and that outlays would follow the historical spending patterns of the respective agencies. The estimate assumes that amounts authorized for 1998 would be appropriated late in the year and that outlays would begin in 1999.

Title I—Health Professions Education and Financial Assistance Programs

Subtitle A—Health Professionals Education Programs. S. 1754 would reauthorize, amend, and consolidate the Health Professions Education Programs administered by the Health Resources and Services Administration (HRSA) and would include funding for behavioral or mental health providers and services under the Programs. It authorizes $237 million in 1998 and such sums as necessary for 1999–2002. Assuming appropriation of the authorized amounts CBO estimates Subtitle A would result in additional discretionary outlays of $107 million in 1999 and $985 million over the 1998–2003 period.

Subtitle B—Nursing Workforce Development. S. 1754 would reauthorize, amend, and consolidate the Nursing Workforce Development programs administered by HRSA. It authorizes $65 million in 1998 and such sums as necessary over the 1999–2002 period. CBO estimates that this subtitle would result in additional discretionary spending of $28 million in 1999 and $269 million over the 1998–2003 period.

Subtitle C—Financial Assistance

Chapter 1—School-Based Revolving Loan Funds. S. 1745 would reauthorize and amend HRSA's school-based revolving loan funds. It authorizes $8 million in annual appropriations for 1998 through 2002. CBO estimates this provision would result in additional discretionary outlays of $11 million in 1999 and $39 million during the 1998–2003 period.

Chapter 2—Insured Health Education Assistance Loans to Graduate Students. S. 1754 would reauthorize the HEAL program through 2002. Currently, the program's authorization expires at the end of 1998, and it is only authorized to make loans to students who received their first HEAL loan before 1995. Section 143 of the bill would reauthorize HEAL for five years, starting in 1998. The authorized loan limits would be $350 million in 1998, $375 million in 1999, and $425 million a year for 2000 through 2002. Loans to new borrowers would not be issued after 2000, and no loans would be insured under the program after 2005. CBO assumes that loan disbursements would equal the amount authorized. CBO estimates that the average subsidy rate for these disbursements would be about 1 percent. Therefore, this provision would result in $1 million in direct spending in 1998 and a total of $21 million during the 1998–2003 period.

For lenders who fail to meet certain performance standards, the bill would also reduce federal payments from 100 percent to 98 percent of losses incurred through loan defaults. In addition, the Secretary would have the authority to collect any unpaid balances from the estate of a deceased borrower. Finally, the proposal would grant a deferment to borrowers who furnish health care services to Indians through an Indian Health Service program.

Title II—Office of Minority Health

S. 1754 would reauthorize the Office of Minority Health within the Office of the Assistance Secretary. It would also require the Secretary to establish the Advisory Committee on Minority Health. It would authorize appropriations of $30 million for 1998 and such sums as necessary for 1999–2002.

It would also reauthorize the National Center for Health Statistics (NCHS) within the Centers for Disease Control and Prevention (CDC), providing such sums as necessary for 1999 through 2003. In addition, where current law provides a general authorization for NCHS to make grants to entities for data collection and analysis on racial and ethnic

populations, S. 1754 would authorize an additional grant program. The funding under this grant program would be used for collecting data specifically on Hispanics and major Hispanic subpopulation groups and on American Indians, and for developing special area population studies on major Asian American and Pacific Islander populations. For this additional grant program, it would authorize $1 million in appropriations for fiscal year 1998 and such sums as necessary for 1999–2002.

CBO estimates the provisions under Title II would result in additional discretionary outlays of $25 million in 1999 and $242 million during the 1998–2003 period.

Title III—Selected Initiatives and Title IV—Miscellaneous Provisions

S. 1754 would amend and reauthorize several other grant programs within HRSA, CDC, the National Institutes of Health, and the Administration on Aging. Except for a few small programs where the bill specifies the authorization for one or more years, Title III and IV would provide such sums as necessary for the entire period of the authorization for these programs. In addition, it would provide a permanent authorization of $0.5 million a year for the Foundation for the National Institutes of Health.

Assuming appropriation of the authorized amounts, CBO estimates that Titles III and IV would result in additional discretionary spending of $163 million in 1999 and $1.9 billion over the 1998–2003 period.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Because section 143 of the bill would affect direct spending, pay-as-you-go procedures would apply. The impact of this provision on federal outlays is shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

SUMMARY OF PAY-AS-YOU-GO EFFECTS

	By Fiscal Year, in Millions of Dollars—									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Change in outlays	1	3	4	5	5	3	2	1	0	0[
Change in receipts	Not applicable									

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 1754 would waive any state statutes of limitations that govern the repayment of loans to nursing and other medical students. This preemption of state statutory authority would be a mandate as defined by the Unfunded Mandates Reform Act. However, CBO estimates that the mandate would have no impact on the budgets of state, local, or tribal governments.

The bill would also authorize appropriations for a number of grant programs. State and local governments, as well as other public and private entities, would be eligible to receive funding from these grant programs as long as they meet certain grant conditions. Participation in these programs would be voluntary, and the overall budgetary effects to the participating governments would be favorable.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

S. 1754 does not include any private sector mandates as defined in the Unfunded Mandates Reform Act.

Estimate prepared by: Federal Costs: Cyndi Dudzinski (226–9010); Impact on State, Local, and Tribal Governments: Leo Lex (225–3220); and Impact on the Private Sector: Julia Matson (226–2674).

Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.●

150TH ANNIVERSARY OF UNUM CORPORATION

● Ms. SNOWE. Mr. President, I rise today to honor a great Maine company that this week celebrates a remarkable milestone—its 150th Anniversary.

It was thirteen years before the Civil War began that the UNUM Corporation of Maine was founded as the Union Mutual Life Insurance Corporation. Since that time, UNUM has grown to employ more than 7,400 employees worldwide, and almost 3,800 in their World Headquarters in Portland alone—and has become an industry leader in the area of long term care disability insurance.

We in Maine are proud of UNUM's growth and longevity—outstanding achievements that don't happen by accident. But what is even more impressive is UNUM's commitment to providing an outstanding environment for its employees. Indeed, UNUM has been recognized by Fortune magazine as one of the nation's top 100 employers, and named as a leading ''family-friendly'' company by both Business Week and Working Mother magazines—evidence that UNUM's vision and innovation is garnering accolades throughout the professional world. In fact, UNUM has been on Working Mother's list a remarkable nine years in a row.

From the standpoint of one who has consistently fought in Congress for opening up possibilities and opportunities for women in business, as well as family-friendly legislation such as the Family and Medical Leave Act, I appreciate UNUM's commitment to fostering a work environment that recognizes that the values of hard work and family are not mutually exclusive. Indeed, UNUM's philosophy shows that responding to employees' concerns is not only the right thing to do, it's also sound business practice.

In particular, I applaud UNUM's commitment to providing safe, affordable child care options to employees. UNUM was one of the first companies in America to establish an on-site child care center, and UNUM subsidizes child care costs for qualified employees. Hopefully, this will blaze a trail that others in corporate America will be eager to follow.

UNUM also exemplifies the principles of corporate citizenship, and the corporation as a partner in the community. UNUM has consistently been a responsible and integral member of the Portland community—where most of their employees live—and UNUM will be celebrating their anniversary in part with a day-long community service effort involving thousands of employees and hundreds of projects. I commend UNUM's dedication to the community and to the use of corporate resources for the betterment of others, and believe that their model is one which should be replicated throughout the country.

This tone of corporate responsibility is set at the top, and UNUM President and Chief Executive Officer Jim Orr deserves much of the credit. A recent article in Portland's Maine Sunday Telegram elaborated on Jim's many talents, saying that, ''he preaches a gospel of shared goals, clear vision and intense focus''. A member of UNUM's board of directors stated, simply, ''The guy knows how to lead''. Obviously, he has used that skill to build a company that not only knows how to satisfy the bottom line, but to set an example for others to follow.

Mr. President, in Maine we like to speak of ''the way life should be'', and we cherish a quality of life that is second to none. UNUM exemplifies ''the way business should be'' and for 150 years—that's two-thirds of this nation's existence—it has been contributing to the effort to build an even better Maine in which to live, work, and raise a family. Again, I congratulate the leadership of UNNM, and the outstanding employees who have guaranteed the company's success over the past 150 years.●

CALLING ON JAPAN TO MAINTAIN AN OPEN MARKET FOR SECTORS FACING MARKET ACCESS BARRIERS IN JAPAN

Mr. BOND. Mr. President, I ask unanimous consent that the Finance Committee be discharged from further consideration of S. Con. Res. 88, and further, that the Senate proceed to its immediate consideration.

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

The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 88) calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

AMENDMENT NO. 3210

(Purpose: To make clarifying amendments.)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mr. D'AMATO, proposes an amendment numbered 3210.

The amendment is as follows:

On page 3, line 7, strike ''implement'' and insert ''support''.

On page 3, line 13, insert ''paper and wood products,'' after ''glass,''.

On page 3, line 21, strike ''July 15, 1998'' and insert ''December 15, 1998''.

On page 4, strike lines 1 and 2, and insert: ''access to Japanese markets for consumer photographic film and paper.''.

In the preamble—

(1) strike the ninth whereas clause; and

(2) in the 11th whereas clause strike ''is committed to promote'' and insert ''promotes''.

Amend the title so as to read: ''A concurrent resolution calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.'',

Mr. BOND. Mr. President, I ask unanimous consent that amendment to the concurrent resolution be agreed to, the resolution, as amended, be agreed to, the amendment to the preamble be agreed to and the preamble, as amended, be agreed to, the title amendment and the title, as amended, be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

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

The amendment (No. 3210) was agreed to.

The concurrent resolution (S. Con. Res. 88), as amended, was agreed to.

The preamble, as amended, was agreed to.

The Concurrent Resolution, with its preamble, reads as follows:

S. CON. RES. 88

Whereas the current financial crisis in Asia underscores the fact that the health of the international economic system depends on open, competitive markets;

Whereas structural reform in Japan is critical to the resolution of the Asian financial crisis;

Whereas for many years the United States Trade Representative has reported to Congress in the National Trade Estimate on numerous barriers to entering and operating in the Japanese market;

Whereas Japan's restrictive policies deny opportunities to United States companies and their workers seeking access to Japanese markets;

Whereas the United States Trade Representative has engaged over the last several years in an intensive review of the Japanese distribution system;

Whereas on June 16, 1996, the United States Trade Representative found that the Government of Japan created and tolerated a market structure that impedes United States exports of consumer photographic film and paper;

Whereas the European Union has sought to remove these same barriers to distribution that restrain European exports to Japan;

Whereas it is important that United States companies and workers not be disadvantaged by other countries following Japan's model of protecting its market through a closed distribution system and other market access barriers;

Whereas the Government of Japan has consistently stated that it is committed to deregulation, transparency, nondiscrimination, and open distribution systems accompanied by vigorous enforcement of competition laws;

Whereas the Government of Japan stated in recent proceedings of the World Trade Organization on consumer photographic film that it promotes distribution policies that make the Japanese market more open to imports and to actively discourage restrictive business practices; and

Whereas fulfilling these public statements would benefit both United States trade and Japanese consumers, significantly raising the standard of living in Japan: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) calls upon the Government of Japan to live up to the standards it has set for open competitive markets;

(2) calls upon the Government of Japan to fully support the representations that it made to a dispute settlement panel of the World Trade Organization regarding deregulation, transparency, nondiscrimination, open distribution systems, and vigorous enforcement of competition laws with respect to consumer photographic film and paper as well as other sectors, such as autos and auto parts, glass, paper and wood products, and telecommunications, that face similar market access barriers in Japan;

(3) urges the President, the United States Trade Representative, and other appropriate officers of the executive branch to exercise fully existing authority to achieve these objectives; and

(4) requests the President to report to Congress, not later than December 15, 1998, and not less frequently than every six months thereafter, regarding access to Japanese markets for consumer photographic film and paper.

The title was amended so as to read: ''A concurrent resolution calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.''

AUTHORIZING THE ADMINISTRATIVE ASSISTANT TO THE CHIEF JUSTICE TO ACCEPT VOLUNTARY SERVICES

Mr. BOND. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 461, S. 2143.

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

The clerk will report.

The bill clerk read as follows:

A bill (S. 2143) to amend chapter 45 of Title 28, U.S. Code, to authorize the Administrative Assistant to the Chief Justice to accept voluntary services, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 2143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION FOR VOLUNTARY SERVICES.

Section 677 of title 28, United States Code, is amended by adding at the end the following:

''(c)(1) Notwithstanding section 1342 of title 31, the Administrative Assistant, with the approval of the Chief Justice, may accept voluntary personal services to assist with public and visitor programs.

''(2) No person may volunteer personal services under this subsection unless the person has first agreed, in writing, to waive any claim against the United States arising out of or in connection with such services, other than a claim under chapter 81 of title 5.

''(3) No person volunteering personal services under this subsection shall be considered an employee of the United States for any purpose other than for purposes of—

''(A) chapter 81 of title 5; or

''(B) chapter 171 of this title.

''(4) In the administration of this subsection, the Administrative Assistant shall ensure that the acceptance of personal services shall not result in the reduction of pay or displacement of any employee of the Supreme Court.''.

Mr. BOND. Mr. President, I ask unanimous consent that the committee substitute amendment be agreed to, the bill be considered read the third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

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

The committee amendment was agreed to.

The bill (S. 2143), as amended, was considered read the third time, and passed.

URANIUM HEXAFLUORIDE USED IN RECYCLING

Mr. BOND. Mr. President, I ask unanimous consent that the Senate now turn to S. 2316, introduced yesterday by Senator MCCONNELL.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2316) to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3211

Mr. BOND. Mr. President, I send an amendment to the desk on behalf of Senator FORD and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND]for Mr. FORD, proposes an amendment numbered 3211.

The amendment is as follows:

On page 2, line 3 strike all after ''hexafluoride'' and insert the following:

consistent with the National Environmental Policy Act.

(b) LIMITATION.—Notwithstanding the privatization of the United States Enrichment

Corporation and notwithstanding any other provision of law (including the repeal of chapters 22 through 26 of the Atomic Energy Act of 1954 (42 U.S.C. 2297 et seq.) made by section 3116(a)(1) of the USEC Privatization Act (104 Stat. 1321–349)), no amounts described in subsection (a) shall be withdrawn from the United States Enrichment Corporation Fund established by section 1308 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–7) or the Working Capital Account established under section 1316 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–15) until the date that is 1 year after the date on which the President submits to Congress the budget request for fiscal year 2000.

(c) SENSE OF THE SENATE—It is the Sense of the Senate that Congress should authorize appropriations during fiscal year 2000 in an amount sufficient to fully fund the plan described in subsection (a).

Mr. FORD. Mr. President, I am pleased to join in cosponsoring S. 2316, which earmarks a portion of Treasury funds obtained through the privatization of the United States Enrichment Corporation for the clean up of depleted uranium hexafluoride, or so-called uranium ''tails.'' The legislation earmarks roughly $335 million for this cleanup, preserving authority to conduct the treatment and recycling of depleted uranium tails.

However, none of the money will be spent unless Congress appropriates such funding. I am pleased that my amendment has been added to this bill which puts the Senate on record in support of fully appropriating funds to implement a cleanup plan to be developed by the Secretary of Energy. It is a two way street, Mr. President. I agree that the Secretary of Energy should immediately develop a plan to clean up the depleted uranium tails. But I also believe Congress should respond quickly to appropriate the necessary funds.

Three weeks ago, the Administration announced that the USEC Board had approved the privatization of USEC through an initial public offering of stock in the new Corporation. This will be the largest federal privatization effort since Conrail, establishing a $2.4 billion private corporation to enrich uranium for nuclear power production and compete in world markets. I have been involved in this effort for more than a decade. It directly affects 2,200 workers in Paducah, Kentucky who work at one of the two gaseous diffusion plants operated by USEC.

As part of this transaction, a $1.7 billion ''exit dividend'' is to be paid to the Treasury. This legislation assures that an appropriate portion of those funds will be available for clean up at the existing USEC facilities. And it also puts the Senate on record in support of future appropriations for clean up purposes.

Among the reasons for obtaining these assurances is the employment situation at the two USEC plants. One of the great myths some are promoting is the suggestion that the privatization is causing 600 job losses at the two plants over the next two years. This is simply not the case. The job losses were apparently likely regardless of whether privatization went forward. As part of the privatization agreement, the new corporation has agreed to operate both existing plants through January, 2005. However, some job reductions will occur. The job impact was likely in the event that USEC remained as a government corporation and did not privatize. And it is equally likely in the short-term if privatization goes forward. They are a reality and we must deal with this situation. The privatization transaction provides $50 million to begin clean up efforts at the two plants. This legislation adds to that amount, earmarking an amount necessary to fully fund the estimated clean up liability for all uranium tails acquired since July 1993. Once enacted, it will be the responsibility of the Secretary of Energy to develop an adequate clean up plan. And just as importantly, it will be the responsibility of the Congress to appropriate funds which are sufficient to fully implement the clean up plan.

I believe any individuals who lose their jobs at either of the existing two facilities should be given a preference in obtaining these clean up jobs, and I will be urging the Administration to provide such a preference in the months ahead.

A second great myth associated with privatization is that there is a large pot of money laying around which could be spent on clean up. That is not the case. First of all, upon privatization, the authority to spend the so-called ''exit dividend'' will expire unless we pass this bill. Time is of the essence. Second, even if the authority is preserved, none of the exit dividend may be spent unless Congress appropriates the funds. That is why our Sense of the Senate language is important. When we return to this issue in the future, it is essential that Congress act expeditiously to appropriate the funds. So I think this is a timely bill and strongly support its adoption.

I also support the privatization decisions which have been made by the Administration and by the USEC Board. There is little question that the current course of action is in the best long-term interest of the employees at the Paducah facility. As a private corporation, USEC will be more efficient. It will be better suited to enter into long-term contracts and recapture its world market share for uranium enrichment. It will be better suited to implement the technology of the future, which many believe will be the Atomic Vapor Laser Isotope Separation (AVLIS) technology. And it will be better suited to provide for the long-term employment of the workers at the two current facilities.

Mr. President, I urge the passage of this bill and will continue to work with my colleagues to get this proposal to the President's desk in the days ahead.

Mr. MCCONNELL. Mr. President, this bill will ensure that the Department of Energy is not stuck with a massive unfunded mandate as a result of the privatization of the United States Enrichment Corporation. This bill will ensure that both the workers at Paducah, Kentucky and Portsmouth, Ohio as well as the environment are made a top priority.

Last month the Administration, the Department of Energy and the USEC Board came to a decision on privatization of the United States Enrichment Corporation. The deal, however, put USEC first and taxpayers, workers and the environment last.

As proposed, the USEC privatization will have a devastating effect on jobs. The Administration has stated that 600 jobs will be lost in the first two years and admits that there is a real possibility that additional job losses would occur in the following years. Something must be done to alleviate the economic impact of this legislation, and I am hopeful that a serious clean up effort will mitigate some of the job losses.

Unless we prevent this transfer of funds from USEC to the General Treasury, taxpayers will be stuck with a massive unfunded environmental liability if this funding doesn't remain dedicated to clean up. Considering the Department of Energy's track record on cleaning up its own depleted uranium tails that have been stockpiled for the past forty years, it would be a big mistake if we allowed USEC to add an additional 9,000 canisters to the tens of thousands of canisters in the Department's inventory without the funds already earmarked and allocated to cleaning up this environmental nightmare.

I am willing to accept the amendment by Senator FORD in order to secure the nearly $400 million. Senator FORD's amendment adds language to ensure that this clean up effort remains consistent with National environmental Policy Act and adds a brief Sense of the Senate that Congress should fully fund the President's request.

I want to be absolutely clear, this amendment simply restates current law. This bill like any other, is subject to NEPA standards. However, it must not be an excuse for the Administration to slow down the implementation of a clean up plan.

Mr. President, I welcome the support of Senator FORD for this legislation and I look forward to passing it in a timely fashion so the Administration does not privatize USEC until we can ensure that workers and the environment in Western Kentucky and Southeast Ohio are made a top priority.

Mr. BOND. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be considered read the third time, and passed, and the motion to reconsider be laid upon the table, all without any intervening action or debate.

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

The amendment (No. 3211) was agreed to.

The bill (S. 2316), as amended, was considered read the third time, and passed, as follows:

S. 2316

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. UNITED STATES ENRICHMENT CORPORATION.

(a) PLAN.—The Secretary of Energy shall prepare, and the President shall include in the budget request for fiscal year 2000, a plan and proposed legislation to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to commence construction of, not later than January 31, 2004, and to operate, an onsite facility at each of the gaseous diffusion plants at Paducah, Kentucky, and Portsmouth, Ohio, to treat and recycle depleted uranium hexafluoride consistent with the National Environmental Policy Act.

(b) LIMITATION.—Notwithstanding the privatization of the United States Enrichment Corporation and notwithstanding any other provision of law (including the repeal of chapters 22 through 26 of the Atomic Energy Act of 1954 (42 U.S.C. 2297 et seq.) made by section 3116(a)(1) of the United States Enrichment Corporation Privatization Act (104 Stat. 1321–349), no amounts described in subsection (a) shall be withdrawn from the United States Enrichment Corporation Fund established by section 1308 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–7) or the Working Capital Account established under section 1316 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–15) until the date that is 1 year after the date on which the President submits to Congress the budget request for fiscal year 2000.

(c) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should authorize appropriations during fiscal year 2000 in an amount sufficient to fully fund the plan described in subsection (a).

ORDERS FOR FRIDAY, JULY 17, 1998

Mr. BOND. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9 a.m. on Friday, July 17. I further ask that when the Senate reconvenes on Friday, immediately following the prayer, the routine requests through the morning hour be granted, and the Senate then proceed to stacked votes ordered with respect to the HUD-VA appropriations bill.

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

PROGRAM

Mr. BOND. Mr. President, for information of all Senators, there will be a series of votes beginning at 9 a.m. on Friday, with all succeeding votes in the series be limited to 10 minutes each. Hopefully, that series of votes will include passage of the HUD-VA appropriations bill. The Senate is also expected to consider the legislative appropriations bill. However, any votes ordered with respect to Legislative Branch bill will be postponed to occur on Tuesday, July 21, at a time to be determined by the two leaders.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. BOND. Mr. President, if there is no further business to come before the Senate, I now ask the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 11:55 p.m., adjourned until Friday, July 17, 1998, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 16, 1998:

DEPARTMENT OF THE TREASURY

JOHN D. HAWKE, JR., OF THE DISTRICT OF COLUMBIA, TO BE COMPTROLLER OF THE CURRENCY FOR A TERM OF FIVE YEARS, VICE ALLAN LUDWIG, RESIGNED.

DEPARTMENT OF STATE

JOHN MELVIN YATES, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CAMEROON.

EXTENSIONS OF REMARKS

MIGRATORY BIRD HUNTING AND CONSERVATION STAMP PROMOTION ACT

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. CUNNINGHAM. Mr. Speaker, I rise today to introduce the Migratory Bird Hunting and Conservation Stamp Promotion Act. I am proud to be joined by my fellow Sportsmen's Caucus co-chairman Representative JOHN TANNER and the distinguished members of the Migratory Bird Conservation Committee, Representative JOHN DINGELL and Representative CURT WELDON. This legislation will enable the Federal Duck Stamp office to use the Migratory Bird Conservation Funds (MBCF) to create a promotional program that will increase the sales of the duck stamps, just as the Postal Service uses its postage revenues to promote stamp sales and stamp collecting.

Since the Federal Duck Stamp was created on March 16, 1934, it has been one of America's most successful conservation initiatives. Since 1934, more than $500 million has been raised through the purchase of Federal Duck Stamps. Indeed, 98 percent of the program's revenue has been dedicated to the purchase of prime wildlife habitat. It has made possible the purchase of more than 500 million acres of wildlife habitat benefiting waterfowl, other migratory birds, and wildlife in general.

Unfortunately, duck stamp sales have leveled off in recent years due to the absence of additional markets for the duck stamp. This act will permit a broader promotion of the stamp, increasing stamp revenues, that will allow more habitat to be purchased and protected.

This legislation is supported by the U.S. Federal Wildlife Service and the Federal Duck Stamp Office. I encourage all of my colleagues to join me by cosponsoring this legislation.

RECOGNIZING SCOTT ELARTON

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to recognize the exemplary achievements of Scott Elarton who was recently called to pitch for the Houston Astros, a National League Baseball club. Elarton is the 22 year old son of L.D. and Mary Elarton of Lamar, Colorado.

Elarton, who was Valedictorian of the Lamar High School class of 1994 and forfeited a full-ride scholarship to Stanford in order to play professional baseball, has enjoyed success in the National Baseball League. He was 9–4 with a 4.01 ERA in 14 starts for the Class–AAA Pacific Coast League in New Orleans. In his first four minor-League seasons, Elarton went 44–23 with a 3.50 ERA in 96 starts. His best season was 1996, when he was 12–7 with a 2.92 ERA at Kissimmee in the Class–A Florida State League. Last year in 20 starts at Jackson in the Double–A Texas League, Elarton was 7–4 with a 3.24 ERA and leading the league in strikeouts. Elarton also made headlines when, pitching in Puerto Rico during the winter, he threw the league's first no-hitter in 15 years against a lineup that featured eight major-league players.

Elarton pitched his first major-league game in Houston against the Cincinnati Reds on June 20. However, the Colorado native soon found himself back at home pitching against the Colorado Rockies in front of a crowd including three hundreds fans who traveled from Lamar to see their favorite player.

As a Member of Congress representing the Fourth District in Colorado, I am proud to recognize this fine young man for the excellence he has achieved in every aspect of his life. He is a tremendous example of the success found when hard work and dedication are coupled with integrity. He is an asset to his community as he serves as a role model for young men and women. I feel privileged to represent Scott Elarton and his family and congratulate them on this milestone.

TAX CUT OPPORTUNITY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. GINGRICH. Mr. Speaker, I would like to commend to the attention of my colleagues the following article, "Tax Cut Opportunity," written by Pete Du Pont for the June 18, 1998, edition of the Washington Times. This article notes the opportunity before us to reduce the tax burden on American citizens at this time of peace and prosperity.

[From the Washington Times, June 18, 1998]

TAX CUT OPPORTUNITY

(By Pete Du Pont)

As any healthy liberal will tell you, in times of war, pestilence, recession or social disorder, government spending must increase to meet the challenge. And so taxes must increase as well to pay the costs of government intervention.

But what of good times? In times of peace, prosperity, growth and harmony, should government spending and taxes still increase?

Surely the answer is no. In good times the rate of government should shrink. And so it is time for a significant tax cut.

There are many ways to cut taxes: end the marriage penalty, reduce the capital gains tax rate, or eliminate death taxes, for example.

But the best way is to cut income tax rates across the board by 23 percent. Why that amount? Because that would bring tax revenues as a share of gross domestic product (GDP) back to what they were when President Clinton took office. But since government tax receipts have increased 35 percent since 1993, the 23 percent tax cut is far less than the five-year increase in revenues.

Recall that when Mr. Clinton took office in 1993, one of his first legislative acts was to increase taxes. Revenues have increased by approximately a tenth of a percent of GDP every single quarter since Bill Clinton became president.

Revenues were 19 percent of GDP in the first quarter of 1993 when he took office. They have risen almost continuously each quarter since then, and federal revenue now stands at 21.5 percent of GDP as of fourth-quarter 1997. With the GDP at $8 trillion, this is equivalent to a tax increase of $8 billion every three months for the last five years.

But suppose instead the fiscal policy of the Congress had been to hold the percentage of GDP consumed by taxes constant. Government revenues would have increased over the five years by $292 billion (24 percent), and the taxpayers would have received a tax cut of $419 billion, which is $1,558 per person or $6,230 for a family of four. We could have cut federal taxes by $172 billion last year, and taxes as a share of GDP would have been no lower than they were before Mr. Clinton became president.

Despite the small tax cut enacted by Congress in 1997, forecasts indicate revenues as a share of GDP will remain at historically high levels for the foreseeable future. Last month, the Congressional Budget Office reported that revenues will be at least 21 percent of GDP until at least the year 2000, and are expected to be at least 20 percent of GDP until the year 2050. To borrow a phrase, rapidly increasing revenues stretch as far as the eye can see.

We are living in the best of times, in peace and prosperity. Our budget is balanced, our revenues are in surplus. Yet our tax burden is as high as it has ever been—in times of peace and war, in good times or bad. Now is the time to restore some balance in our fiscal policies. Now is the time to reduce the percentage of GDP taken by taxes back to its 1992 level.

Congress could do many things with the tax code to reduce its burden on us. But the best thing, the fairest thing, is to enact a 23 percent cut in federal income taxes. By reducing federal income tax rates by 23 percent, we would effectively restore the tax burden to its pre-Clinton level.

The United States is experiencing an unprecedented economic boom, and an unprecedented period of peace. Our current federal tax levels reflect neither of these realities. When the world is at peace, the budget is balanced and the economy the strongest in decades, tax policy should reflect the times in which we now live: peace and prosperity.

The time for a tax cut is today.

TROPICAL FOREST CONSERVATION ACT OF 1998

SPEECH OF

HON. KEVIN BRADY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. BRADY of Texas. Mr. Speaker, while I appreciate the efforts of the gentleman from

Ohio, Mr. PORTMAN, and his desire to protect tropical rainforests worldwide, I wish to again go on record in strong opposition to H.R. 2870, the Tropical Forest Conservation Act.

As you know, I voiced my opposition to this when it passed the House International Relations Committee by voice vote, and voted ''no'' again when the House approved it by a vote of 356–61 on March 19, 1998.

Mr. Speaker, my concerns are simple. Foremost is the cost of this legislation. Specifically, the bill wastes more than $300 million in existing resources over three years to facilitate ''debt-for-nature'' swaps with foreign countries.

This measure in effect forgives U.S. debts which are unlikely to be repaid fully by less developed countries. In exchange, these countries promise to protect their tropical forests. Common sense tells us a country that claims to lack the financial resources to repay its debts is unlikely to have the financial resources to restore and preserve their rain forests. More importantly, why should America pay another sovereign nation to do what is clearly their responsibility and in their own best interest? This ''pay me or I'll shoot myself'' scheme makes little sense.

As a businessman who survived the Texas recession in the 1980's and watched our local banks address the difficulty of non-performing loans, my other concern is a basic one: Is this the best and highest return for American loans financed by the hard-earned tax dollars of working families who struggle to make ends meet each month? The answer is no.

Loans made in good faith by United States taxpayers should be repaid in full, or in unique situations worked out for the highest and best return for the dollar. H.R. 2870, while well intentioned, is ''feel good'' legislation that leaves American taxpayers holding an empty bag and, I predict, will do little to preserve the world's rain forests.

SHARING SOLUTIONS

HON. JIM GIBBONS

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. GIBBONS. Mr. Speaker, last week, the President invited people to the White House so he could share his concerns on school violence.

Once again, however, I'm afraid the President is headed in the wrong direction.

He has called for a federal manual on school violence—to be created here in Washington, D.C.—and directed at our local teachers, parents, and communities.

Well, Mr. Speaker, Nevadans have a better idea. Recently, we held a ''Town Summit on School Violence'' in Reno Nevada to gather local input on possible solutions. Local solutions that we would then send back here to Washington, telling the President how we want to solve our own problems.

Like most states, Nevadans are tired of the Washington borne, ''Washington knows best,'' ''The Washington way or the highway,'' attitudes here.

Local problems require local solutions and I commend all Nevadans who supported and participated in this important event.

I would encourage all members to hold similar events throughout their districts and to share their solutions with us—the safety and future of our children demand no less.

PERSONAL EXPLANATION

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. CLEMENT. Mr. Speaker, on rollcall vote No. 284, I was unavoidable detained on official business. Had I been present, I would have voted ''nay.''

RECOGNIZING VICTOR WALTERS

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to recognize the achievements of 8-year-old Victor Walters of Limon, Colorado who was recently named National Second-Grade Handwriting Champion. This is the second consecutive year he has received this national honor. The contest was sponsored by Zaner-Bloster, a manufacturer of pens and publisher of educational handwriting texts. Victor is the son of Ronald and Roberta Walters.

Walters, who received his award and a $500 savings bond in a surprise ceremony at Limon Elementary School, was able to dash off the winning entry with a handicap. Victor's mother reported that the morning of the contest, his finger felt sore, but he decided to carry a Band-Aid in his backpack rather than wearing it on his hand for fear that it might hinder his writing style.

The penmanship awards won by Limon Elementary School Students have prompted the University of Colorado at Denver to conduct a research project at Limon to look at the link between good penmanship and overall academic performance.

As a Member of Congress representing the Fourth District of Colorado, I am proud of the accomplishments of this young man. Victor Walters has demonstrated his commitment to excellence and I congratulate him on his success.

Mr. Speaker, I hereby submit for the RECORD a copy of an article about Victor which recently appeared in the Denver Post.

BOY HANGS TOUGH, NAILS DOWN 2ND HANDWRITING WIN

(By Nancy Lofholm)

Not even a hangnail can stop a national handwriting champ.

Victor Walters, an 8-year-old from Limon, once again topped 125,000 other penmanship pupils across the country and was named National Second-Grade Handwriting Champion today. The contest was sponsored by Zaner-Bloser, a manufacturer of pens and publisher of educational handwriting texts.

Walters, who will receive his award and a $500 savings bond in a surprise ceremony at Limon Elementary School this morning, was able to dash off the winning entry with a handicap.

His mother, Roberta Walters, said he had a sore finger the morning of the competition and was afraid he wouldn't be able to write well. He opted to carry a Band-Aid in his backpack rather than putting it on his finger, where it might hinder his writing style.

''He was worried, but when he came home he was real excited. He knew he did real well that day,'' said Walters. ''He didn't have to erase very often.''

What he didn't know until this morning was that he had won the award for the second year in a row. His parents and teachers in the Eastern Plains town of 2,500 wanted to keep the award under wraps until Victor could be honored in front of his 350 fellow students.

''He's been real antsy waiting to hear,'' said his dad, Ronald Walters.

Ronald, a case manager at the state correctional facility in Limon, said his son's talent—one he doesn't believe was inherited—has affected his own on-the-job script.

''My writing's not too good,'' Ronald said. ''I find myself scribbling, and I think of my son and try to bring myself back into line again.''

Victor's back-to-back achievements, as well as Limon student Bethany Head's win at the state level in her first-grade class three years ago, have also affected the school.

Principal Valerie Bass said the University of Colorado at Denver will be doing a research project at Limon to look at the link between good penmanship and overall academic performance. ''We're very proud. A lot of our students have good penmanship,'' Bass said.

Someday, Victor may be doing his bit to carry on that tradition. He wants to be a teacher. His parents said he plays school every day with his 5-year-old sister, Ashley, and penmanship is one of the favorite play-school subjects.

Zaner-Bloser gives out the penmanship awards annually to promote good penmanship and also to publicize the pitfalls of messy writing. The company has compiled statistics showing that 38 million letters go undelivered annually because of illegible addresses, 58 percent of information on hospital charts is illegible and 66 percent of teachers say schools should place a higher priority on handwriting.

PATIENT PROTECTION ACT

HON. DAVID L. HOBSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. HOBSON. Mr. Speaker, I rise today in strong support of the House Republican Health Care Proposal, the Patient Protection Act. I believe this bill strikes a good balance between protecting patient rights without the heavy hand of big government. I am excited about many of the large protections in this bill, like giving patients a better and quicker appeal process when the HMO denies their claim, lifting any gag orders on physicians to ensure that patients are better informed, and providing greater access to specialists for women and children. I am equally excited about how this bill addresses the frustrating problems that upset so many people about their HMOs.

I am sure that many of you are like me in that every week I get a letter or call from someone upset because the HMO decides that the plan will no longer cover a specific prescription drug. Our bill will require HMOs to give at least 30 days notice before the HMO can remove a drug from the coverage list. These 30 days are essential in the care of the

patient, and for the physician-patient relationship. With the 30 day notice a physician can work with the patient and the local pharmacist to determine which drugs are suitable alternatives. It will also give the physician the opportunity to educate the HMO plan when he has a patient that has shown little or no progress with any of the alternatives on the plan's approved drug list.

I want you all to understand that this can be a life saving decision. Just last week I learned of a cancer patient that was experiencing great success with a drug that shrinks tumors. After paying for three treatments, the HMO arbitrarily removed the drug from their coverage list without any warning to the patient or physician. Because traditional treatments had not worked, by the time the appeal process was completed the patient was dead. Let's not allow this tragedy to repeat itself—support the Patient Protection Act.

TRIBUTE TO THE CITY OF CHOWCHILLA

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to The City of Chowchilla. This year marks the 75th Anniversary of the founding of Chowchilla, a thriving community in the County of Madera. Chowchilla is a productive and progressive community leading the way into the 21st Century.

In 1912, Chowchilla began to emerge from a cattle ranch of 108,000 acres to what would become a busy community rich in agriculture and commerce. In 1913, the conversion of the vast cattle ranch to diversified farming began. It was at this time when the first bank was started, the first school building was erected, and the first church was organized. A community newspaper was established and water was brought forth from 33 artesian wells.

The year 1914 brought further growth to the city and its facilities when the Chowchilla Pacific Railroad was completed. Electroliers were installed on two streets for a distance of a mile. Shortly there after, the community held its first fair, founded the Woman's Improvement Club and organized the first baseball team.

Today, The City of Chowchilla has grown to a population of 4,500 people and is a thriving agriculture and manufacturing community whose grain, cotton and dairy products make the city a vital element of California's economy.

Mr. Speaker, it is with great honor that I pay tribute to the City of Chowchilla on its 75th Anniversary. Chowchilla is a flourishing agricultural and commercial community leading the way into the 21st Century. I ask my colleagues to join me in wishing the City of Chowchilla many more years of success.

RECOGNIZING ROBERT ''BUDDY'' LOCHRIE UPON HIS RETIREMENT

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. SHAW. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the distinguished career of a friend, fellow Floridian and outstanding community leader. I am speaking of Robert ''Buddy'' Lochrie, Jr., who will retire from his position as Vice Chairman of Sun Trust, South Florida, N.A., at the end of the month.

Buddy is the third generation of a prominent family in Broward County, Florida. His grandfather, John Lochrie, began annual visits in 1917, built a home in 1923 and developed several citrus groves west of Fort Lauderdale and Fort Pierce. In 1928 he joined the group which organized the Broward Bank and Trust Company and became its first president, a position he held until his death in 1937.

Buddy's father, Robert B. Lochrie, was a director of the bank for forty-two years, and a founder and director of each affiliate bank. He was one of the founders of Broward Banchares, Inc., of which he served as chairman from 1970 to 1976. Both John Lochrie and Robert B. Lochrie served as officers without compensation, other than regular directors' fees.

Buddy was elected to the boards of three affiliated banks in the Broward group in 1968, while serving as assistant to U.S. Congressman Paul G. Rogers in Washington, DC. In 1970, he was asked to join the company to handle regulatory, governmental and community affairs. Subsequently, he served as Executive Vice President, Treasurer and as a member of the board. After the merger with Sun Banks of Florida in 1983, he became Chairman and CEO of SunBank, South Florida and Vice Chairman when this bank and the Palm Beach SunBank merged.

During his career, Buddy has served as Chairman of the Florida Bankers Association Federal Legislative Committee and a director of the American Bankers Association Political Action Committee, as well as chairman of the Banking Division of the state association.

Statewide activities have included serving on the boards of the Florida Trust for Historic Preservation, the Judicial Nominating Commission and the Florida Christopher Columbus Commission, as a Trustee of the Florida State Ringling Museum of Art.

From 1993 to 1996, Buddy served on the Board of Community Health Purchasing Alliance (CHIPA), District 10, at the request of the Governor of Florida. CHIPA was set up by the State Agency for Health Care Administration to expand health insurance coverage to small business owners and their employees.

Buddy has been Chairman of the Broward Center Performing Arts Foundation since its inception more than twelve years ago. During his tenure, the Foundation has raised more than twenty-three million dollars to support the Center and its programming. This achievement set a new milestone in the amount of money raised for a single purpose building campaign in Broward County.

Buddy's local community involvement also includes: Chairman of Fort Lauderdale Downtown Development Authority, Chairman of the Broward Chapter of the National Conference of Christian and Jews, Vice Chairman of the South Florida Community Television Foundation (Channel 2), Broward Chair of the Archbishop's Charities Drive, Vice Chairman of the Broward Workshop, Board Member of the Urban League of Broward, Board Member of the United Way of Broward County, Board Member of Fort Lauderdale Chamber of Commerce, Board Member Florida Philharmonic Orchestra, Board Member of South Florida Sports Authority, Board Member of Museum of Art, Member of the Opera Guild, Member of the Port Everglades Association.

Buddy is married to Susan Fry of Fort Lauderdale, and this year they celebrated their thirty-first wedding anniversary. They have three children. Two sons, Robert and Glenn, were born in Washington, DC, and a daughter, Katherine (Kate), was born in Fort Lauderdale. All three children have made Broward County their permanent home. Susan and Buddy share many of the same civic interests. Susan is a guidance counselor at Central Park Elementary and was recognized in 1997–1998 as guidance Counselor of the Year for Broward County.

This is indeed a record of outstanding achievement and community involvement. I wish Buddy and his family much happiness and success in the future.

UNFAIRNESS IN TAX CODE: MARRIAGE TAX PENALTY

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. WELLER. Mr. Speaker, I rise today to highlight what is arguably the most unfair provision in the U.S. Tax code: the marriage tax penalty. I want to thank you for your long term interest in bringing parity to the tax burden imposed on working married couples compared to a couple living together outside of marriage.

I would also like to commend the leadership of House budget Chairman Kasich for including elimination of the marriage tax penalty as a top priority in his budget resolution. The Republican House Budget Resoluiton will save a penny on every dollar and use those savings to relieve families of the marriage penalty and restore a sense of justice to every man and woman who decides to get married.

Many may recall in January, President Clinton gave his State of the Union Address outlining many of the things he wants to do with the budget surplus.

A surplus provided by the bipartisan budget agreement which: cut waste; put America's fiscal house in order; and held Washington's feet to the fire to balance the budget.

While President Clinton paraded a long list of new spending totaling at least $46–$48 billion in new programs—we believe that a top priority should be returning the budget surplus to America's families as additional middle-class tax relief.

This Congress has given more tax relief to the middle class and working poor than any Congress of the last half century.

I think the issue of the marriage penalty can best be framed by asking these questions: Do Americans feel its fair that our tax code imposes a higher tax penalty on marriage? Do

Americans feel its fair that the average married working couple pays almost $1,400 more in taxes than a couple with almost identical income living together outside of marriage? Is it right that our tax code provides an incentive to get divorced?

In fact, today the only form one can file to avoid the marriage tax penalty is paperwork for divorce. And that is just wrong!

Since 1969, our tax laws have punished married couples when both spouses work. For no other reason than the decison to be joined in holy matrimony, more than 21 million couples a year are penalized. They pay more in taxes than they would if they were single. Not only is the marriage penalty unfair, it's wrong that our tax code punishes society's most basic institution. The marriage tax penalty exacts a disproportionate toll on working women and lower income couples with children. In many cases it is a working women's issue.

Let me give you an example of how the marriage tax penalty unfairly affects middle class married working couples.

For example, a machinist, at a Caterpillar manufacturing plant in my home district of Joliet, makes $30,500 a year in salary. His wife is a tenured elementary school teacher, also bringing home $30,500 a year in salary. If ythey would both file their taxes as singles, as individuals, they would pay 15%.

MARRIAGE PENALTY EXAMPLE IN THE SOUTH SURBURBS

	Machinist	School teacher	Couple	Weller/McIntosh II
Adjusted gross income	$30,500	$30,500	$61,000	$61,000
Less personal exemption and standard deduction	6,550	6,550	11,800	13,100 (Singles X 2)
Taxable income	23,950	23,950	49,200	47,900
	(X .15)	(X .15)	(Partial X .28	(X .15)
Tax liability	3592.5	3592.5	8563	7,185

Notes: Marriage penalty: $1,378.
Weller-McIntosh II Eliminates the Marriage Tax Penalty—Relief: $1,378.

But if they chose to live their lives in holy matrimony, and now file jointly, their combined income of $61,000 pushes them into a higher tax bracket of 28 percent, producing a tax penalty of $1400 in higher taxes.

On average, America's married working couples pay $1,400 more a year in taxes than individuals with the same incomes. That's serious money. Millions of married couples are still stinging from April 15th's tax bite and more married couples are realizing that they are suffering the marriage tax penalty.

Particularly if you think of it in terms of: a down payment on a house or a car; one years tuition at a local community college; or several months worth of quality child care at a local day care center.

To that end, Congressman DAVID MCINTOSH and I have authored the Marriage Tax Penalty Elimination Act.

The Marriage Tax Penalty Elimination Act will increase the tax brackets (currently at 15% for the first $24,650 for singles, whereas married couples filing jointly pay 15% on the first $41,200 of their taxable income) to twice that enjoyed by singles; the Weller-McIntosh proposal would extend a married couple's 15% tax bracket to $49,300. Thus, married couples would enjoy an additional $8,100 in taxable income subject to the low 15% tax rate as opposed to the current 28% tax rate and would result in up to $1,053 in tax relief.

Additionally the bill will increase the standard deduction for married couples (currently $6,900) to twice that of single (currently at $4,150). Under the Weller-McIntosh legislation the standard deduction of married couples filing jointly would be increased to $8,300.

Our new legislation builds on the momentum of their popular H.R. 2456 which enjoyed the support of 238 cosponsors and numerous family, women and tax advocacy organizations. Current law punishes many married couples who file jointly by pushing them into higher tax brackets. It taxes the income of the families' second wage earner—often the women's salary–at a much higher rate than if that salary was taxed only as an individual. Our bill already has broad bipartisan cosponsorship by Members of the House and a similar bill in the Senate also enjoys widespread support.

It isn't enough for President Clinton to suggest tax breaks for child care. The President's child care proposal would help a working couple afford, on average, three weeks of day care. Elimination of the marriage tax penalty would give the same couple the choice of paying for three months of child care—or addressing other family priorities. After all, parents know better than Washington what their family needs.

We fondly remember the 1996 State of the Union address when the President declared emphatically that, quote ''the era of big government is over.''

We must stick to our guns, and stay the course.

There never was an American appetite for big government.

But there certainly is for reforming the existing government does business.

And what better way to show the American people that our government will continue along the path to reform and prosperity than by eliminating the marriage tax penalty.

Ladies and Gentleman, we are on the verge of running a surplus. It's basic math.

It means Americans are already paying more than is needed for government to do the job we expect of it.

What better way to give back than to begin with mom and dad and the American family—the backbone of our society.

We ask that President Clinton join with Congress and make elimination of the marriage tax penalty . . . a bipartisan priority.

Of all the challenges married couples face in providing home and hearth to America's children, the U.S. tax code should not be one of them.

Lets eliminate The Marriage Tax Penalty and do it now!

WHICH IS BETTER?

NOTE: The President's Proposal to expand the child care tax credit will pay for only 2 to 3 weeks of child care. The Weller-McIntosh Marriage Tax Elimination Act HR 2456, will allow married couples to pay for 3 months of child care.

Which is better, 3 weeks or 3 months?

CHILD CARE OPTIONS UNDER THE MARRIAGE TAX ELIMINATION ACT

	Average tax relief	Average weekly day care cost	Weeks day care
Marriage tax elimination act	$1,400	$127	11

CHILD CARE OPTIONS UNDER THE MARRIAGE TAX ELIMINATION ACT—Continued

	Average tax relief	Average weekly day care cost	Weeks day care
President's child care tax credit	358	127	2.8

PERSONAL EXPLANATION

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. CLEMENT. Mr. Speaker, on rollcall vote No. 283, I was unavoidably detained on official business. Had I been present, I would have voted ''nay.''

RECOGNIZING BRYCE WEAVER

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to recognize 6-year old Bryce Weaver of Fort Collins, Colorado who recently won second place in the fourth-annual Reading Rainbow Young Writers and Illustrators Contest. ''The Colors of the Rainbow'' by Weaver was chosen from more than 340 entries. The Contest was sponsored by the Rocky Mountain Public Broadcasting Network Inc., which airs the Reading Rainbow children's series on KRMA–TV.

Weaver, a kindergartner at Krause Elementary School in Fort Collins, enjoys story telling and is excited to learn to read books on his own. Weaver's mom, Laura helped by writing down the story her son told her. Weaver used crayons for the illustrations. I commend to the Members of the 105th Congress, Bryce's creative story.

''THE COLORS OF THE RAINBOW''

(By Bryce Weaver)

''Once there was a rainbow who was sad because he didn't have any colors. So he went on a journey to find some colors and make himself beautiful.

''He spotted some orange trees, and he ate the oranges. YUM! Now he had the color orange.

''The rainbow went off on his journey again. He saw some red apple trees, and ate them. He got the color red.

''Next, the rainbow found some nice green grass, and he ate it. A green strip showed up next to the others

''At night, the rainbow looked up and saw the yellow moon. He thought, ''There is a color I don't have'' and he took a bite.

''He was off on his journey again and saw some sparkles. It was fresh clean water. He took a sip and got the color blue.

''The rainbow turned around and saw a picnic blanket with some purple grapes on it. He ate them and got a purple stripe.

''Some children came back to the park and saw the rainbow. They were so surprise, they shouted 'WOW, what a beautiful rainbow! The rainbow was happy.

''The end.''

As a Member of Congress representing the Fourth District of Colorado, I am pound to present Bryce Weaver and his family, I believe that Bryce is an inspiration to others through his creativity and I congratulate him on this great success.

A TRIBUTE TO JACK BERKLEY

HON. JERRY MORAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. MORAN of Kansas. Mr. Speaker, I rise today to reflect on the passing of an outstanding man and great Kansan, Jack Belmont Berkley of Stockton, KS, who died last month at the age of 73.

Mr. Berkley was born June 25, 1923, in Hill City and was a resident of Stockton since 1956. A veteran of World War II, Jack served proudly as a member of the Army Air Corps and later was a member of both the local VFW post and the American Legion.

As a pillar of the community, Jack was involved in the banking industry for most of his life. Banking in small towns like Tescott and Stockton, business growth is often the result of risks taken together by a small town banker and a local business owner. At the Stockton National Bank, Jack was the bank president from 1961, and served for over 35 years in that capacity. In addition, Jack was also a leader in his community as an active member of the First Congregation Church and several local civic clubs and organizations.

Mr. Speaker, it is humble, dedicated men such as Jack Berkley that have helped shape our communities and this nation. As soldiers in war or stewards in peace, such men have defined our national heritage and have served as powerful examples for future generations. He will be missed by his family, friends, neighbors and associates throughout Kansas. I ask you to join me in paying tribute to Jack Belmont Berkley and his lifetime of service to his nation and state.

HONORING THE ILLINOIS & MICHIGAN CANAL: A PRECIOUS PIECE OF OUR NATION'S HISTORY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. LIPINSKI. Mr. Speaker, 150 years ago, the Illinois & Michigan Canal was completed. Built from 1836 to 1848, the I&M Canal was the catalyst for the evolution of Chicago from a backwards settlement on the shore of Lake Michigan into the hustling metropolis referred to as the gateway to the American West. Followed later by the railroads and the Sanitary and Ship Canal, which played critical roles in the continued development of Chicago and the Midwest, the I&M Canal was the catalyst. It was the one of the first and certainly one of the most notable infrastructure projects that changed the landscape of Chicago and the American heartland forever, and it made an indelible mark in America's psyche as Chicago became one of the nation's largest transportation hubs.

The canal linked Lake Michigan with the Illinois River in LaSalle/Peru and made it possible to ship cargo from the Atlantic Ocean through the Great Lakes to the Mississippi River and down to the Gulf of Mexico. The canal was 60 feet wide and 6 feet deep along its entire length, and cargo was carried on barges pulled by mules. The I&M Canal stimulated economic development along its path, and particularly in Chicago.

Recognizing the rich heritage and recreational opportunities of the I&M Canal, Congress designated it as the first National Heritage Corridor in 1984, the first ''partnership park'' of its kind, which is now a model for such parks throughout the nation. Presently, over 10 such parks exist in the U.S., and it was the I&M Corridor that started it all. Along with the designation, Congress also created a Commission to coordinate the efforts and resources of federal, state, and local agencies.

My esteemed colleagues from the Illinois congressional delegation recognize the importance of the canal, too. Last year, I introduced legislation that would extend the I&M Canal National Heritage Corridor Commission for another five years to 2004. Nearly the entire delegation from my home state have cosponsored my legislation. They placed their bipartisan support behind the legislation, because we all recognize the historical importance of the I&M Canal, and we all want to see its preservation for our children and our children's children.

Mr. Speaker, this is why it is an honor for me to rise today to honor the 150th birthday of the Illinois & Michigan Canal. Its historical significance in the development of the Midwest has made an indelible mark in this nation's history. We should do our part to protect our national heritage by continuing to work for its preservation for the future generations to enjoy and cherish. As we look with boundless optimism towards the future, we must also be wise enough keep our feet planted and learn about and remember our roots—where we came from—for that is the tie that binds us as a people and as a nation.

HONORING MERITOR AUTOMOTIVE, INC. FOR CONTINUED JOB GROWTH

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. GORDON. Mr. Speaker, I rise today to honor the continued success of the hard-working men and women of Meritor Automotive, Inc. Today, the 552 employees of Meritor Automotive, Inc., along with local and state officials, will gather in Gordonsville, Tennessee to celebrate yet another milestone in the company's history. This milestone marks the revitalization of a factory—providing needed jobs to this growing community.

Meritor is a true success story. On April 1, 1995 Meritor purchased the business from Dura Automotive Systems. At the time many people felt Dura Systems' decision to discontinue production signaled the closure of this facility. However, the Meritor team changed that perception and was able to turn the business into a preferred supplier of Ford parts and receive numerous awards of excellence.

Since Meritor assumed control of the facility, the plant in Gordonsville has added 280 jobs to the local community; invested over $15 million to refurbish the facility; pumped over $50 million into the local economy; and invested over $250,000 in environmental protections.

These are not small tasks. While the company continues to grow, they are also helping make Gordonsville, Smith County and the surrounding area a better place to live and raise a family. The list of community service projects include: providing on-site GED training at no cost; allowing college courses to be taught in their training rooms; working with local charities and civic groups, like the Lion's club to provide free eye examinations to the children of Smith County.

Middle Tennessee is one of the fastest growing areas in the country—with over 110,000 new jobs created since 1984. Meritor is committed to improving the quality of life in the Gordonsville community. They have worked to see that our children receive a good, quality education and allowed our young people to find a good job close to home. All of these contributions help build on my dream of a vibrant, growing economy in Middle Tennessee for the 21st Century.

I want to personally thank Meritor and all its employees for its continued commitment to this community and congratulate them on being awarded the Ford Q1/QS 9000 distinction.

SONNY BONO MEMORIAL SALTON SEA RECLAMATION ACT

SPEECH OF

HON. MARY BONO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mrs. BONO. Mr. Speaker, in addition to my staff, who have worked long and hard on this bill, I would like to thank Matt Simmons of DUNCAN HUNTER's staff, Jeff Shockey from JERRY LEWIS' staff, Catherine Johnson of KEN

CALVERT's office and the staff on the Resources Committee, Bob Faber and Ken Fisher. Without their tireless efforts on this bill, I do not know where we would be today.

I would also like to extend my gratitude to the Salton Sea Authority for their informed input in crafting this bill. Their efforts have been commendable, and I appreciate their assistance.

IN MEMORY OF COL. (R) WILLIAM S. STARKE, JR.

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. SKELTON. Mr. Speaker, let me take this opportunity to say a few words in tribute to the late Col. (R) William S. Starke, Jr. Col. Starke, a loyal and dedicated soldier and a good friend of mine through the years, recently passed away at the age of 80.

Col. Starke, a native of Lexington, MO, entered the United States Army as a private in 1942. He served until 1970, when he retired as a colonel. During his distinguished career, William Starke fought as a tank commander during World War II in France, Germany, and Austria and saw combat in Korea. His other military tours included Turkey, Alaska, and Iran.

William Starke was one of three brothers who served in the Army. He married Heidi Maria Bauer of Vienna, Austria, in 1947, and they had five children.

After retirement, William Starke worked for Boatmen's Bank and in real estate development in Dixon, Missouri, He was a member of the Elks Club and several military service organizations including the Heartland Chapter of the 11th Armored Division.

Col. Starke is survived by his wife, Heidi, four children, 14 grandchildren, five great-grandchildren, a brother and a sister.

Mr. Speaker, William Starke was a dedicated soldier and a true friend throughout his military career and beyond. I am certain that the Members of the House will join me in paying tribute to this fine Missourian.

CELEBRATING THE 70TH BIRTHDAY OF LENA C. PRETSCH

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. HAYWORTH. Mr. Speaker, on July 27, 1998, Lena C. Pretsch, a constituent of mine from Payson, Arizona, will be celebrating her seventieth birthday with her family and friends. Lena is dedicated to serving her family, her community, and her country.

Lena grew up in Bloominglen, Pennsylvania where she met her husband, Joe, when he returned from World War II. She left Pennsylvania behind and joined her husband traveling around the world with the Army for twenty years. During those years, she also raised two sons, Roger and Richard, and a daughter, Kathy.

While patriotism runs in the family, Roger has stated that few Americans embrace their patriotic duties as passionately as his mother did in times of need. During World War II as a teenager, Lena volunteered to read to blind soldiers recovering from wounds received in battle. Her voice soothed and comforted many young men in their time of need. Many years later, as she saw her own son off to the Persian Gulf during Operation Desert Shield and Desert Storm, she helped send 15,000 Christmas cards to the paratroopers of the 82nd Airborne Division. Her son and the soldiers will never forget the Christmas cards they received in the desert.

Every Veterans Day, Memorial Day, and Fourth of July, Lena organizes a volunteer group that places 500 to 600 flags around the town of Payson. She also had a giant flag pole built along Highway 87 so visitors coming into town would see the American flag. She even convinced Governor Symington to declare Payson the Flag Capital of Arizona because of the group's efforts.

Along with her flag activities, Lena chairs the Governor's committee for the Americans with Disabilities Act. She helps plan events throughout the state to increase awareness of the contributions disabled people make to our society. She also remains active with the city council and her church.

As an ordinary citizen, Lena may not have made headlines with her contributions, but she has made an impact on the lives around her. Congratulations on your seventieth birthday, Lena. And thank you for your service.

FREEMASONRY'S LASTING TRIBUTE

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. NORTON. Mr. Speaker, I rise to recognize and celebrate the Grand Lodge of Free and Accepted Masons of the District of Columbia, and the Freemasons of this nation who gather for the Sesquicentennial Celebration of the laying of the cornerstone of the Washington Monument.

Mr. Speaker, this monument to our first President, himself a Mason, retains the distinction of being the tallest freestanding masonry structure in the world. It is my privilege to enter into the RECORD information from the Grand Lodge of Free and Accepted Masons of the District of Columbia.

The Masons of the United States, having played a major role in the funding and erection of the Washington Monument, also have a major role in the current restoration effort. The cornerstone of the structure honoring the Father of our country was laid on July 4, 1848, by the Freemasons of America, with our own Past Grand Master, Benjamin B. French presiding. In these duties, he was assisted by the Grand Masters of the Grand Lodges of Pennsylvania and Maryland. Other Masons in attendance included representatives and members of Grand Lodges of Massachusetts, Rhode Island, Delaware, Virginia, South Carolina, Georgia, and Texas, and of the Grand Royal Arch Masons of Maryland.

Records of the occasion inform us that the procession to the site consisted of the President and Vice President of the United States, and of the Heads of Departments, the Senate and the House of Representatives; Foreign Ministers, distinguished strangers, and of the civil and military services. Also in the group were representatives of the Independent Order of the Oddfellows, the Order of the Red Men, Rechabites, and other Temperance and Benevolent Societies. But it was a Masonic day, and it was the Freemasons of the District of Columbia who were responsible for seeing that the ceremonies were in accord with Masonic custom and protocol.

At the conclusion of the ceremony Grand Master French presented the architect, Robert Mills (also a Mason), the working tools of his profession with these words: ''I now present you, my Brother, the square, level, and plumb, which are the working tools you are to use in the erection of this monument. You, as a Freemason, know to what they morally allude: the plumb admonishes us to walk uprightly in our several stations before God and man, squaring our actions by the square of virtue, and remembering that we are traveling upon the level of time to that undiscovered country from whose bourne no traveler returns. Never forgetting this sublime moral lesson, you are here to use them practically in your profession. Look well to the erection of this national monument; see that every stone is squared, and that it is placed in its position both level and plumb, that the noble offering of a nation to commemorate greatness, patriotism, and virtue, may stand until the end of time.''

Mr. Speaker, I invite the Members in this hallowed chamber to join me in remembering the Masonic stones at the monument and the ongoing support provided by Grand Lodges and Lodges of Freemasons across America.

HONORING DORIS WEATHERFORD AND THE 150TH ANNIVERSARY OF THE SUFFRAGIST MOVEMENT

HON. JIM DAVIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. DAVIS of Florida. Mr. Speaker, it is with great pleasure that I announce the publication of Doris Weatherford's book, A History of the American Suffragist Movement. Doris Weatherford, who is a constituent of mine from Tampa, is a professor at the University of South Florida and is known for her accomplishments in the area of women's history.

The summer of 1998 marks the 150th anniversary of the Seneca Fall's Convention. At this convention, Elizabeth Cady Stanton authored the Declaration of Sentiments. The Declaration became the primary agenda for women's activism. Weatherford's book discusses women's history as one of the most dramatic political battles ever fought. Beginning with Anne Hutchinson and ending with the final ratification of the Nineteenth Amendment, her book is a complete depiction of the struggle for women's equality in the United States. The women's suffrage movement was a multi-century struggle that extended freedom to half of our nation. Strength, courage, and passion are the reasons why these women battled for what they so rightfully deserved, freedom.

Her other publications include the following: Milestones: A Chronology of American Women's History, American Women's History: An A–Z of People, Organization, Issues, and Events, American Women in World War II, and Foreign and Female: Immigrant Women in America, 1840–1920. In 1994, she received

the National Order of Women Legislators Hall of Fame Award. Also, in 1995 during Florida's Annual Civil Rights Conference, she received one of five awards commissioned by the Florida Commission on Human Relations.

I would like to ask all of my colleagues a join me in celebrating Doris Weatherford's contribution to the continuing legacy of women's history.

STEVE SCHIFF AUDITORIUM

SPEECH OF

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mrs. MORELLA. Mr. Speaker, I had the pleasure of serving with Steve Schiff on the Science Committee ever since Steve was elected to Congress.

As the Chairman of the Basic Research Subcommittee, Steve worked to ensure that our national investment in research and development were properly spent to maintain our nation's scientific and technological preeminence. Steve's stewardship of the Basic Research Subcommittee served our nation and his home district of Albuquerque well—especially the Sandia National Laboratory. Steve knew that Federal laboratories, such as Sandia, are one of our greatest assets and he did all he could to protect the important role they play in our nation's scientific research and development enterprise, such as leading the fight to stop a national laboratory closure commission. So, it is only fitting that today we honor Steve's memory by designating the auditorium at the Sandia Technology Transfer Center as the ''Steve Schiff Auditorium.''

Steve was committed not just to Albuquerque, Sandia, and scientific basic research development, but also committed to fairness and equity. He displayed his character in his many years as a prosecutor in New Mexico, but also as the Chair of the House Ethics Committee. Steve was the sort of man who was guided not by the politics of an issue, but went where his sense of right and wrong took him.

As a result of our actions today, generations will be able to go to Sandia and remember everything that Steve stood for, so that his memory and his example will continue to live on even after his passing.

A TRIBUTE TO THOMAS AND CATHERINE LAWLER OF SMITHTOWN ON THEIR 57TH WEDDING ANNIVERSARY

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. FORBES. Mr. Speaker, I rise today in this historic chamber to ask my colleagues in the U.S. House of Representatives to join me in paying tribute to Catherine and Thomas Lawler, of Smithtown, Long Island, as they celebrate their blessed 57th wedding anniversary today.

I believe, as many Members of this esteemed body do, that marriage is the bedrock of our society, the foundation on which all of our values, beliefs and hopes for the future stand. So it is altogether fitting that we, as National leaders, should take a moment to honor Catherine and Thomas Lawler for the love, devotion and faith that they have given each other and their marriage for 57 years.

From that blessed moment when they first met outside Morris Egan's store in Greenpoint, Brooklyn in August of 1940, Catherine and Thomas have been committed to each other. That devotion was sanctified by God on July 16, 1941 at St. Anthony's Roman Catholic Church in Brooklyn. Their love for each other and their faith in God has been returned to them many times over in the form of nine beautiful children—Thomas, Catherine, George, Anne, John, Mary, Theresa, Ellen and Michael.

Their abundant blessings necessitated several moves to bigger homes, in order to accommodate their growing family. At one point, Thomas and Catherine invested in an acre of land in Smithtown, Long island, the place they referred to as their ''summer home.'' By 1953, they moved the entire Lawler family to the new house of Ledgewood Drive, where they have called home since.

Wherever the Lawlers called home, their faith in God and family have remained firm, sustaining them in hard times—such as the tragic death of their daughter Mary at six months—or the many good times that visited this wonderful family. In the good Lord's own way, the blessings bestowed upon Catherine and Thomas have multiplied many times, not the least of these blessings being their 40 grandchildren.

All of this demonstrates the values, caring and commitment that Thomas and Catherine offer their community, attributes that have served their marriage and have made our Long Island community an even better place by their example. The foundation of the Smithtown community, indeed all of Long Island, has been strengthened for the past 57 years by the love, commitment and, yes, hard work that Thomas and Catherine have demonstrated.

As a community, we witness and even enjoy the many blessings and gifts bestowed upon Lawlers, who give so much themselves to others. It is through their example that all of us can truly understand the meaning of family values. Mr. Speaker, I ask that this entire chamber join me in offering our praise and heartiest congratulations to Catherine and Thomas Lawler on this blessed anniversary. A union as blessed as theirs will surely endure forever

Daily Digest

HIGHLIGHTS

Senate passed Agriculture Appropriations, 1999.

Senate

Chamber Action

Routine Proceedings, pages S8269–S8423

Measures Introduced: Eight bills were introduced, as follows: S. 2317–2324. **Page S8382**

Measures Reported: Reports were made as follows:

H.R. 1085, to revise, codify, and enact without substantive change certain general and permanent laws, related to patriotic and national observances, ceremonies, and organizations, as title 36, United States Code, ''Patriotic and National Observances, Ceremonies, and Organizations''.

S. Res. 207, commemorating the 20th anniversary of the founding of the Vietnam Veterans of America.

S. 1134, granting the consent and approval of Congress to an interstate forest fire protection compact.

S. 1645, to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions, with an amendment in the nature of a substitute.

S. 2192, to make certain technical corrections to the Trademark Act of 1946.

S. 2193, to implement the provisions of the Trademark Law Treaty.

S.J. Res. 35, granting the consent of Congress to the Pacific Northwest Emergency Management Arrangement. **Page S8381**

Measures Passed:

Agriculture Appropriations, 1999: By 97 yeas to 2 nays (Vote No. 209), Senate passed H.R. 4101, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, after striking all after the enacting clause and inserting in lieu thereof the text of S. 2159, Senate companion measure, after taking action on amendments proposed thereto, as follows:

Pages S8269–73, S8275–81, S8283–85, S8287–93, S8297–S8330

Adopted:

By 71 yeas to 28 nays (Vote No. 206), Grassley Amendment No. 3172, to express the sense of the Senate concerning appropriate actions to be taken to alleviate the economic effect of low commodity prices. **Pages S8269–73, S8275–81**

Conrad/Dorgan Amendment No. 3173, to provide funds for and improve the reserve inventories program. **Pages S8288–92**

By 65 yeas to 34 nays (Vote No. 207), Harkin Amendment No. 3175, to provide funding for programs of the Food Safety Initiative.

Pages S8297–S8306

Robb Amendment No. 3177, to waive the statute of limitations barring certain discrimination complaints against the Department of Agriculture.

Pages S8307–09

Cochran (for Brownback) Amendment No. 3178, to direct the Secretary of Agriculture to improve the Census of Agriculture by eliminating redundant questions and removing penalties. **Pages S8309–14**

Cochran (for Levin) Amendment No. 3179, to authorize the Secretary of Agriculture to use certain funds to carry out a tree assistance program and to clarify the eligibility of certain producers for assistance under the program. **Pages S8309–14**

Cochran (for Kerrey/Roberts) Amendment No. 3180, to require the Secretary of Agriculture to assist the Commission on 21st Century Production Agriculture to conduct a study to guide the development of future Federal agricultural policies.

Pages S8309–14

Cochran (for Graham) Amendment No. 3181, to require country of origin labeling of perishable agricultural commodities imported into the United States and to establish penalties for violations of the labeling requirements. **Pages S8309–14**

Cochran (for Bumpers) Amendment No. 3182, to express the sense of the Senate that unauthorized user fees submitted in the President's budget have resulted in shortfalls for specified programs.

Pages S8309–14

Cochran (for Feingold/Jeffords) Amendment No. 3183, to require the Secretary of Agriculture to establish and maintain within the Department of Agriculture an Office of the Small Farms Advocate.

Pages S8309–14

Cochran (for Dorgan) Amendment No. 3184, to limit the penalty for an inadvertent violation of a contract under the Agricultural Market Transition Act. **Pages S8309–14**

Cochran (for Craig/Lugar) Amendment No. 3185, to amend the Energy Policy Act of 1992 to take into account newly developed renewable energy-based fuels and to equalize alternative fuel vehicle acquisition incentives to increase the flexibility of controlled fleet owners and operators. **Pages S8309–14**

Cochran (for Bumpers) Amendment No. 3186, regarding rural housing service awards. **Pages S8309–14**

Cochran (for Hatch) Amendment No. 3187, to require the Secretary of Agriculture to submit a plan to Congress for the lifting of the ban on interstate distribution of state inspected meat. **Pages S8309–14**

Cochran (for Coverdell/Cleland) Amendment No. 3188, to modify the prohibition on loan guarantees to borrowers that have received debt forgiveness.

Pages S8315–16

Cochran (for Coverdell/Cleland) Amendment No. 3189, to modify the factors that are used to determine whether applicants are eligible for farm credit loans. **Pages S8315–16**

Cochran (for Coverdell/Cleland) Amendment No. 3190, to prohibit the Secretary of Agriculture from denying an emergency loan to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if it is reasonably certain that the borrower will be able to repay the loan. **Pages S8315–16**

Cochran (for Harkin) Amendment No. 3191, to include the bonus value of commodities in meeting a minimum commodity assistance requirement and to increase the amount appropriated for the WIC program. **Pages S8315–16**

Dodd Amendment No. 3176, to require the Secretary of Agriculture to ensure timely notification of recalls of certain drugs and devices.

Pages S8306–07, S8309, S8316–17, S8328–29

Dodd Modified Amendment No. 3192 (to Amendment No. 3176), of a perfecting nature.

Pages S8317, S8328–29

Cochran (for Baucus/Leahy/Sessions) Amendment No. 3194, to increase funding for certain programs of the Cooperative State Research, Education, and Extension Service. **Page S8329**

During consideration of this measure today, Senate took the following action:

By 49 yeas to 50 nays (Vote No. 208), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate rejected a motion to waive the Congressional Budget Act with respect to consideration of Harkin/Reed Amendment No. 3193, to provide additional funding to conduct anti-tobacco activities by the Food and Drug Administration. Subsequently, a point of order that the amendment was in violation of section 302(f) of the Congressional Budget Act was sustained, and the amendment thus fell. **Pages S8317–24**

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair appointed the following conferees on the part of the Senate: Senators Cochran, Specter, Bond, Gorton, McConnell, Burns, Stevens, Bumpers, Harkin, Kohl, Leahy, Boxer, and Byrd. **Pages S8329–30**

Subsequently, S. 2159 was returned to the Senate calendar.

Japanese Market Barriers: Committee on Finance was discharged from further consideration of S. Con. Res. 88, calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan, and the measure was then agreed to, after agreeing to the following amendment proposed thereto: **Pages S8420–21**

Bond (for D'Amato) Amendment No. 3210, to make clarifying corrections. **Pages S8420–21**

Judicial Voluntary Services: Senate passed S. 2143, to amend chapter 45 of title 28, United States Code, to authorize the Administrative Assistant to the Chief Justice to accept voluntary services, after agreeing to a committee amendment in the nature of a substitute. **Page S8421**

Uranium Hexafluoride Disposition: Senate passed S. 2316, to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride, after agreeing to the following amendment proposed thereto:

Pages S8421–23

Bond (for Ford) Amendment No. 3211, to express the sense of the Senate that sufficient funds are made available to implement a cleanup plan to be developed by the Secretary of Energy. **Pages S8421–22**

VA/HUD Appropriations: Senate resumed consideration of S. 2168, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, taking action on amendments proposed thereto, as follows:

Pages S8330–74

Adopted:

Bond/Cleland/Mikulski Amendment No. 3195, to increase funds for VA homeless grant and per diem program. **Pages S8331–32**

Bond (for McCain) Amendment No. 3196, to require entities that operate homeless shelters to identify and provide certain counseling to homeless veterans. **Pages S8332–33**

Bond/Mikulski/Rockefeller Amendment No. 3197, to provide funds for the implementation of the Primary Care Providers Incentive Act. **Page S8333**

Bond (for Sarbanes/Mikulski) Amendment No. 3198, to provide for the National Fallen Firefighters Foundation. **Page S8334**

Reed Amendment No. 3203, to increase the funding for community development block grants. **Pages S8352–53**

Bond (for Ashcroft/Bond) Amendment No. 3207, to provide for the ineligibility for certain housing assistance of individuals convicted of manufacturing or producing methamphetamine. **Pages S8365–67**

Bond (for Snowe/Collins) Amendment No. 3208, to express the sense of the Senate that it should be the goal of the Department of Veterans Affairs to serve all veterans at health care facilities within 250 miles of their homes. **Pages S8367–68**

Bond/Mikulski Amendment No. 3209, to make certain technical corrections, to ensure that Native American groups are eligible for HUD drug elimination grants, to continue the authority for the HUD (g)(4) auction program, to allow HUD to use data on multifamily housing developed by the Multifamily Housing Institute, to require all agencies under the bill to provide detailed salaries and expenses information, to authorize OSTP to conduct a study on methods for evaluating Federally-funded research and development, to provide for a 12-month notice to tenants before prepaying the mortgage of a preservation project, and to require HUD to improves its management of the FHA. **Pages S8372–74**

Pending:

Wellstone/Murray/McCain Amendment No. 3199, to restore veterans tobacco-related benefits as in effect before the enactment of the Transportation Equity Act for the 21st Century. **Pages S8334–37**

Murkowski Amendment No. 3200, to provide land allotments for certain Native Alaskan veterans. **Page S8337**

Nickles Amendment No. 3202, to provide for an increase in FHA single family maximum mortgage amounts and GNMA guaranty fee. **Pages S8340–52**

Burns Amendment No. 3205, to provide for insurance and indemnification with respect to the development of certain experimental aerospace vehicles. **Pages S8361–62**

Sessions Amendment No. 3206, to increase funding for activities of the National Aeronautics and Space Administration concerning science and technology, aeronautics, space transportation, and technology by reducing funding for the AmeriCorps program. **Pages S8363–65**

Withdrawn:

Daschle Amendment No. 3063, to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage. **Page S8330**

Feingold Amendment No. 3201, to provide grants to State educational agencies to enable agencies to determine the benefits of reducing class size on the educational performance of students. **Pages S8339–40**

Kerrey/Hagel Amendment No. 3204, to prohibit the Administrator of the Environmental Protection Agency from implementing or enforcing the public water system treatment requirements related to the cooper action level of the national primary drinking water regulations for lead and copper until certain studies are completed. **Pages S8353–61, H8362–63**

A unanimous-consent agreement was reached providing that when the Senate receives the House companion measure to S. 2168, that all after the enacting clause be stricken and the text of S. 2168, as passed by the Senate, be inserted in lieu thereof, and that the House bill, as amended, be passed. Also, that the Senate insist on its amendment, request a conference with the House thereon, and the Chair be authorized to appoint conferees on the part of the Senate as follows: Senators Bond, Burns, Stevens, Shelby, Campbell, Craig, Mikulski, Leahy, Lautenberg, Harkin, and Byrd. **Page S8374**

A further consent agreement was granted providing that upon passage by the Senate of the House measure, as amended, that the passage of S. 2168 be vitiated and the bill be indefinitely postponed. **Page S8374**

Senate will continue consideration of the bill and amendments pending thereto, on Friday, July 17, 1998, with votes to occur thereon.

Executive Reports of Committees: Senate received the following executive report of a committee:

Treaty Doc. 105–43, Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, with one understanding, one declaration and three provisos. (Exec. Rept. No. 105–19) **Pages S8381–82**

Nominations Received: Senate received the following nominations:

John D. Hawke, Jr., of the District of Columbia, to be Comptroller of the Currency for a term of five years.

John Melvin Yates, of Washington, to be Ambassador to the Republic of Cameroon. Page S8423

Communications: Pages S8380–81

Executive Reports of Committees: Pages S8381–82

Statements on Introduced Bills: Pages S8382–87

Additional Cosponsors: Pages S8387–88

Amendments Submitted: Pages S8388–S8413

Notices of Hearings: Page S8413

Authority for Committees: Page S8413

Additional Statements: Pages S8413–20

Record Votes: Four record votes were taken today. (Total—209) Pages S8281, S8306, S8323, S8329

Adjournment: Senate convened at 10 a.m., and adjourned at 11:55 p.m., until 9 a.m., on Friday, July 17, 1998. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S8423.)

Committee Meetings

(Committees not listed did not meet)

NOMINATION

Committee on Armed Services: Committee concluded hearings on the nomination of Daryl L. Jones, of Florida, to be Secretary of the Air Force, after the nominee testified and answered questions in his own behalf. Testimony was also received on the nomination from Col. Thomas A. Dyches, Detachment Commander, Fighter Reserve Associate Test, Shaw Air Force Base, South Carolina, Daniel Moreno, Jr., Chief, Operations Systems Management, 482d Operations Squadron, Homestead Air Force Base, Florida, Brig. Gen. Allan R. Poulin, Lt. Col. William Vrastil, Lt. Col. Jack H. Connelly (Ret.), Lt. Col. David W. Eastis (Ret.), Maj. Allan F. Estis (Ret.), Maj. Thomas C. Massey (Ret.), and Brig. Gen. James L. Turner (Ret.), all of the U.S. Air Force Reserves; Lt. Col. Thomas E. Sawner, Air National Guard; and Rev. Walter Richardson, Miami, Florida.

SCHOOLS AND LIBRARIES PROGRAM

Committee on Commerce, Science, and Transportation: Committee concluded hearings to examine the operating procedures and internal controls of the Schools and Libraries Corporation to implement Federal Communication Commission orders to administer the universal service fund to improve the access of modern telecommunications services to schools and libraries, after receiving testimony from Judy A. England-Joseph, Director, Housing and Community Development Issues, Resources, Community, and Economic Development Division, and John P. Finedore, Assistant Director, Accounting and Information Management Division, both of the General Accounting Office; and Ira Fishman, Schools and Libraries Corporation, Washington, D.C.

HISTORIC PRESERVATION

Committee on Energy and Natural Resources: Subcommittee on National Parks, Historic Preservation, and Recreation concluded hearings on S. 155, to redesignate General Grant National Memorial as Grant's Tomb National Monument, S. 1408, to establish the Lower East Side Tenement National Historic Site, S. 1718, to amend the Weir Farm National Historic Site Establishment Act of 1990 to authorize the acquisition of additional acreage for the historic site to permit the development of visitor and administrative facilities and to authorize funds for the acquisition of real and personal property, and S. 1990, to authorize expansion of Fort Davis National Historic Site in Fort Davis, Texas, after receiving testimony from Dennis P. Galvin, Deputy Director, National Park Service, Department of the Interior.

Testimony was also received on S. 1408 (listed above) from Ruth J. Abram, Lower East Side Tenement Museum, New York, New York, and on S. 1718 (listed above) from Constance Evans, Weir Farm Trust, Wilton, Connecticut.

INTERNET TAX REGULATION

Committee on Finance: Committee held hearings on proposals to regulate the taxation of the Internet by placing a moratorium on the ability of State and local governments to impose certain taxes on the Internet, including related provisions of S. 442 and H.R. 4105, receiving testimony from Senators Bumpers, Lieberman, and Wyden; Representative Cox; Joseph H. Guttentag, Deputy Assistant Secretary of the Treasury for International Tax Affairs; John E. McPhee, Director, Office of Computers and Business Equipment, International Trade Administration, Department of Commerce; and Francis J. Kelly, Charles Schwab & Company, Jill A. Lesser, America Online, Harley T. Duncan, Federation of Tax Administrators, Mark E. Nebergall, Internet Tax Fairness Coalition, Raymond C. Scheppach, National Governors' Association, and Mark A. Micali, Direct Marketing Association, all of Washington, D.C.

Hearings were recessed subject to call.

NOMINATIONS

Committee on Foreign Relations: Committee concluded hearings on the nominations of Hugh Q. Parmer, of Texas, to be Assistant Administrator for Humanitarian Response, Agency for International Development, Mary Beth West, of the District of Columbia, for the rank of Ambassador during her tenure of

service as Deputy Assistant Secretary of State for Oceans, Fisheries and Space, John Bruce Craig, of Pennsylvania, to be Ambassador to the Sultanate of Oman, Theodore H. Kattouf, of Maryland, to be Ambassador to the United Arab Emirates, Elizabeth Davenport McKune, of Virginia, to be Ambassador to the State of Qatar, David Michael Satterfield, of Virginia, to be Ambassador to the Republic of Lebanon, William B. Milam, of California, to be Ambassador to the Islamic Republic of Pakistan, James Howard Holmes, of Virginia, to be Ambassador to the Republic of Latvia, Steven Robert Mann, of Pennsylvania, to be Ambassador to the Republic of Turkmenistan, Richard Nelson Swett, of New Hampshire, to be Ambassador to Denmark, and Melissa Foelsch Wells, of Connecticut, to be Ambassador to the Republic of Estonia, after the nominees testified and answered questions in their own behalf. Mr. Parmer was introduced by Senator Hutchison, Ms. West was introduced by Senator Campbell, Messrs. Craig and Kattouf were introduced by Senator Santorum, Mr. Swett was introduced by Senators Robert Smith and Gregg and Representatives Bass and Shays, and Ms. Wells was introduced by Senator Leahy.

BUSINESS MEETING

Committee on the Judiciary: Committee ordered favorably reported the following business items:

The nominations of Kim McLean Wardlaw, of California, to be United States Circuit Judge for the Ninth Circuit, and Jose de Jesus Rivera, to be United States Attorney for the District of Arizona;

S. 1645, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions, with an amendment in the nature of a substitute;

S. 2192, to make certain technical corrections to the Trademark Act of 1946;

S. 2193, to implement the provisions of the Trademark Law Treaty;

S.1134, to grant the consent of the Congress to the Northwestern Wildland Fire Protection Agreement to promote effective prevention, presuppression, and control of forest fires in the Northwestern wildland region of the United States and adjacent areas of Canada;

S.J. Res. 35, granting the consent of Congress to the Pacific Northwest Emergency Management Arrangement;

H.R. 1085, to revise, codify, and enact without substantive change certain general and permanent laws, related to patriotic and national observances, ceremonies, and organizations, as title 36, United States Code, ''Patriotic and National Observances, Ceremonies, and Organizations''; and

S. Res. 207, commemorating the 20th anniversary of the founding of the Vietnam Veterans of America.

NOMINATIONS

Committee on the Judiciary: Committee concluded hearings on the nominations of Timothy B. Dyk, of the District of Columbia, to be United States Circuit Judge for the Federal Circuit, Carl J. Barbier, to be United States District Judge for the Eastern District of Louisiana, David R. Herndon, to be United States District Judge for the Southern District of Illinois, Gerald Bruce Lee, to be United States District Judge for the Eastern District of Virginia, Nora M. Manella, to be United States District Judge for the Central District of California, Rebecca R. Pallmeyer, to be United States District Judge for the Northern District of Illinois, Jeanne E. Scott, to be United States District Judge for the Central District of Illinois, and Patricia A. Seitz, to be United States District Judge for the Southern District of Florida, after the nominees testified and answered questions in their own behalf. Mr. Dyk was introduced by Senator Kerry, Mr. Barbier was introduced by Senators Breaux and Landrieu and Representative Jefferson, Mr. Herndon and Ms. Scott were introduced by Senators Durbin and Moseley-Braun and Representative Shimkus, Ms. Pallmeyer was introduced by Senators Durbin and Moseley-Braun, Mr. Lee was introduced by Senators Warner and Robb, Ms. Manella was introduced by Senator Feinstein, and Ms. Seitz was introduced by Senators Graham and Mack and Representative Ramstad.

House of Representatives

Chamber Action

Bills Introduced: 27 public bills, H.R. 4235–4261; 1 private bill, H.R. 4262; and 4 resolutions, H. Con. Res. 298–300 and H. Res. 503, were introduced. **Pages H5735–37**

Reports Filed: Reports were filed as follows:

H.R. 3633, to amend the Controlled Substances Import and Export Act to place limitations on controlled substances brought into the United States from Mexico (H. Rept. 105–629, Pt. 1); and

Conference report on H.R. 629, to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact (H. Rept. 105–630). **Pages H5724–27, H5735**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Miller of Florida to act as Speaker pro tempore for today. **Page H5637**

Guest Chaplain: The prayer was offered by the guest Chaplain, Rev. Pierce Klemmt of Alexandria, Virginia. **Page H5637**

Committee on Transportation and Infrastructure: Read a letter from the Chairman wherein he transmitted resolutions approved by the Committee on Transportation and Infrastructure—Referred to the Committee on Appropriations. **Page H5642**

VA, HUD Appropriations: The House agreed to H. Res. 501, the rule to provide for consideration of H.R. 4194, making appropriations for the Departments of Veterans Affairs and Housing and Urban development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, by a yea and nay vote of 227 yeas to 195 nays, Roll No. 285. Earlier, agreed to the Linder amendment that corrects funding level for the Consumer Product Safety Commission and protects provisions relating to the FHA loan ceiling. **Pages H5642–51**

Treasury, Postal Service Appropriations Act: The House passed H.R. 4104, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, by a yea and nay vote of 218 yeas to 203 nays, Roll No. 293. **Pages H5651–H5723**

Agreed To:

The Maloney of New York amendment that increases funding for the Federal Election Commission by $2.8 million (agreed to by a recorded vote of 214 ayes to 210 noes, Roll No. 287); **Pages H5663–69**

The Sanders amendment that increases funding for the National Personnel Record Center to manage veterans records; **Pages H5672–74**

The Northup amendment that prohibits any funds to be used to fund Postal Service participation in the Universal Postal Union (Earlier, a point of order was sustained against a similar Northup amendment regarding funds used for Postal Service participation in the Universal Postal Union); **Pages H5694, H5697–98**

The Wicker amendment that prohibits any funding to be expended by the Postal Service to initiate new nonpostal commercial activities or pack and send services; **Pages H5709–10**

The Lowey amendment that prohibits funding to enter into or renew a contract which includes a provision providing prescriptive drug coverage except where the contract also includes a provision for contraceptive coverage for Federal health plans (agreed to by a recorded vote of 224 ayes to 198 noes, Roll No. 290). **Pages H5694–97, H5718**

Rejected:

The Schumer amendment that sought to delete $2 million in funding for in transit relief for certain rifle importers and increase ATF law enforcement funding by $2 million (rejected by a recorded vote of 122 ayes to 301 noes, Roll No. 286); **Pages H5658–60, H5668**

The DeLauro amendment that sought to strike section 514, relating to prohibition of FEHB plan coverage for abortions (rejected by a recorded vote of 183 ayes to 239 noes, Roll No. 288); **Pages H5676–83, H5716–17**

The Hefner amendment that sought to strike section 628 dealing with the rates of basic pay for the statutory pay systems (rejected by a recorded vote of 79 ayes to 342 noes, Roll No. 289); **Pages H5687–90, H5717–18**

The Sanders amendment that sought to prohibit any loan in excess of $250 million to a foreign entity through the exchange stabilization fund (rejected by a recorded vote of 195 ayes to 226 noes, Roll No. 291); **Pages H5698–H5709, H5718–19**

The Smith of New Jersey amendment that sought to prohibit any funds to be used to require any contract to include a term for coverage of abortifacients

(rejected by a recorded vote of 198 ayes to 222 noes, Roll No. 292); **Pages H5719–21**

Point of Order Sustained Against:

Saxton amendment that sought to stipulate that foreign states or agencies are not immune to U.S. property seizure or expropriation laws; and **Page H5710**

Morella amendment that sought to allow agencies to use appropriated funds to provide child care services for Federal employees. **Page H5712–15**

Withdrawn:

The Manzullo amendment was offered and subsequently withdrawn that sought to prohibit the use of funding to enforce certain information reporting requirements relating to Hope Scholarship and Lifetime Learning Tax Credits. **Pages H5715–16**

Points of Order were sustained against provisions in the bill relating to:

Domestic staff expenditures of the Executive Residence; p. 28, line 1 through 11. **Page H5661**

Emergency expenses related to Year 2000 conversion; p. 37, line 10, through p. 38, line 14. **Page H5663**

Expenses to meet unanticipated needs of the President; p. 38, line 15 through 19. **Page H5663**

Various new construction projects; p. 42, line 3, through p. 44, line 10 . **Pages H5670–71**

Sec. 401 through Sec. 407, Sec. 409 through Sec. 411, Sec. 505, Sec. 509 through Sec. 513, Sec. 515, Sec. 516, Sec. 602, Sec. 604, Sec. 605, Sec. 608 through Sec. 611, Sec. 615 through Sec. 618, Sec. 621 through Sec. 627, Sec. 629, Sec. 634, Sec. 635, Sec. 638, and Sec. 644 through Sec. 647. **Pages H5671–72, H5675–76, H5683–87, H5690–94**

The Clerk was authorized to correct section numbers, punctuation, and cross references, and to make other necessary technical and conforming corrections in the engrossment of the bill. **Page H5723**

Steve Schiff Auditorium: The House passed H.R. 3731, to designate the auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico, as the ''Steve Schiff Auditorium'' by a yea and nay vote of 409 yeas with none voting ''nay'', Roll No. 294. **Pages H5723–24**

Thrift Depositor Protection Oversight Board: The House agreed to the Senate amendments to the House amendments to S. 318, to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as condition for entering into a residential mortgage transaction and to abolish the Thrift Depositor Protection Oversight Board—clearing the measure for the President. **Page H5727**

Senate Message: Message received from the Senate appears on page H5637.

Amendments: Amendments ordered printed pursuant to the rule appear on pages H5738–39.

Quorum Calls—Votes: Three yea and nay votes and seven recorded votes developed during the proceedings of the House today and appear on pages H5650–51, H5668, H5669, H5716–17, H5717–18, H5718, H5718–19, H5721, H5722–23, and H5723–24. There were no quorum calls.

Adjournment: Met at 10:00 a.m. and adjourned at 11:26 p.m.

Committee Meetings

TRANSPORTATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation approved for full Committee action the Transportation appropriations for fiscal year 1999.

FINANCIAL INSTITUTIONS—RELIEVING REGULATORY BURDEN

Committee on Banking and Financial Services: Subcommittee on Financial Institutions and Consumer Credit held a hearing on proposals to reduce unnecessary regulatory burden on the financial services industry and streamlining the regulatory process. Testimony was heard from Representatives Metcalf, Kelly and McCollum; Laurence H. Meyer, member, Board of Governors, Federal Reserve System; the following officials of the Department of the Treasury: Julie L. Williams, Acting Comptroller of the Currency; and Carolyn Buck, Chief Counsel, Office of Thrift Supervision; Donna Tanoue, Chairman, FDIC; and public witnesses.

REWARDING PERFORMANCE IN COMPENSATION ACT

Committee on Education and the Workforce: Subcommittee on Workforce Protections held a hearing on H.R. 2710, Rewarding Performance in Compensation Act. Testimony was heard from public witnesses.

OVERSIGHT—EARLY CHILDHOOD INTERVENTION

Committee on Government Reform and Oversight: Subcommittee on Human Resources held an oversight hearing on Early Childhood Interventions: Public-Private Partnerships. Testimony was heard from Lincoln C. Almond, Governor, State of Rhode Island; and public witnesses.

U.S. AND RUSSIA: ASSESSING THE RELATIONSHIP

Committee on International Relations: Held a hearing on U.S. and Russia: Assessing the Relationship. Testimony was heard from Steve Sestanovich, Ambassador-at-Large, Office of the Special Adviser to the

Secretary For the Newly Independent States, Department of State; Paul Goble, Director, Communications Division, Radio Free Europe/Radio Liberty, Inc., USIA; and public witnesses.

U.S. AND KOREA—COMMEMORATING 50 YEARS OF RELATIONS

Committee on International Relations: Subcommittee on Asia approved for full Committee action H. Res. 459, commemorating 50 years of relations between the United States and the Republic of Korea.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered reported amended the following bills: H.R. 3891, Trademark Anticounterfeiting Act of 1998; and H.R. 4090, Public Safety Act Officer Medal of Valor Act of 1998.

The Committee also approved private immigration bills.

COMMISSION TO ASSESS THE BALLISTIC MISSILE THREAT TO THE U.S.

Committee on National Security: Held a hearing on the findings and conclusions of the Commission to Assess the Ballistic Missile Threat to the United States. Testimony was heard from the following officials of the Commission to Assess the Ballistic Missile Threat to the United States: Donald Rumsfeld, Chairman; William R. Graham and Gen. George Lee Butler, USAF (Ret.), both members.

GREAT LAKES FISH AND WILDLIFE RESTORATION ACT; OVERSIGHT

Committee on Resources: Subcommittee on Fisheries Conservation, Wildlife and Oceans approved for full Committee action amended H.R. 1481, Great Lakes Fish and Wildlife Restoration Act of 1997.

The Subcommittee also held an oversight hearing on Pilot Program to Control Non- Indigenous Species Nutria at the Blackwater National Wildlife Refuge in Maryland. Testimony was heard from Glenn Carowan, Refuge Manager, Blackwater National Wildlife Refuge, U.S. Fish and Wildlife Service, Department of the Interior; Sarah Taylor-Rogers, Assistant Secretary, Department of Natural Resources, State of Maryland; and public witnesses.

OVERSIGHT—REGIONAL HAZE

Committee on Resources: Subcommittee on Forests and Forest Health held an oversight hearing on Regional Haze. Testimony was heard from Janice McDougal, Associate Deputy Chief, State and Private Forestry, Forest Service, USDA; John Seitz, Director, Office of Air Quality Planning and Standards, EPA; Don Matlick, Director, Smoke Management, Department of Forestry, State of Oregon; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on National Parks and Public Lands held a hearing on the following bills: H.R. 3981, to modify the boundaries of the George Washington Birthplace National Monument; H.R. 4109, to authorize the Gateway Visitor Center at Independence National Historical Park; H.R. 4141, to amend the Act authorizing the establishment of the Chattahoochee River National Recreation Area to modify the boundaries of the Area, and to provide for the protection of lands, waters, and natural, cultural, and scenic resources within the national recreation area; and H.R. 4158, National Park Enhancement and Protection Act. Testimony was heard from Speaker Gingrich; Representatives Bateman, Fox of Pennsylvania, Bartlett of Maryland and Borski; Destry Jarvis, Assistant Director, External Affairs, National Parks System, Department of the Interior; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on Water and Power approved for full Committee action amended the following bills: H.R. 2161, to direct the Secretary of the Interior to convey the Palmetto Bend Project to the State of Texas; H.R. 3677, to authorize and direct the Secretary of the Interior to convey certain works, facilities, and titles of the Gila Project, and Designated Lands within or adjacent to the Gila Project, to the Wellton-Mohawk Irrigation and Drainage District; H.R. 3706, Clear Creek Distribution System Conveyance Act; and H.R. 3715, Pine Ridge Project Conveyance Act.

TEENAGE PREGNANCY—SOCIAL AND ECONOMIC COSTS

Committee on Small Business: Subcommittee on Empowerment held a hearing on the social and economic costs of teenage pregnancy. Testimony was heard from Val Stevens, Senator, State of Washington; and public witnesses.

SBA'S PROPOSED NEW AUTOMATED LOAN MONITORING SYSTEM

Committee on Small Business: Subcommittee on Government Programs and Oversight held a hearing with respect to the SBA's Proposed New Automated Loan Monitoring System. Testimony was heard from Joel Willemssen, Director, Accounting and Information Management Division, GAO; the following officials of the SBA: John L. Gray, Associate Deputy Administrator; and Lawrence E. Barrett, Chief Information Officer; and public witnesses.

MISCELLANEOUS CONSTRUCTION REQUESTS; GSA IMPROVEMENT ACT

Committee on Transportation and Infrastructure, Subcommittee on Public Buildings and Economic Development held a hearing on the Status of the Courthouse Construction Program, U.S. Mission to the United Nations Construction Request and comments on H.R. 2751, General Services Administration Improvement Act of 1997. Testimony was heard from Judge Norman Stahl, Chairman, Security and Facilities Committee, Judicial Conference of the United States; Judge Ann C. Williams, U.S. District Court, Northern District of Illinois; Robert Peck, Commissioner, Public Buildings Service, GSA; and Ambassador A. Peter Burleigh, Deputy Representative to the U.S. Mission to the United Nations.

OVERSIGHT—STANDARDS FOR ADJUDICATING CLAIMS

Committee on Veterans' Affairs: Subcommittee on Benefits held an oversight hearing on the standards for adjudicating claims presented by veterans suffering from hepatitis C, cerebral malaria and Persian Gulf illnesses. Testimony was heard from the following officials of the Department of Veterans Affairs: Teresa Wright, M.D., Director, Gastroenterology, VA Medical Center San Francisco; John Booss, Director, Neurology; Robert Epley, Director, Compensation and Pension Service, Veterans Benefits Administration; and Nils Roberts Varney, Psychologist, VA Medical Center Iowa City; and representatives of various veterans organizations.

ADMINISTRATION'S PLAN TO DELAY IMPLEMENTATION OF BALANCED BUDGET ACT

Committee on Ways and Means: Subcommittee on Health held a hearing on the Administration's Plan to Delay Implementation of the Balanced Budget Act of 1997. Testimony was heard from Senator Collins; Representative Pappas; Nancy-Ann Min DeParle, Administrator, Health Care Financing Administration, Department of Health and Human Services; William J. Scanlon, Director, Health Financing Systems, GAO; and public witnesses.

COMMITTEE MEETINGS FOR FRIDAY, JULY 17, 1998

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Armed Services, closed business meeting, to consider the nomination of Daryl L. Jones, of Florida, to be Secretary of the Air Force, 9:30 a.m., SR–222.

Committee on Banking, Housing, and Urban Affairs, Subcommittee on Financial Institutions and Regulatory Relief and Subcommittee on Housing Opportunity and Community Development, to hold joint hearings to review a report on the Real Estate Settlements Procedure Act and the Truth in Lending Act from the Department of Housing and Urban Development and the Federal Reserve, 10:30 a.m., SD–538.

House

Committee on Banking and Financial Services, hearing on H.R. 4062, Financial Derivatives Supervisory Improvement Act of 1998, 10 a.m., 2128 Rayburn.

Committee on Commerce, to mark up H.R. 2281, Digital Millennium Copyright Act of 1998, 10 a.m., 2123 Rayburn.

Committee on Education and the Workforce, Subcommittee on Oversight and Investigations, to mark up a report on "Education at a Crossroads: What Works and What's Wasted in Education Today", 9:30 a.m., 2175 Rayburn.

Committee on the Judiciary, Subcommittee on the Constitution, oversight hearing on the Civil Rights Division of the Department of Justice, 9:30 a.m., 2237 Rayburn.

Subcommittee on Crime, oversight hearing addressing the civil application of the Racketeering Influenced Corrupt Organization Act (RICO) to nonviolent advocacy groups, 9:30 a.m., 2141 Rayburn.

Permanent Select Committee on Intelligence, executive, hearing on Counternarcotics, 11 a.m., H–405 Capitol.

Next Meeting of the SENATE

9 a.m., Friday, July 17

Senate Chamber

Program for Friday: Senate will continue consideration of S. 2168, VA–HUD Appropriations, with votes to occur thereon, and consideration of S. 2137/H.R. 4112, Legislative Branch Appropriations.

Next Meeting of the HOUSE OF REPRESENTATIVES

9 a.m., Friday, July 17

House Chamber

Program for Friday: Consideration of H.R. 4194, Departments of Veterans' Affairs, Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (Open Rule, One Hour General Debate).

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